

As filed with the Securities and Exchange Commission on February 24, 2000.

Registration No. 333-93749

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1

to
FORM S-4
REGISTRATION STATEMENT
Under
THE SECURITIES ACT OF 1933

EQUINIX, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	4813 (Primary Standard Industrial Classification Code Number)	77-0487526 (I.R.S. Employer Identification Number)
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901 Marshall Street
Redwood City, CA 94063
(650) 298-0400
(Address, including zip code, and telephone number, including area code, of
registrant's principal executive offices)

ALBERT M. AVERY, IV
President and Chief Executive Officer
Equinix, Inc.
901 Marshall Street
Redwood City, CA 94063
(650) 298-0400
(Name, address, including zip code, and telephone number, including area code,
of agent for service)

Copies to:
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155 Constitution Drive
Menlo Park, California 94025
(650) 321-2400

Approximate date of commencement of proposed sale to the public: As soon as
practicable after the effective date of this registration statement.

If the securities being registered on this form are being offered in
connection with the formation of a holding company and there is compliance with
General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering
pursuant to rule 462(b) under the Securities Act of 1933, as amended (the
"Securities Act"), check the following box and list the Securities Act
registration statement number of the earlier effective registration statement
for the same offering.

If this Form is a post-effective amendment filed pursuant to rule 462(d)
under the Securities Act, check the following box and list the Securities Act
registration statement number of the earlier effective registration statement
for the same offering.

The Registrant hereby amends this registration statement on such date or
dates as may be necessary to delay its effective date until the Registrant
shall file a further amendment that specifically states that this registration
statement shall thereafter become effective in accordance with Section 8(a) of
the Securities Act of 1933, as amended, or until the registration statement

shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

++++
+The information in this preliminary prospectus is not complete and may be +
+changed. We may not exchange these securities until the registration +
+statement filed with the Securities and Exchange Commission is effective. +
+This preliminary prospectus is not an offer to sell or exchange these +
+securities and it is not soliciting an offer to buy or exchange these +
+securities in any state where the offer or sale is not permitted. +
++++

SUBJECT TO COMPLETION, DATED FEBRUARY 24, 2000

PRELIMINARY PROSPECTUS

EQUINIX, INC.

Logo

Exchange Offer for
\$200,000,000 of its
13% Senior Notes Due 2007

TERMS OF THE EXCHANGE OFFER:

- --It expires at 5:00 p.m., New York City time, on 2000, unless extended.

- --The terms of the exchange notes we will issue in the exchange offer are substantially identical to those of the initial notes, except that transfer restrictions and registration rights relating to the initial notes will not apply to the exchange notes.

- --We will not receive any proceeds from the exchange offer.

- --The exchange notes are new securities and there is currently no established market for them.

Before participating in this exchange offer please refer to the section in this prospectus entitled "Risk Factors" commencing on page 8.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the notes to be distributed in the exchange offer or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Prospectus is , 2000.

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This prospectus incorporates by reference important business and financial information about Equinix which is not presented in this prospectus or delivered to you with it. You may request, and we will send you, without charge, copies of these documents, including any exhibits that are specifically incorporated by reference in that information. Requests should be directed to:

Equinix, Inc.

901 Marshall Street
Redwood City, CA 94063

Attn: Secretary

(650) 298-0400

To ensure timely delivery, please request delivery of the information no later than five (5) business days before you must make your investment decision. In order to ensure timely delivery of the materials prior to the expiration of the exchange offer, any request should be made before , 2000.

SUMMARY

This summary may not contain all of the information that may be important to you. You should read the entire prospectus, including the section entitled "Risk Factors" beginning on page 10 and the financial data and related notes, before deciding whether to tender your initial notes in the exchange offer.

The Company

Overview

Equinix designs, builds and operates Internet Business Exchange, or IBX, centers where Internet businesses place their equipment and interconnect with each other. Our IBX centers place our customers' operations at a central location and provide them with the highest level of security, multiple back-up services, flexibility to grow and technical assistance. Our centers provide a place where content providers, or CPs, e-commerce related businesses and application service providers, or ASPs, can come together and select from a number of partners to grow their business. Equinix's IBX centers are designed to provide an environment that gives its customers a choice of carriers, Internet service providers, or ISPs, and other key e-business partners to meet their growing needs. As a result, our customers are better positioned to capitalize on market opportunities, expand their business offerings and enter new markets.

We intend to open approximately 30 IBX centers in major Internet markets in the U.S., Europe, Asia, South America and Australia. In July 1999, we opened the Washington, D.C. IBX center, our first IBX center, located in Ashburn, Virginia. In December 1999 we opened our second IBX center in Newark, New Jersey, and intend to open an IBX center in San Jose, California, during the first quarter of 2000.

We were founded in June 1998 and have raised more than \$300 million to fund the rollout of our IBX centers. In April 1999, our first customer contract was signed and we began recognizing revenue in December 1999. We have not yet been profitable and expect to incur significant additional losses.

Market Opportunity

Since the early 1990s, the Internet has experienced tremendous growth and is emerging as a global medium for communications and commerce. This growth has led to chronic problems in the quality and reliability of Internet-related services delivered to the end user. Infrastructure has not kept pace with demand. As broadband access, e-commerce and streaming media applications continue to gain market acceptance, businesses must find new solutions to ensure that the Internet infrastructure will meet their needs for Internet commerce.

The Equinix Solution

Our IBX centers are designed to solve many of the infrastructure problems facing Internet businesses today. The IBX centers will provide environments that stimulate efficient business growth by encouraging independent Internet supplier companies to deliver a wide diversity of services. As a result, we are able to provide the following key benefits to our customers:

- . Choice of product and service providers;
- . Opportunity to Increase Revenues and Reduce Costs;
- . Physical scalability, or the ability to continue to function well along with changes in size or volume, and scalability from the perspective of an individual customer's ability to transact business;

- . Reliability; and
- . Value-Added Services.

Recent Developments

In January 2000, our board and stockholders approved a three-for-two stock split to be effective on January 19, 2000. The financial statements and all share numbers included in this prospectus have been adjusted to reflect this stock split.

In January 2000, our board and stockholders approved an amendment to our 1998 Stock Plan increasing the aggregate number of common stock available for issuance over the term of the Plan by 3,750,000 shares, post split, to a total of 12,012,810 shares.

Equinix is located at 901 Marshall Street, Redwood City, California 94063. Our phone number is (650) 298-0400.

Summary of the Exchange Offer

- Securities Offered..... Up to \$200 million principal amount of 13% Senior Notes due 2007, which will be registered under the Securities Act. The terms of the exchange notes and the initial notes are identical except for transfer restrictions and registration rights relating to the initial notes that will not be applicable to the exchange notes.
- Issuance of Initial Notes... The initial notes were issued on December 1, 1999 to Salomon Smith Barney Inc., Morgan Stanley & Co. Incorporated and Goldman, Sachs & Co., who placed the initial notes with qualified institutional buyers and institutional accredited investors, and to buyers in offshore transactions in reliance on Regulation S under the Securities Act.
- The Exchange Offer..... We are offering to exchange \$1,000 principal amount of exchange notes for each \$1,000 principal amount of initial notes. There are \$200 million aggregate principal amount of initial notes outstanding. The issuance of the exchange notes is intended to satisfy our obligations contained in the registration rights agreement we entered into with Salomon Smith Barney Inc., Morgan Stanley & Co. Incorporated and Goldman, Sachs & Co. in connection with the issuance of the initial notes.
- Conditions to the Exchange Offer..... The exchange offer is not conditioned upon any minimum principal amount of initial notes being tendered for exchange. However, the exchange offer is subject to customary conditions, which may be waived by us. See "The Exchange Offer--Conditions." Except for the requirements of applicable federal and state securities laws, there are no federal or state regulatory requirements to be complied with or obtained by us in connection with the exchange offer.
- Procedures for Tendering.... If you want to tender your initial notes in the exchange offer, you must complete, sign and date the letter of transmittal according to the instructions contained in this prospectus and the letter of transmittal. You must then mail or fax the letter of transmittal, together with any other required documents, to the exchange agent, either with the initial notes to be tendered or in compliance with the specified procedures for guaranteed delivery of initial notes. You should allow

sufficient time to ensure timely delivery. Some brokers, dealers, commercial banks, trust companies and other nominees may also effect tenders by book-entry transfer. If you own initial notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee, you are urged to contact that person promptly if you wish to tender initial notes in the exchange offer. Letters of transmittal and certificates representing the initial notes should not be sent to Equinix.

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These documents should only be sent to the exchange agent. Questions regarding how to tender initial notes and requests for information should also be directed to the exchange agent. See "The Exchange Offer--Procedures for Tendering Initial Notes."

Expiration Date;

Withdrawal..... The exchange offer will expire at 5:00 p.m., New York City time on _____, 2000. We will accept for exchange any and all initial notes that are validly tendered in the exchange offer on or before 5:00 p.m., New York City time, on the expiration date. The tender of initial notes may be withdrawn at any time before the expiration date. Any initial note not accepted for exchange for any reason will be returned without expense to the tendering holder as promptly as practicable after the expiration or termination of the exchange offer. The exchange notes issued in the exchange offer will be delivered promptly following the expiration date. See "The Exchange Offer--Expiration of the Exchange Offer" and "--Withdrawal of Tenders."

Guaranteed Delivery

Procedures..... If you wish to tender your initial notes and (1) your initial notes are not immediately available or (2) you cannot deliver your initial notes together with the letter of transmittal to the exchange agent before the expiration date, you may tender your initial notes according to the guaranteed delivery procedures contained in the letter of transmittal. See "The Exchange Offer--Guaranteed Delivery Procedure."

Acceptance of Initial Notes and Delivery of Exchange Notes.....

Upon effectiveness of the registration statement of which this prospectus constitutes a part and consummation of the exchange offer, we will accept any and all initial notes that are properly tendered in the exchange offer on or before 5:00 p.m., New York City time, on the expiration date. The exchange notes issued in the exchange offer will be delivered promptly after acceptance of the initial notes. See "The Exchange Offer--Acceptance of Initial Notes for Exchange; Delivery of Exchange Notes."

Tax Considerations.....

For U.S. federal income tax purposes, the exchange of initial notes for exchange notes should not be considered a sale or exchange or otherwise a taxable event to the holders of notes. See "United States Federal Income Tax Considerations."

Use of Proceeds.....

We will receive no proceeds from the exchange offer.

Exchange Agent.....

State Street Bank and Trust Company of California, N.A. is serving as exchange agent in connection with the exchange offer.

Fees and Expenses..... We will bear all expenses related to the exchange offer. See "The Exchange Offer-- Fees and Expenses."

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Consequences of Not Exchanging the Initial Notes.....

If you do not tender your initial notes or your initial notes are not properly tendered, the existing transfer restrictions will continue to apply. The initial notes are currently eligible for sale under Rule 144A through the PORTAL Market. Because we anticipate that most holders will elect to exchange initial notes for exchange notes due to the absence of restrictions on the resale of exchange notes under the Securities Act in most cases, we anticipate that the liquidity of the market for any initial notes remaining after the consummation of the exchange offer may be substantially limited. See "Risk Factors--There could be negative consequences to you if you do not exchange your initial notes for exchange notes."

Summary Description of the Exchange Notes

The terms of the exchange notes and the initial notes are identical in all respects, except that the terms of the exchange notes do not include the transfer restrictions and registration rights relating to the initial notes. The initial notes and the exchange notes are referred to collectively as the notes.

The exchange notes will bear interest from the most recent date to which interest has been paid on the initial notes. Initial notes accepted for exchange will cease to accrue interest from and after the date of completion of the exchange offer.

Maturity Date..... December 1, 2007.

Interest..... The interest on the notes will be payable semi-annually in arrears on each June 1 and December 1, commencing on June 1, 2000.

Interest Escrow..... We have deposited with the escrow agent an amount of cash or U.S. government securities totaling approximately \$37.0 million that, together with the proceeds from their investment, will be sufficient to pay, when due, the first three interest payments on the notes, with us retaining any balance. The notes will be collateralized by a first priority security interest in the escrow account.

Sinking Fund..... None

Optional Redemption..... Generally, we may not redeem the notes before December 1, 2003. On or after December 1, 2003, we may redeem the notes, in whole or in part, at any time, at the redemption prices set forth under the section entitled "Description of the Exchange Notes" together with accrued and unpaid interest, if any, to the redemption date.

Change of Control..... Upon a "Change of Control" as defined under the section entitled "Description of the Notes," you as a holder of notes will have the right to require us to repurchase all of your notes at a repurchase

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price equal to 101% of the aggregate principal amount of such notes, plus accrued and unpaid interest, if any, through the date of repurchase.

Ranking..... Except for the noteholders' security interest in

the escrow account, the notes will be general unsecured obligations and will rank without preference with all of our other existing and future senior unsecured indebtedness. The notes will be effectively subordinated to all our existing and future secured indebtedness to the extent of the value of the assets that secure such indebtedness. The notes will also be subordinated to all of our subsidiaries' existing or future indebtedness, whether or not secured. At present, the notes are subordinated to \$14.6 million of existing indebtedness.

Restrictive Covenants..... The indenture under which the notes will be issued will limit:

- . the incurrence of additional indebtedness or preferred stock by us and our subsidiaries;
- . the payment of dividends on, and repurchase or redemption of, our capital stock and our subsidiaries' capital stock and the repurchase or redemption of our subordinated obligations;
- . our making of investments;
- . the selling of our assets or the stock of our subsidiaries;
- . transactions with our affiliates;
- . the incurrence of additional liens;
- . our ability to permit restrictions to exist on the ability of our subsidiaries to pay dividends or make payments to us; and
- . our ability to engage in consolidations, mergers and transfers of all or substantially all of our assets.

All of these limitations and prohibitions will be subject to a number of important qualifications and exceptions. See "Description of the Exchange Notes."

Exchange Rights.....

Holders of the exchange notes will not be entitled to any exchange or registration rights relating to the exchange notes. Holders of the initial notes are entitled to certain exchange rights under the registration rights agreement entered into concurrently with the initial offering between us and Salomon Smith Barney Inc., Morgan Stanley & Co. Incorporated and Goldman, Sachs & Co. This exchange offer is intended to satisfy our obligations under the registration rights agreement. Once the exchange offer is consummated, we will have no further obligations to register any of the initial notes not tendered by the holders for exchange. See "Risk Factors--There could be negative consequences to you if you do not exchange your initial notes for exchange notes."

SUMMARY CONSOLIDATED FINANCIAL DATA

The following summary consolidated financial data should be read in conjunction with our consolidated financial statements and their related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this registration statement. The consolidated statements of operations data for the period from June 22, 1998 (inception) to December 31, 1998 and for the year ended December 31, 1999, and the balance sheet data as of December 31, 1998 and 1999 are derived from, and are qualified by reference to, the audited consolidated financial statements and their related notes, which are included in this registration statement.

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	Period from June 22, 1998 (inception) to December 31, 1998	Year Ended December 31, 1999
	-----	-----

	(in thousands)	
<S>	<C>	<C>
Statement of Operations Data:		
Revenues.....	\$ --	44
Costs and operating expenses:		
Cost of revenues.....	--	2,791
Sales and marketing.....	34	2,669
General and administrative.....	748	8,287
Depreciation and amortization.....	4	609
	-----	-----
Total costs and operating expenses.....	786	14,356
	-----	-----
Loss from operations.....	(786)	(14,312)
Interest expense.....	--	2,614
Interest income.....	(150)	(2,138)
Interest charge on beneficial conversion of convertible debt.....	220	--
	-----	-----
Net loss.....	\$ (856)	(14,788)
	=====	=====

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	As of December 31,	
	-----	-----
	1998	1999
	-----	-----

	(in thousands)	
<S>	<C>	<C>
Balance Sheet Data:		
Cash, cash equivalents and short-term investments.....	\$ 9,165	222,974
Accounts receivable.....	--	178
Restricted cash and short-term investments.....	--	38,609
Property and equipment, net.....	482	31,303
Construction in progress.....	31	14,176
Total assets.....	10,001	316,768
Debt facilities and capital lease obligations, excluding current portion.....	--	10,248
Senior notes.....	--	191,088
Total stockholders' equity.....	9,590	93,949
Other Financial Data:		
EBITDA(1).....	\$ (782)	(13,687)
Net cash used in operating activities..	(796)	(9,908)
Net cash used in investing activities..	(5,265)	(66,461)
Net cash provided by financing activities.....	10,226	295,178
Ratio of earnings to fixed charges(2)..	--	--

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(1) EBITDA consists of the net loss excluding interest, income taxes, depreciation and amortization of capital assets. EBITDA is presented to enhance an understanding of our operating results and is not intended to represent cash flow or results of operations in accordance with generally accepted accounting principles for the period indicated and may be calculated differently than EBITDA for other companies. EBITDA is not a measure determined under generally accepted accounting principles nor is it a measure of liquidity.

(2) In calculating the ratio of earnings to fixed charges, earnings consist of net loss before income tax expense and fixed charges. Fixed charges consist of interest expense, capitalized interest, amortized discounts and capitalized expenses related to indebtedness and an estimate of the interest within rental expense. The ratio of earnings to fixed charges was less than 1.0 to 1.0 for each of the periods presented. Earnings available for fixed charges were thus inadequate to cover fixed charges. The coverage deficiency for the period from June 22, 1998 (inception) to December 31, 1998 and the year ended December 31, 1999 was \$856,000 and \$14,762,000 respectively.

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RISK FACTORS

You should carefully consider the information set forth under the caption "Risk Factors" and all other information in this prospectus before tendering your initial notes in the exchange offer, including information in the section of this prospectus entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations--Special Note Regarding Forward-Looking Statements."

Risks Related to Our Business

Our business model is new and unproven and we may not succeed in generating sufficient revenue to sustain or grow our business.

We were founded in June 1998. The construction of our first IBX center was completed in July 1999, and we began accepting customers the same month. We did not recognize any revenue until November 1999. Our limited history and lack of meaningful financial or operating data makes evaluating our business operations difficult. Moreover, the neutrality aspect of our business model is unique and largely unproven. We expect that we will encounter challenges and difficulties frequently experienced by early-stage companies in new and rapidly evolving markets, such as our ability to generate cash flow, hire and train sufficient operational and technical talent, and implement our plan with minimal delays. We may not successfully address any or all of these challenges and the failure to do so would seriously harm our business plan and operating results, and affect our ability to raise additional funds.

We have a history of losses, and we expect our operating expenses and losses to increase significantly.

As an early-stage company without recognized revenues, we have experienced operating losses since inception. As of December 31, 1999, we had cumulative net losses of \$15.6 million and cumulative cash used by operating activities of \$10.7 million since inception. We expect to incur significant losses in the future. In addition, as we commence operations, our losses will increase as we:

- . increase the number of IBX centers;
- . increase our sales and marketing activities, including expanding our direct sales force; and
- . enlarge our customer support and professional services organizations.

As a result, we must significantly increase our revenues to become profitable.

Because our ability to generate enough revenues to achieve profitability depends on numerous factors, we may not become profitable.

Our IBX centers may not generate sufficient revenue to achieve profitability. Our ability to generate sufficient revenues to achieve profitability will depend on a number of factors, including:

- . the timely completion of our IBX centers;
- . demand for space and services at our IBX centers;
- . our pricing policies and the pricing policies of our competitors;
- . the timing of customer installations and related payments;
- . competition in our markets;
- . the timing and magnitude of our expenditures for sales and marketing;
- . direct costs relating to the expansion of our operations;
- . growth of Internet use;
- . economic conditions specific to the Internet industry; and
- . general economic factors.

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We are substantially leveraged and we may not generate sufficient cash flow to meet our debt service and working capital requirements.

We are highly leveraged since the issuance of the initial notes. We have total indebtedness of \$215.1 million. Our highly leveraged position could have important consequences, including:

- . impairing our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes;
- . requiring us to dedicate a substantial portion of our operating cash flow to paying principal and interest on our indebtedness, thereby reducing the funds available for operations;
- . limiting our ability to grow and make capital expenditures due to the financial covenants contained in our debt arrangements;
- . impairing our ability to adjust rapidly to changing market conditions, invest in new or developing technologies, or take advantage of significant business opportunities that may arise; and

- . making us more vulnerable if a general economic downturn occurs or if our business experiences difficulties.

In the past, we have experienced unforeseen delays in connection with our IBX construction activities. We will need to successfully implement our current rollout schedule and our business strategy to meet our debt service and working capital needs. We may not successfully implement our business strategy, and even if we do, we may not realize the anticipated results of our strategy or generate sufficient operating cash flow to meet our debt service obligations and working capital needs.

In the event our cash flow is inadequate to meet our obligations, we could face substantial liquidity problems. If we are unable to generate sufficient cash flow or otherwise obtain funds needed to make required payments under our indebtedness, or if we breach any covenants under our indebtedness, we would be in default under its terms and the holders of such indebtedness may be able to accelerate the maturity of such indebtedness, which could cause defaults under our other indebtedness.

If we do not obtain significant additional funds, we may not be able to complete our rollout plan on a timely basis, or at all.

We currently intend to pursue a rollout strategy of approximately 30 IBX centers in major Internet markets around the world over the next four years. We intend to finance these IBX centers through our internal cash flow and approximately \$750.0 million of additional financing. If we cannot raise sufficient additional funds on acceptable terms we may delay the rollout of additional IBX centers or permanently reduce our rollout plans. We currently have \$223.0 million in cash, cash equivalents and short-term investments available to us. We anticipate that these funds will be sufficient to fund the capital expenditure and working capital requirements, including operating losses associated with the initial rollout of eight IBX centers and expansion projects within three of those IBX centers. To complete the implementation of our approximately 30 site rollout plan within our proposed time frame we anticipate that we will need to raise funds through additional debt or equity financing. In the past, we have had difficulties obtaining debt financing due to the early stage of our company. Financing may not be available to us at the time we seek to raise additional funds, or if such financing is available, it may only be available on terms, or in amounts, which are unfavorable to us.

The anticipated timing and amount of our capital requirements is forward-looking and therefore inherently uncertain. In the past, we have experienced unforeseen delays and expenses in connection with our IBX construction activities. Our future capital requirements may vary significantly from what we currently project and the timing of our rollout plan may be affected by unforeseen construction delays and expenses and the amount of time it takes us to lease space within our IBX centers. If we encounter any of these problems or if we have underestimated our capital expenditure requirements or the operating losses or working capital requirements, we may require significantly more financing than we currently anticipate.

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Our rollout plan is preliminary and we may need to alter our plan and reallocate funds.

Our IBX center rollout plan is preliminary and has been developed from our current market data and research, projections and assumptions. We expect to continually reevaluate our business and rollout plan in light of evolving competitive and market conditions, and as a result, we may alter our IBX center rollout and reallocate funds, or eliminate segments of our plan entirely if there are:

- . changes or inaccuracies in our market data and research, projections or assumptions;
- . unexpected results of operations or strategies in our target markets;
- . regulatory, technological, and competitive developments, including additional market developments and new opportunities; or
- . changes in, or discoveries of, specific market conditions or factors favoring expedited development in other markets.

If not properly managed, our growth and expansion could significantly harm our business and operating results.

Our anticipated growth may significantly strain our resources as a result of an increase in the number of our employees, the number of operating IBX centers and our international expansion. Any failure to manage growth effectively could seriously harm our business and operating results. To succeed, we will need to:

- . hire and train new employees and qualified engineering personnel at each IBX center;

- . implement additional management information systems;
- . locate additional office space for our corporate headquarters;
- . improve our operating, administrative, financial and accounting systems and controls; and
- . maintain close coordination among our executive, engineering, accounting, finance, marketing, sales and operations organizations.

We face risks associated with international operations that could harm our business.

We intend to construct IBX centers outside of the United States and we will commit significant resources to our international sales and marketing activities. Our management has limited experience conducting business outside of the United States and we may not be aware of all the factors that affect our business in foreign jurisdictions. We will be subject to a number of risks associated with international business activities that may increase our costs, lengthen our sales cycles and require significant management attention. These risks include:

- . increased costs and expenses related to the leasing of foreign centers;
- . difficulty or increased costs of constructing IBX centers in foreign countries;
- . difficulty in staffing and managing foreign operations;
- . increased expenses associated with marketing services in foreign countries;
- . business practices that favor local competition and protectionist laws;
- . difficulties associated with enforcing agreements through foreign legal systems;
- . general economic and political conditions in international markets;
- . potentially adverse tax consequences, including complications and restrictions on the repatriation of earnings;
- . currency exchange rate fluctuations;
- . unusual or burdensome regulatory requirements or unexpected changes to those requirements;

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- . tariffs, export controls and other trade barriers; and
- . longer accounts receivable payment cycles and difficulties in collecting accounts receivable.

To the extent that our operations are incompatible with, or not economically viable within, any given foreign market, we may not be able to locate an IBX center in that particular foreign jurisdiction.

We depend on third parties to provide high frequency Internet connectivity to our IBX facilities; if connectivity is not established or is delayed, our operating results and cash flow will be adversely affected.

The presence of diverse Internet fiber from communications carriers' fiber networks to an Equinix IBX center is critical to our ability to attract new customers. We believe that the availability of such carrier capacity will directly affect our ability to achieve our projected results.

We are not a communications carrier, and as such rely on third parties to provide our customers with carrier facilities. We intend to rely primarily on revenue opportunities from our customers to encourage carriers to incur the expenses required to build facilities from their points of presence to our IBX centers. Carriers will likely evaluate the revenue opportunity of an IBX center based on the assumption that the environment will be highly competitive. There can be no assurance that, after conducting such an evaluation, any carrier will elect to offer its services within our IBX centers.

The construction required to connect multiple carrier facilities to our IBX centers is complex and involves factors outside of our control, including regulatory processes and the availability of construction resources. If the establishment of highly diverse Internet connectivity to our IBX centers does not occur or is materially delayed, our operating results and cash flow will be adversely affected.

Our new management team must prove that it can work together effectively.

We have recently hired many key personnel, including our chief financial officer, vice president of operations, vice president of worldwide sales, director of business development, vice president of marketing and vice president of IBX development. As a result, our management team has worked together for only a brief time. Our ability to effectively execute our strategies will depend in part upon our ability to integrate our current and future managers into our operations. If our executives are unable to operate together effectively, our business, results of operations and financial condition will be materially adversely affected.

We must retain and attract key personnel to maintain and grow our business.

We require the services of additional management personnel in positions related to our growth. For example, we need to expand our marketing and direct sales operations to increase market awareness of our IBX facilities, market our services to a greater number of enterprises and generate increased revenues. As a result, we plan to hire additional personnel in related capacities. Our success depends on our ability to identify, hire, integrate and retain additional qualified management personnel, particularly in areas related to our anticipated growth and geographic expansion.

We may not be successful in attracting, assimilating or retaining qualified personnel. In addition, due to generally tight labor markets, our industry, in particular, suffers from a lack of available qualified personnel. Moreover, none of our present senior management or other key personnel is bound by an employment agreement. If we lose one or more of our key employees, we may not be able to find a replacement and our business and operating results could be adversely affected.

We will operate in a new highly competitive market and we may be unable to compete successfully against new entrants and established companies with greater resources.

In a market that we believe will likely have an increasing number of competitors, we must be able to differentiate ourselves from existing providers of space for telecommunications equipment and web hosting companies. We may also face competition from persons seeking to replicate our IBX concept. Our competitors may operate more successfully than us or form alliances to acquire significant market share. Furthermore,

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enterprises that have already invested substantial resources in peering arrangements may be reluctant or slow to adopt our approach that may replace, limit or compete with their existing systems. If we are unable to complete our IBX centers in a timely manner, other companies may be able to attract the same customers that we are targeting. Once the customers are located in our competitors' facilities, it will be extremely difficult to convince them to relocate to our IBX centers.

Some of our potential competitors have longer operating histories and significantly greater financial, technical, marketing and other resources than we do. Because of their greater financial resources, some of these companies have the ability to adopt aggressive pricing policies. As a result, in the future, we may suffer from pricing pressure which would adversely affect our ability to generate revenues and affect our operating results. See "Business--Competition."

Any failure of our physical infrastructure or services could lead to significant costs and disruptions which could reduce our revenue and harm our business reputation and financial results.

Our business depends on providing our customers with highly reliable service. The services we provide are subject to failure resulting from numerous factors, including:

- . human error;
- . physical or electronic security breaches;
- . fire, earthquake, flood and other natural disasters;
- . power loss; and
- . sabotage and vandalism.

Problems at one or more of our centers, whether or not within our control, could result in service interruptions or significant equipment damage. Any loss of services, particularly in the early stage of our development, could reduce the confidence of our customers and could consequently impair our ability to obtain and retain customers which would adversely affect our ability to generate revenues and affect our operating results.

We may still discover that our computer systems and those of third parties with whom we do business may not be year 2000 compliant, which may cause system failure and disruptions of operations.

As of February 17, 2000, we had not experienced any year 2000-related disruption in the operation of our systems. However, we cannot assure you that we will not discover any year 2000 compliance problems. Our failure to fix or replace our software, hardware or services on a timely basis could result in lost revenues, increased operating costs and the loss of customers and other business interruptions, any of which could have a material adverse effect on our business. Moreover, the failure to adequately address year 2000 compliance issues in our information technology systems could result in claims of mismanagement, misrepresentation or breach of contract and related litigation, which could be costly and time-consuming to defend.

In addition, we have not experienced any year 2000-related disruption in the systems of third parties with whom we do business and we have assurances from our material hardware and software vendors that their products are year 2000 compliant. Although we have not incurred any material expenditure in connection with identifying or evaluating year 2000 compliance issues to date, we do not at this time possess the information necessary to estimate the potential costs of revisions or replacements to our software and systems or third-party software, hardware or services that are determined not to be year 2000 compliant. Such expenses could have a material adverse effect on our business.

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Because we depend on the development and growth of a balanced customer base, failure to attract this base could harm our business and operating results.

Our ability to maximize revenues depends on our ability to develop and grow a balanced customer base as we roll out our IBX centers. Our ability to attract customers to our IBX centers will depend on a variety of factors, including the presence of multiple carriers, the overall mix of our customers, our operating reliability and security and our ability to effectively market our services. Construction delays, our inability to find suitable locations to build additional IBX centers, equipment and material shortages or our inability to obtain necessary permits on a timely basis could delay our IBX center rollout schedule and prevent us from developing our anticipated customer base.

A customer's decision to lease cabinet space in our IBX centers typically involves a significant commitment of resources and will be influenced by, among other things, the customer's confidence that other Internet and e-commerce related businesses will be located in a particular IBX center. In particular, some customers will be reluctant to commit to locating in our IBX centers until they are confident that the IBX center has adequate carrier connections.

In addition, some of our customers will be Internet companies that face many competitive pressures and that may not ultimately be successful. If these customers do not succeed, they will not continue to use our IBX facilities. This may be disruptive to our business and may adversely affect our operating results.

Risks Related to Our Industry

If use of the Internet and electronic business does not continue to grow, a viable market for our IBX centers may not develop.

Rapid growth in the use of and interest in the Internet has occurred only recently. Acceptance and use may not continue to develop at historical rates and a sufficiently broad base of consumers may not adopt or continue to use the Internet and other online services as a medium of commerce. Demand and market acceptance for recently introduced Internet services and products are subject to a high level of uncertainty and there are few proven services and products. As a result, we cannot be certain that a viable market for our IBX centers will emerge or be sustainable.

We must respond to rapid technological change and evolving industry standards in order to meet the needs of our customers.

The market for IBX centers will be marked by rapid technological change, frequent enhancements, changes in customer demands and evolving industry standards. Our success will depend, in part, on our ability to address the increasingly sophisticated and varied needs of our current and prospective customers. Our failure to adopt and implement the latest technology in our business could negatively affect our business and operating results.

In addition, we have made and will continue to make assumptions about the standards that may be adopted by our customers and competitors. If the standards adopted differ from those on which we have based anticipated market acceptance of our services or products, our existing services could become obsolete. This would have a material adverse effect on our businesses.

Government regulation may adversely effect the use of the Internet and our business.

Laws and regulations governing Internet services, related communications services and information technologies, and electronic commerce are beginning to emerge but remain largely unsettled, even in areas where there has been some legislative action. It may take years to determine whether and how existing laws,

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such as those governing intellectual property, privacy, libel, telecommunications, and taxation, apply to the Internet and related services such as ours. In addition, the development of the market for online commerce and the displacement of traditional telephony services by the Internet and related communications services may prompt increased calls for more stringent consumer protection laws or other regulation, both in the United States and abroad, that may impose additional burdens on companies conducting business online and their service providers. The adoption or modification of laws or regulations relating to the Internet, or interpretations of existing law, could have a material adverse effect on our business.

Risks Related to the Exchange Offer

There could be negative consequences to you if you do not exchange your initial notes for exchange notes.

Following the consummation of the exchange offer, holders who did not tender their initial notes generally will not have any further rights under the registration rights agreement and these initial notes will continue to be subject to restrictions on transfer. As a result of making the exchange offer, we will have fulfilled our obligations under the registration rights agreement. Holders who do not tender their initial notes generally will not have any further registration rights or rights to receive the liquidated damages specified in the registration rights agreement for our failure to register the exchange notes. In addition, the initial notes that are not exchanged for exchange notes will remain restricted securities. Accordingly, the initial notes may be resold only:

- . to Equinix or one of its subsidiaries;
- . to a qualified institutional buyer;
- . to an institutional accredited investor;
- . to a party outside the United States under Regulation S under the Securities Act;
- . under an exemption from registration provided by Rule 144 under the Securities Act; or
- . under an effective registration statement.

The issuance of the exchange notes may adversely affect the market for the initial notes.

Following commencement of the exchange offer, you may continue to trade the initial notes on the Private Offerings, Resales and Trading through Automated Linkages, or PORTAL, market. However, if initial notes are tendered for exchange and accepted in the exchange offer, the trading market for untendered and tendered but unaccepted initial notes could be adversely affected. Any initial notes tendered and exchanged in the exchange offer will reduce the aggregate principal amount of initial notes outstanding. Because we anticipate that most holders will elect to exchange their initial notes for exchange notes due to the absence of most restrictions on the resale of exchange notes, we anticipate that the liquidity of the market for any initial notes remaining outstanding after the exchange offer may be substantially limited.

You may find it difficult to sell your exchange notes.

The exchange notes will be registered under the Securities Act but will not be eligible for trading on the PORTAL market. The exchange notes will constitute a new issue of securities with no established trading market, and there can be no assurance as to:

- . the development of any market for the exchange notes;
- . the liquidity of any market for the exchange notes that may develop;
- . your ability to sell your exchange notes; or
- . the price at which you would be able to sell your exchange notes.

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We have been advised by the initial purchasers for the initial notes that they presently intend to make a market in the exchange notes. However, they are not obligated to do so and may discontinue any market-making activity relating to the exchange notes at any time without notice. If a market for the exchange notes were to exist, the exchange notes could trade at prices that may be higher or lower than their principal amount or purchase price, depending on many factors, including prevailing interest rates, the market for similar debentures and our financial performance. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the exchange notes. We cannot assure you that the market for the exchange notes, if any, will not be subject to similar disruptions.

Some people who participate in the exchange offer must deliver a prospectus in connection with resales of the exchange notes.

Based on certain no-action letters issued by the staff of the Securities and Exchange Commission, we believe that you may offer for resale, resell or otherwise transfer the exchange notes without compliance with the registration and prospectus delivery requirements of the Securities Act. However, in some instances, you will remain obligated to comply with the registration and prospectus delivery requirements of the Securities Act to transfer your exchange notes. In these cases, if you transfer any exchange note without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from registration of your exchange notes under this Act, you may incur liability under the Securities Act. We do not and will not assume or indemnify you against this liability. See "The Exchange Offer."

Risks Related to the Exchange Notes

The exchange notes are unsecured and effectively rank behind our secured indebtedness.

The exchange notes will be general unsecured senior obligations and will rank equally in right of payment with all our existing and future senior indebtedness. The exchange notes will be effectively subordinated to all of our secured indebtedness to the extent of the value of the assets securing such indebtedness. All of the obligations under our current credit facilities are either secured by all of the assets of Equinix-DC, Inc. or the assets purchased from the proceeds of specific indebtedness. We anticipate that all of the obligations under our future credit facilities will be secured. In a bankruptcy, liquidation or reorganization of our company, our assets securing other indebtedness will be available to pay obligations on the exchange notes only after all indebtedness secured by such assets has been paid in full, at which point there may not be sufficient proceeds remaining to pay amounts due on the exchange notes then outstanding.

Management discretion relating to certain business matters will be limited by restrictive covenants contained in our indebtedness.

Our credit facilities contain, and the indenture governing the exchange notes contains, a number of restrictive covenants that will limit the discretion of our management relating to certain business matters. We expect that our future indebtedness will also contain similar restrictive covenants. These covenants, among other things, will restrict our ability to incur additional indebtedness, pay dividends and make other distributions, prepay subordinated indebtedness, make investments and other restricted payments, engage in mergers and consolidations, create liens, sell assets, and enter into certain transactions with affiliates. There can be no assurance that such covenants will not adversely affect our ability to finance our future operations or capital needs or to engage in other business activities which may be in the interests of our company.

We may not have sufficient funds to purchase the exchange notes as required upon a change of control.

The indenture governing the exchange notes contains provisions relating to certain events constituting a change in control of Equinix. Upon the occurrence of such a change in control, we will be required to make an offer to purchase all outstanding exchange notes at a purchase price equal to 101% of their aggregate principal amount, in addition to the accrued and unpaid interest, if any, up to the purchase date. We cannot assure you that we would have sufficient funds to pay the purchase price for exchange notes tendered by holders seeking to accept such an offer to purchase. Our failure to purchase all exchange notes validly tendered under such an offer to purchase would result in an event of default under the indenture.

identify forward-looking statements by terminology--for instance, may, will, should, expect, plan, anticipate, believe, estimate, predict, potential or continue, the negative of these terms or other comparable terminology. These statements are only predictions. Actual events or results may differ materially. In evaluating these statements, you should specifically consider various factors, including the risks outlined in the Risk Factors section. These factors may cause our actual results to differ materially from any forward-looking statement.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We are under no duty to amend this prospectus to update any of the forward-looking statements after the date of this prospectus to conform these statements to actual results or to changes in our expectations. However, upon completion of the exchange contemplated in this prospectus, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, and as a result will file periodic current reports with the Securities and Exchange Commission.

AVAILABLE INFORMATION

We have filed a registration statement on Form S-4 with the Securities and Exchange Commission covering the exchange notes, and this prospectus is part of our registration statement. For further information on Equinix and the exchange notes, you should refer to our registration statement and its exhibits. This prospectus summarizes material provisions of contracts and other documents that we refer you to. Since the prospectus may not contain all the information that you may find important, you should review the full text of these documents. We have included copies of these documents as exhibits to our registration statement.

In addition, the indenture requires that we file reports under the Securities Exchange Act of 1934 with the Securities and Exchange Commission and provide those reports to the trustee and holders of the notes. You can inspect and copy at prescribed rates the reports and other information that we file with the Securities and Exchange Commission at the public reference facilities maintained by the Securities and Exchange Commission at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, and also at the regional offices of the Securities and Exchange Commission located at 7 World Trade Center, Suite 1300, New York, New York 10048 and the Citicorp Center at 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. You may obtain information on the operation of the public reference facilities by calling the Securities and Exchange Commission at 1-800-SEC-0330. The Securities and Exchange Commission also maintains an internet web site at <http://www.sec.gov> that contains reports, proxy and information statements and other information. You can also obtain copies of such materials from us upon request.

We have agreed that, whether or not we are required to do so by the rules and regulations of the Securities and Exchange Commission, for so long as any of the exchange notes remain outstanding, we will furnish you as a holder of the exchange notes and will, if permitted, file with the Securities and Exchange Commission (1) all quarterly and annual financial information that would be required to be contained in a filing with the Securities and Exchange Commission on Forms 10-Q and 10-K if we were required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, relating to the annual information only, a report thereon by our certified independent accountants, and (2) all reports that would be required to be filed with the Securities and Exchange Commission on Form 8-K if we were required to file such reports. In addition, for so long as any of the exchange notes remain outstanding, we have agreed to make available to any prospective purchaser of the exchange notes or beneficial owner of the notes in connection with any sale of these notes the information required by Rule 144A under the Securities Act.

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USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of the exchange notes in exchange for the outstanding initial notes. The exchange offer is intended solely to satisfy certain of our obligations under the registration rights agreement. In consideration for issuing the exchange notes, we will receive initial notes in like aggregate principal amount.

The net proceeds to us from the original issuance of the initial notes, after deducting discounts, commissions, expenses and restricted cash were approximately \$156.4 million. We invested approximately \$37.0 million of the net proceeds in a portfolio of U.S. government securities, which were then pledged as security for the payment in full of interest on the initial notes through June 1, 2001. We intend to use the balance of such net proceeds for the buildout of our IBX centers in the United States and abroad and for other capital expenditures, working capital and general corporate purposes. In addition, although we do not currently have any acquisitions contemplated or

pending, in the future we may use a portion of the proceeds for the acquisition of businesses or assets. We currently intend to allocate substantial proceeds to each of these uses. However, the precise allocation of funds among these uses will depend on future technological, regulatory and other developments in or affecting our business, the competitive climate in which we operate and the emergence of future opportunities.

We have invested such proceeds in U.S. government securities or other short-term, interest bearing, investment grade securities. We are not currently and do not expect as a result to become subject to the registration requirements of the Investment Company Act of 1940, as amended. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources."

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CAPITALIZATION

The following table is derived from and is qualified by reference to the audited consolidated financial statements and related notes, which are included in the registration statement and sets forth our capitalization as of December 31, 1999 on an actual basis.

Please read this table in conjunction with our consolidated financial statements, the related notes to the financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this registration statement.

<TABLE>
<CAPTION>

	December 31, 1999
	----- (in thousands except share data)
<S>	<C>
Cash and cash equivalents	\$222,974
	=====
Restricted cash and short-term investments(1).....	\$ 38,609
	=====
Current portion of debt facilities and capital lease obligations.....	\$ 4,395
	=====
Long-term debt, net of current portion:	
Debt facilities and capital lease obligations.....	10,248
13% Senior Notes due 2007.....	191,088

Total long-term debt.....	201,336

Stockholders' equity:	
Series A convertible preferred stock, \$0.001 par value; 32,000,000 shares authorized;18,682,500 shares issued and outstanding(2).....	19
Series B convertible preferred stock, \$0.001 par value; 36,000,000 shares authorized; 15,762,373 shares issued and outstanding.....	16
Common stock, \$0.001 par value; 132,000,000 shares authorized 11,672,196 shares issued and outstanding(3)....	12
Additional paid-in capital.....	113,189
Deferred stock-based compensation.....	(3,657)
Accumulated other comprehensive income.....	14
Accumulated deficit.....	(15,644)

Total stockholders' equity.....	93,949

Total capitalization.....	\$295,285
	=====

</TABLE>
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- (1) Reflects the portion of the net proceeds from this offering used to purchase a portfolio of U.S. government securities to fund the first three scheduled interest payments on the notes, plus accrued interest and restricted cash of \$1,530,000 provided as collateral under three separate security agreements for standby letters of credit entered into and in accordance with certain lease agreements.
- (2) Excludes 1,245,000 shares of Series A preferred stock issuable upon the exercise of outstanding warrants.
- (3) Excludes 4,742,145 shares of common stock issuable upon the exercise of outstanding warrants, and 2,615,394 shares of common stock issuable upon the exercise of outstanding options, as of December 31, 1999.

SELECTED CONSOLIDATED FINANCIAL DATA

The following statement of operations data for the periods from our inception on June 22, 1998 to December 31, 1998, and for the year ended December 31, 1999, and the balance sheet data as of December 31, 1998 and 1999 have been derived from our audited consolidated financial statements and the related notes to the financial statements. Our historical results are not necessarily indicative of the results to be expected for future periods. The following selected financial data should be read in conjunction with our consolidated financial statements and the related notes to the consolidated financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this registration statement.

<TABLE>
<CAPTION>

	Period from June 22, 1998 (inception) to		Year Ended
	December 31, 1998	December 31, 1998	December 31, 1999

	(in thousands)		
<S>	<C>	<C>	<C>
Statement of Operations Data:			
Revenues.....	\$ --		44
Costs and operating expenses:			
Cost of revenues.....	--		2,791
Sales and marketing.....	34		2,669
General and administrative.....	748		8,287
Depreciation and amortization.....	4		609
	-----		-----
Total costs and operating expenses.....	786		14,356
	-----		-----
Loss from operations.....	(786)		(14,312)
Interest expense.....	--		2,614
Interest income.....	(150)		(2,138)
Interest charge on beneficial conversion of convertible debt.....	220		--
	-----		-----
Net loss.....	\$ (856)		(14,788)
	=====		=====

<CAPTION>

	As of December 31,	
	1998	1999

	(in thousands)	
<S>	<C>	<C>
Balance Sheet Data:		
Cash, cash equivalents and short-term investments.....	\$ 9,165	222,974
Accounts receivable.....	--	178
Restricted cash and short-term investments.....	--	38,609
Property and equipment, net.....	482	31,303
Construction in progress.....	31	14,176
Total assets.....	10,001	316,768
Debt facilities and capital lease obligations, excluding current portion.....	--	10,248
Senior notes.....	--	191,088
Total stockholders' equity.....	9,590	93,949
Other Financial Data:		
EBITDA(1).....	\$ (782)	(13,687)
Net cash used in operating activities..	(796)	(9,908)
Net cash used in investing activities..	(5,265)	(66,461)
Net cash provided by financing activities.....	10,226	295,178
Ratio of earnings to fixed charges(2)..	--	--

</TABLE>

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(1) EBITDA consists of the net loss excluding interest, income taxes, depreciation and amortization of capital assets. EBITDA is presented to enhance an understanding of our operating results and is not intended to represent cash flow or results of operations in accordance with generally accepted accounting principles for the period indicated and may be calculated differently than EBITDA for other companies. EBITDA is not a measure determined under generally accepted accounting principles nor is it a measure of liquidity.

(2) In calculating the ratio of earnings to fixed charges, earnings consist of net loss before income tax expense and fixed charges. Fixed charges consist of interest expense, and capitalized interest, amortized discounts and

capitalized expenses related to indebtedness and an estimate of the interest within rental expense. The ratio of earnings to fixed charges was less than 1.0 to 1.0 for each of the periods presented. Earnings available for fixed charges were thus inadequate to cover fixed charges. The coverage deficiency for the period from June 22, 1998 (inception) to December 31, 1998 and the year ended December 31, 1999 was \$856,000 and \$14,762,000, respectively.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Equinix designs, builds and operates Internet Business Exchange, or IBX, centers where Internet businesses place their equipment and interconnect with each other. Our IBX centers place our customers' operations at a central location and provide them with the highest level of security, multiple back-up services, flexibility to grow and technical assistance. We intend to open approximately 30 IBX centers in major Internet markets in the U.S., Europe, Asia, South America and Australia. In July 1999, we opened our first IBX center in the Washington, D.C. area and our second IBX center was opened in December 1999 in Newark, New Jersey. We intend to open IBX centers in San Jose and Los Angeles, California by the end of the second quarter of 2000. From our inception on June 22, 1998 through December 31, 1999, our operating activities consisted primarily of designing and building our first three IBX centers in the Washington, D.C., Newark, New Jersey and San Jose, California areas, searching for additional space for IBX center expansion, developing our management team and raising private equity and third party debt to fund the design and building of our IBX centers.

We generate recurring revenues primarily from the leasing of cabinet space and the provisioning of direct interconnections between our customers. In addition, we intend to offer value-added services which include interconnection services to our customers through our centrally located switches and access to our research and development testing environment and professional services including "Smart Hands" service for customer equipment installations and maintenance, and network consulting and system integration activities. Customer contracts for the lease of cabinets, interconnections and switch ports are renewable and typically range from one to three years with payments for services made on a monthly basis. We entered into our first customer contract in April 1999. In addition, we generate non-recurring revenues which are comprised of installation charges that are billed upon successful installation of our customer cabinets, interconnections and switch ports. Both recurring and non-recurring revenues are recognized ratably over the term of the contract.

Cost of revenues consist primarily of rental payments on our IBX centers, site employees' salaries and benefits, utility costs, amortization and depreciation of IBX center build-out costs and equipment and engineering power, redundancy and security systems support and services. We expect that our cost of revenues will increase significantly as we continue our rollout of additional IBX centers.

Our selling, general and administrative expenses consist primarily of costs associated with recruiting, training and managing new employees, salaries and related costs of our operations, marketing and sales, customer fulfillment and support functions costs and finance and administrative personnel and related professional fees. Our current sales and marketing expenses, including sales personnel, will increase significantly as we continue our rollout of additional IBX centers into new domestic and international markets. We expect to significantly increase our sales and marketing activities.

In 1999, we recorded total deferred stock-based compensation of approximately \$4.7 million in connection with stock options granted during 1999 where the fair value of the underlying common stock exceeded the exercise price on the date of grant. Approximately \$991,000 was amortized to stock-based compensation expense for the year ended December 31, 1999. Options granted are typically subject to a four year vesting period. We are amortizing the deferred stock-based compensation on an accelerated basis over the vesting periods of the applicable options in accordance with FASB Interpretation No. 28. The remaining \$3.7 million of deferred stock-based compensation will be amortized over the remaining vesting period.

We expect increased competition in our market and, as a result, a key aspect of our strategy is to capitalize on our first mover advantage and to execute our rapid IBX center rollout program. The rollout of these additional IBX centers will significantly increase both fixed and operating expenses, including expenses associated with hiring, training and managing new employees, leasing and maintaining additional IBX centers, power and redundancy system engineering support and related costs, implementing security systems and related costs and depreciation.

Results of Operations

Period from Inception (June 22, 1998) through December 31, 1998 and Year Ended December 31, 1999

Since our inception in June 1998, we have experienced operating losses and negative cash flows from operations in each quarter. As of December 31, 1999, we had an accumulated deficit of \$15.6 million. The revenue and income potential of our business and market is unproven, and our short operating history makes an evaluation of our business and prospects difficult. There can be no assurance that we will ever achieve profitability on a quarterly or annual basis or, if achieved, sustain such profitability.

Revenues. We recognized revenues of \$44,000 for the year ended December 31, 1999. In addition, we entered into contracts with other customers and allocated cabinet space to these customers as of December 31, 1999. Although we entered into these customer contracts, we have not recognized such amounts as revenues as the sales cycle was not yet complete by December 31, 1999. We did not offer IBX center colocation or interconnection exchange services from inception through December 31, 1998, and as such, no revenues were recognized from the date of inception to December 31, 1998.

Cost of Revenues. We incurred cost of revenues of \$2.9 million for the year ended December 31, 1999. Cost of revenues is primarily comprised of rental payments for our leased IBX centers, site employees' salaries and benefits, utilities costs, power and redundancy system engineering support services and related costs, security services and related costs and depreciation and amortization of our IBX center build-out and other equipment costs. We did not offer IBX center colocation or interconnection exchange services from inception through December 31, 1998, and as such, no cost of revenues were recorded from the date of inception to December 31, 1998.

Sales and Marketing. Sales and marketing expenses increased from \$34,000 for the period from the date of inception to December 31, 1998 to \$2.7 million for the year ended December 31, 1999. These expenses consist primarily of salary and benefit costs from the hiring of both sales and marketing personnel and certain related recruiting and relocation costs, the establishment of sales and marketing programs and the recognition of stock-based compensation expense in the amount of approximately \$303,000. In addition, we established two regional sales offices to support the New York City and Washington, D.C. area IBX centers. We anticipate that sales and marketing expenses will increase substantially to coincide with the commercial operation of our IBX centers and additional stock-based compensation expense in the amount of approximately \$1.9 million which will be amortized over the applicable vesting periods.

General and Administrative. General and administrative expenses increased from \$752,000 for the period from the date of inception to December 31, 1998 to \$8.7 million for the year ended December 31, 1999. General and administrative expenses are primarily comprised of salaries and employee benefits expenses, including stock-based compensation expense in the amount of approximately \$485,000, professional and consultant fees and corporate headquarter operating costs, including facility and other rental costs. We anticipate that general and administrative expenses will increase significantly due to increased staffing levels consistent with the growth in our infrastructure and related operating costs associated with our regional and international expansion efforts and additional stock-based compensation expense in the amount of approximately \$1.6 million which will be amortized over the applicable vesting periods.

Interest Expense, net. Net interest expense increased from \$70,000 for the period from the date of inception to December 31, 1998 to \$476,000 for the year ended December 31, 1999. We recognized interest income of \$2.1 million for the year ended December 31, 1999 compared to \$150,000 for the period from inception to December 31, 1998. Interest income increased substantially due to higher cash, cash equivalent and short-term investment balances resulting from the senior notes and preferred financing activities. Interest expense was \$2.6 million for the year ended December 31, 1999 compared to \$220,000 for the period from inception to December 31, 1998. Interest expense increased due to the issuance of senior notes, increased debt facilities and capital lease obligations and amortization of the debt facilities and capital lease obligation discount. Interest

expense for the period from inception to December 31, 1998 consisted of the interest charge from the conversion right of the convertible loan arrangement, under which the initial lenders to the Company converted their promissory notes into Series A preferred stock at a more beneficial rate than other Series A investors.

From inception through December 31, 1999, we have financed our operations and capital requirements primarily through the issuance of senior notes, the private sale of Series A and Series B preferred stock and debt financing for aggregate gross proceeds of approximately \$311.5 million. Our principal source of liquidity as of December 31, 1999 consists of \$223.0 million in cash and cash equivalents and \$23.0 million in debt and capital lease facilities. As of December 31, 1999, our total indebtedness from our senior notes, debt facilities and capital lease obligations was \$215.1 million. Our principal source of liquidity as of December 31, 1998 consisted of \$9.2 million in cash, cash equivalents and short-term investments.

Net cash used in operating activities totaled \$9.9 million for the year ended December 31, 1999 compared to net cash used in operating activities of \$796,000 for the period from inception to December 31, 1998. Net cash used in operating activities for the year ended December 31, 1999 was primarily due to a net loss offset by an increase in accounts payable and accrued interest. Net cash used in operating activities for the period from inception to December 31, 1999 was primarily due to a net loss.

Net cash used in investing activities totaled \$66.5 million for the year ended December 31, 1999 compared to net cash used from investing activities of \$5.3 million for the period from inception to December 31, 1998. The cash used in investing activities for the year ended December 31, 1999 was primarily due to the construction of our IBX centers and the purchase of restricted cash and short-term investments. The cash used in investing activities for the period from inception to December 31, 1998 was primarily due to the purchase of \$5.0 million of short-term investments.

Net cash generated from financing activities totaled \$295.2 million for the year ended December 31, 1999 compared to net cash generated from financing activities of \$10.2 million for the period from inception to December 31, 1998. The cash generated from financing activities for the year ended December 31, 1999 was primarily due to the issuance of senior notes, proceeds from debt and capital lease facilities and proceeds from the issuance of Series B preferred stock. The cash generated from financing activities for the period from inception to December 31, 1998 was due to the sale of Series A preferred stock.

In March 1999, we entered into a loan and security agreement in the amount of \$7.0 million bearing interest at 7.5% to 9.0% per annum repayable in 36 to 42 equal monthly payments with a final interest payment equal to 15% of the advance amounts due at maturity. In May 1999, we entered into a master lease agreement in the amount of \$1.0 million. This master lease agreement was increased by addendum in August 1999 by \$5.0 million. This agreement bears interest at either 7.5% or 8.5% and is repayable over 42 months in equal monthly payments with a final interest payment equal to 15% of the advance amounts due on maturity. In August 1999, we entered into a loan agreement in the amount of \$10.0 million. This loan agreement bears interest at 8.5% and is repayable over 42 months in equal monthly payments with a final interest payment equal to 15% of the advance amounts due on maturity. At December 31, 1999, we had total debt and capital lease financings available of \$23.0 million, of which we had drawn down \$16.1 million.

In December 1999, we issued \$200,000,000 aggregate principal amount of 13% Senior Notes due 2007 for aggregate net proceeds of \$193,400,000, net of offering expenses. Of the \$200,000,000 gross proceeds, \$9,004,000 was allocated to additional paid-in capital for the fair value of the common stock warrants and recorded as a discount to the senior notes. Senior notes, net of the unamortized discount, is \$191,087,700 as of December 31, 1999.

In December 1999, we completed the private sale of our Series B preferred stock, net of issuance costs, in the amount of \$82.8 million. As of December 31, 1999, we had \$223.0 million of cash and cash equivalents, excluding restricted cash and short-term investments.

We currently intend to open approximately 30 IBX centers over the next four years, 13 of which we expect to complete by the end of 2000. We intend to fund these IBX centers from our current cash and cash equivalent balances and additional draws under our current debt and capital lease facilities. We anticipate that the funds available to Equinix will be sufficient to fund the capital expenditure and working capital requirements, including operating losses, associated with the initial rollout of eight IBX centers and three IBX center expansion projects, which we expect to complete by the end of 2000. We expect that additional financing will be required in the future to complete the implementation of our approximately 30 IBX center rollout plan within our proposed time frame. Our future long-term capital needs will be highly dependent on the actual number and actual cost of additional IBX centers to be built, the timing of their opening and their success in terms of attracting and retaining customers and generating revenues once opened and launched. Thus, any projections of future long-term cash needs and cash flows are subject to substantial uncertainty. We may seek to sell additional equity or debt securities, enter into other debt facilities or capital lease obligations,

obtain a line of credit or curtail our expansion plans. However, the terms of our senior notes covenants contain restrictions on our ability to incur additional debt. We cannot be certain that additional financing will be available to us on favorable terms when required, or at all.

Recent Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards, or SFAS, No. 133, Accounting for Derivative Instruments and Hedging Activities. SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including derivative instruments embedded in other contracts, and for hedging activities. SFAS No. 133, as amended by SFAS No. 137, Deferral of the Effective Date of FASB Statement No. 133, is effective for all fiscal quarters of fiscal years beginning after June 15, 2000. This statement does not currently apply to us and we do not have any derivative instruments or hedging activities.

Impact of the Year 2000

As of February 17, 2000, we had not experienced any year 2000-related disruption in the operation of our systems. Although most year 2000 problems should have become evident on January 1, 2000, additional year 2000-related problems may become evident only after that date. For example, some software programs may have difficulty resolving the so-called "century leap year" algorithm which will also occur during the year 2000.

Quantitative and Qualitative Disclosures About Market Risk

Equinix has limited exposure to financial market risks, including changes in interest rates. An increase or decrease in interest rates would not significantly increase or decrease interest expense on debt obligations due to the fixed nature of our debt obligations. Our interest income is sensitive to changes in the general level of U.S. interest rates, particularly since the majority of our investments are in short-term instruments. Due to the short-term nature of our investments, we believe that we are not subject to any material market risk exposure. Equinix does not currently have any foreign operations and thus is not currently exposed to foreign currency fluctuations.

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BUSINESS

Overview

Equinix designs, builds and operates Internet Business Exchange, or IBX, centers where Internet businesses place their equipment and interconnect with each other. Our IBX centers place our customers' operations at a central location and provide them with the highest level of security, multiple back-up services, flexibility to grow and technical assistance. Our centers provide a place where content providers, or CPs, e-commerce related businesses and application service providers, or ASPs, can come together and select from a number of partners to grow their business. Equinix's IBX centers are designed to provide an environment that gives its customers a choice of carriers, Internet service providers, or ISPs, and other key e-business partners to meet their growing needs. As a result, our customers are better positioned to capitalize on market opportunities, expand their business offerings and enter new markets.

We intend to open approximately 30 IBX centers in major Internet markets in the U.S., Europe, Asia, South America and Australia. In July 1999, we opened our first IBX center in the Washington, D.C. area and in December 1999 we opened our second IBX center in Newark, New Jersey. We intend to open an IBX center in San Jose, California, during the first quarter of 2000. Our current customers include Akamai, Concentric Network, Ernst & Young Technologies, iBeam Broadcasting, MCI WorldCom, NaviNet and NorthPoint Communications.

We were incorporated in Delaware in June 1998 and are led by Albert M. Avery, IV, our president and chief executive officer, and Jay S. Adelson, our vice president, engineering and chief technology officer, who were responsible for designing, building and operating the Palo Alto Internet Exchange, or PAIX, one of the most active global Internet traffic exchange points. PAIX launched commercial service in July 1996 and was functioning at full capacity within one year of introduction.

Since March 1999, we have raised more than \$300 million to fund the rollout of our IBX centers. In April 1999, our first customer contract was signed and we began recognizing revenue in December 1999. We have not yet been profitable and expect to incur significant additional losses. Our stockholders are many of the most influential companies driving the development, operation and utilization of the Internet and its transformation to a reliable, trusted medium for commerce. They include America Online, Artemis S.A., Benchmark Capital, the Carlyle Group, Cisco Systems, Comdisco Ventures, Dell Corporation, E*Trade Group, Enron Corporation, epartners Capital, or News Corp., Finlayson Investments, or Temasek, Microsoft Corporation, Millennium System Trading Limited, or Pacific Century Group, Morgan Stanley Dean Witter, NorthPoint

Market Opportunity

Since the early 1990s, the Internet has experienced tremendous growth and is emerging as a global medium for communications and commerce. According to International Data Corporation, or IDC, the number of Internet business-to-business users worldwide will increase from approximately 142 million at the end of 1998 to approximately 502 million by 2003. In addition, according to Forrester Research, the number of Internet sites worldwide is expected to grow from fewer than 500,000 in 1997 to approximately 4.0 million in 2002. IDC also states that worldwide Internet business commerce sales are forecast to grow from approximately \$50 billion at the end of 1998 to approximately \$1.3 trillion by the end of 2003.

The Internet's explosive growth has led to chronic problems in the quality and reliability of Internet-related services delivered to the end user. Infrastructure has not kept pace with demand. Businesses have tried to alleviate these problems by relocating Internet content closer to core communications centers, upgrading network bandwidth and employing technologies such as web page caching. Unfortunately, these attempts have not been sufficient to ensure consistently high quality service. As broadband access, e-commerce and streaming media applications continue to gain market acceptance, businesses must find new solutions to ensure that the Internet infrastructure will meet their needs for Internet commerce.

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Traditionally, the Internet was thought of as just a network of networks. The distribution of content and delivery of services between thousands of individual networks occurred at network access points, or NAPs. These original NAPs were typically built in pre-existing telecommunications carrier facilities and run by companies such as MCI WorldCom, Sprint and Pacific Bell. Because operating the NAPs is not a core business for these carriers, they have not made the necessary investments in the NAPs to effectively manage the rapid growth in Internet traffic. As a result, these NAPs have emerged as one of the primary bottlenecks to improved Internet communications. The problems inherent in the NAPs stem from a number of sources:

Carrier monopoly. Ownership by the major carriers results in a lack of neutrality, essentially providing the carriers with a monopoly on all communications services provided. This can cause the services to be costly and provides no redundancy to the ISPs and other carriers within the facilities.

Limited scalability. There are a limited number of NAPs in the U.S. that handle the majority of Internet traffic exchange. These NAPs are physically constrained and unable to handle the tremendous growth in Internet traffic. As a result, only the largest carriers and ISPs receive preferential space allocation at the NAPs, leaving small and mid-sized companies without the ability to collocate, or establish their telecommunications equipment, at these facilities.

Legacy technologies. The NAPs were designed around outdated technologies that have limited their capacity. For example, the core switches in these facilities cannot scale to meet the traffic growth, which in some cases has resulted in significant packet loss and latency. The lack of direct connections between ISPs within the NAPs has compounded this problem.

On the Internet today, business content has become more valuable than many of the networks that support it. In the legacy NAPs, however, the lack of AC power, poor air conditioning, lack of financial-grade security, inadequately trained support staff and limited facility access have made it impractical for content providers to locate their content at central communications exchange points.

A variety of businesses, including emerging carriers, Web site hosting companies, ISPs and more focused new entrants are beginning to provide improved collocation, the provision of space for a customer's telecommunications equipment, services for Internet content. Forrester Research predicts that a combination of rapid Internet growth and increased outsourcing of Internet-related services will create an acute need for Internet-related hosting and collocation services, producing revenue growth in the U.S. from approximately \$875 million in 1998 to approximately \$14.7 billion by 2003. While the demand for these collocation services is significant, most new collocation facilities are being constructed by telecommunications carriers and ISPs. Internet and e-commerce companies who choose to collocate equipment at these facilities typically have no choice but to purchase bandwidth from the owner of the facility. Bandwidth is typically known as the rate at which data flows over a network and is measured in bits per second. This can be costly, given the lack of competition, and a significant risk if the facility owner's network were to fail or have performance problems.

IDC estimates that the number of non-U.S. Internet users will grow from approximately 79 million at the end of 1998 to approximately 325 million by the

end of 2003. Rapid growth of international Internet usage has created an unprecedented need for additional internationally-based central Internet traffic exchange points. Unfortunately, there are a limited number of NAPs outside of the U.S. As a result, non-U.S. traffic is often routed through one of the U.S. NAPs, whether or not that serves as the most efficient route, resulting in inefficiency and wasted resources. These routing inefficiencies burden international ISPs with high operating costs and often result in slow, unreliable transmissions.

As a result of tremendous competitive, time-to-market and technological pressures, Internet and e-commerce companies are demanding facilities that provide multiple interconnections with a broad cross-section of service providers and customers in a neutral environment conducive to rapid growth and optimal flexibility. Unfortunately, the tremendous growth of Internet usage and e-commerce has aggravated the inefficiencies of the current Internet architecture, which has constrained businesses' abilities to effectively grow and manage their Internet operations.

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The Equinix Solution

Our IBX centers are designed to solve many of the infrastructure problems facing Internet businesses today. The IBX centers will provide environments that stimulate efficient business growth by encouraging independent Internet supplier companies to deliver a wide variety of services. As a result, we are able to provide the following key benefits to our customers:

Choice. We believe that the ability of customers to choose among a variety of product and service providers is the fundamental driver of dynamic growth in commerce. By offering this crucial element of choice, our IBX centers are designed to serve as a catalyst for our customers that creates synergy among them and makes it possible for them to adapt their business models to successfully scale, or keep pace, with the growth of each other and of the Internet. Internet and e-commerce related businesses view the IBX facility as a forum to attract additional customers and diversify sources of supply for their businesses.

Opportunity to Increase Revenues and Reduce Costs. Our customers will have access to a variety of potential business partners. Accordingly, our customers will have a better opportunity to increase the size of their addressable markets, accelerate revenue growth and improve the quality of their services at our IBX centers. In addition, participants will be able to enhance their ability to control costs by aggregating their service purchases at a single location and through improved purchasing power.

Scalability. We design our IBX centers for physical scalability, or the ability to continue to function well along with changes in size or volume, and scalability from the perspective of an individual customer's ability to transact business. As a result, our IBX centers will both stimulate and support the efficient growth of our customers. From a facility perspective, we construct our IBX centers to be large enough to accommodate our customers' short-term needs, and our plan is to maintain sufficient available expansion space to meet their long-term growth needs where possible. In addition, through our global presence we will have a broad capacity to meet customers' multi-market and multi-geographic requirements. On an individual basis, customers are able to design their own unique cabinet configurations within a shared or private cage environment. As the need arises, customers can expand within their original cage or upgrade into a cage which meets their expanded requirements. We predict that customers will require this added capacity as they interconnect with each other and expand their customer reach.

Reliability. Our IBX design provides our customers with reliable and disaster-resistant environments that are necessary for optimum Internet commerce interconnection. We believe that the level of excellence and consistency achieved in our IBX architecture and design results in premium, secure, fault-tolerant exchanges. Our IBX centers are designed to offer our customers redundant, high-bandwidth Internet connectivity through multiple third-party connections. Additionally, our solutions include multi-level financial grade security, scalable cabinet space availability, on-site trained staff 24 hours per day, 365 days per year, dedicated areas for customer care and equipment staging, redundant AC/DC power systems and multiple other redundant, fault-tolerant infrastructure systems.

Value Added Services. In addition to our core services, we offer advanced products and value-added services that are intended to assist customers in improving the quality of their interconnection and traffic exchange. Such services include high-speed interconnects as well as a collaborative research environment. In addition, we enable collaborative research activities amongst our customers, which provide our customers with the opportunity to test their advanced products and services in a high-bandwidth production setting as well as gain exposure to leading-edge Internet products and technologies.

Our objective is to attract a wide variety of complementary business partners and provide the highest level of service in our IBX centers. To accomplish this objective we are employing the following strategies:

Capitalize on Our Neutrality. IBX neutrality means we provide our customers with the freedom to choose their preferred product and service providers. We call this a neutral environment and it is one of the

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fundamental characteristics of an IBX center. We believe this is a significantly improved approach compared with the current Internet model where ISPs and telecommunications carriers own and operate the majority of colocation and exchange facilities. Our customers will benefit from a neutral environment that stimulates efficient business growth through accelerated network economics, or the value derived by a provider at an IBX center from being able to sell its services to a locally-aggregated set of customers, created by the efficient and rapidly growing interaction between business Internet service providers.

Target a Balanced IBX Customer Base. As a key aspect to fostering efficient interaction and promoting choice, reliability and redundancy, we intend to actively manage our customer base at each IBX center to include a balanced number of Internet and e-commerce related businesses. For example, we will seek to ensure that an e-mail service provider located in an Equinix IBX center will be able to market its services to many CPs, ISPs, or, a CP located in an Equinix IBX center will have a choice of multiple bandwidth providers to establish redundancy while commanding the purchasing leverage to demand higher service quality at a lower bandwidth cost.

Expand Globally and Capitalize on First Mover Advantage. We believe that capitalizing on our first mover advantage is essential to establishing leadership in the rapidly developing neutral Internet business exchange market. As a result, we currently plan to launch an aggressive IBX center rollout program over the next twelve to eighteen months and open a total of 13 IBX centers in the United States and internationally. One additional IBX center is scheduled to open in the United States by the end of the first quarter of 2000. Another 10 IBX centers are scheduled to open in 2000 in the U.S., Europe and Asia. We believe the demand for our international IBX facilities and services will be significant due to the early stage of Internet infrastructure deployment outside of the U.S.

Establish Equinix as the Leading Brand for IBX Centers. We plan to establish Equinix as the industry standard for the highest quality Internet connections. Through brand awareness and promotion we intend to create a strong following among all top CPs, ISPs, carriers and CSPs. We believe that this strong brand awareness, combined with our ability to provide the highest quality Internet interconnection services and physical facilities and professional services will provide us with a competitive advantage in our market.

Leverage Blue-Chip Investor Base. Our stockholders are some of the most influential companies driving the development, operation and utilization of the Internet. They provide us with invaluable technical and business insight, industry contacts and customer relationships to help expedite the expansion of our business. These stockholders include America Online, Artemis S.A., Benchmark Capital, the Carlyle Group, Cisco Systems, Comdisco Ventures, Dell Corporation, E*Trade Group, Enron Corporation, epartners Capital, or News Corp., Finlayson Investments, or Temasek, Microsoft Corporation, Millennium System Trading Limited, or Pacific Century Group, Morgan Stanley Dean Witter, NorthPoint Communications, Reuters and Salomon Smith Barney.

Continue Providing Leading-Edge Products and Services. Part of our competitive advantage is our ability to provide leading edge products and services to our customers. To this end, we encourage our customers to research and test their new technologies within our state-of-the-art research and development environment. We make available our on-site support and research areas and enable our customers to house their own equipment within the IBX center. By collaborating with leading technology companies we believe we are positioned at the forefront of Internet technology development. As we increase our scale and customer base, we will have numerous opportunities to cross-sell additional infrastructure services such as measurement and testing, network-monitoring, network consulting and design and system integration.

Customers

Customers typically sign renewable contracts of one to three years in length, often with options on additional space. Our current customers, including Akamai, Concentric Network, Ernst & Young Technologies, iBeam Broadcasting, MCI WorldCom, NaviNet, NorthPoint Communications, and others, have subscribed for approximately 26% of the capacity of our Washington, D.C. IBX center. Additionally, Akamai, MCI WorldCom and NorthPoint Communications have signed multi-site agreements.

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Historically, Internet businesses have been vertically integrated and provided all services directly to their customers. These services typically include marketing, access and Internet backbone connectivity, server hosting, and other services such as e-mail and usenet newsgroups. Continued rapid growth, innovation, competition and scarce human resources have opened the door for companies to specialize in core Internet services and turn to best-of-breed suppliers to provide other elements of their product. These specialized players include:

- . content providers supplying information, education or entertainment content and conducting the sale of goods and services;
- . Internet service providers offering end-users Internet access and customer support;
- . telecommunications carriers; and
- . component service providers offering ASP and web hosting, e-mail, usenet newsgroups and content distribution.

We consider these specialized players to be the core of our customer base and we offer each customer solutions that are designed to meet their unique and changing needs.

We believe our IBX centers provide the following benefits to our customers:

Type of Customer:	Benefits
Content Providers	<ul style="list-style-type: none"> . Choice among multiple bandwidth providers and CSPs . Avoidance of carrier charges . Scalable, flexible, fault-tolerant environment . Cost savings through aggregating purchases at a single location . Expedited provisioning of services . Minimize packet loss and latency, or time that elapses between a request for information and its arrival, issues . Colocation at a central exchange point for Internet traffic . Financial grade security and 24 hours per day, seven days per week Internet trained staff
Internet Service Providers	<ul style="list-style-type: none"> . Direct peering, or traffic exchange, with other ISPs over private high-speed dedicated interconnections . Simplified outsourcing of various component services, including DSL, e-mail, usenet and content distribution . Expedited, flexible, scalable and cost-efficient bandwidth provisioning . Elimination of capital investments for facilities . Centralized audience for products and services
Carriers	<ul style="list-style-type: none"> . Economies of scale with reduced capital costs . Ability to focus on core competencies . Centralized market with access to dozens of potential customers
Component Service Providers	<ul style="list-style-type: none"> . Proximity to customers reduces operations, technology and marketing costs and speeds service deployment . Avoidance of carrier charges . Improved quality of service through direct connections

Services

Within our IBX centers we provide our customers with equipment colocation and interconnection, value-added services, and professional services.

Equipment Colocation Services

Within our IBX centers, customers can colocate and interconnect their equipment and perform high bandwidth communications while bypassing the public

Internet and avoiding carrier charges often associated with such arrangements. Customers can use these interconnections for a variety of purposes, including private peering, delivery of services or connecting to private networks.

Cabinets. Customers have the choice of colocating their equipment in shared cages or in their own locked, secure cabinets and, in either case, are able to design their own unique cabinet configurations. Cabinet spaces are available in half height, 42 inches, sufficient for a basic networking presence or full height, 84 inches, suitable for networking and server colocation. Cable trays support cables between and among cabinets. Stationary or slide shelves and enclosed cabinets are available upon request. As a customer's colocation requirements increase, they can expand within their original cage or upgrade into a cage that meets their expanded requirements.

Shared Cages. A shared cage environment is designed for customers needing less than ten full cabinets to house their equipment. Each cabinet in a shared cage is individually secured with an advanced trackable electronic locking system and the cage itself is secured with a biometric hand-geometry system.

Private Cages. Customers that contract for a minimum of ten full cabinets can use a private cage to house their equipment. Private cages are also available in larger full cabinet sizes. Each private cage is individually secured with a biometric hand-geometry system.

Direct Connections. Customers requiring a dedicated communications link may directly connect to each other. Direct connections are Any Mode Any Speed, which means they can include single-mode fiber, multi-mode fiber, and other media upon request, as well as handle any speed required by the customer. These cross connections are customized and terminated per customer instructions and may be implemented within 24 hours of request.

Value-Added Services

Central Switching Fabric. Customers may choose to connect to our backed-up central switching fabric, also known as the combination of hardware and software that moves data coming in to a network, rather than purchase direct connections. Our central switching fabric can accommodate select port connections at various speeds.

Core Infrastructure Services. Those customers with a port connection on the central switching fabric have access to multiple core infrastructure services. These services address critical intelligent networking requirements and assist customers in improving the quality of their interconnection and traffic exchange.

Emerging Technologies Environment. Our IBX customers enjoy access to a research and development environment for testing new products and technology in a production setting. For example, this environment features alternative central switching fabric platforms on various participating vendor's equipment, each operating with simulated production-level traffic, dedicated cabinet space and on-site and remote technical support. Customers can connect to these systems to perform various tests. Other technologies, such as new protocols, server-based information services, multicast and caching may be staged and tested in our IBX centers. Our philosophy is to collaborate with our customers and work independently to test, prove and select the best technologies and solutions for next-generation networking to enhance the scalability of Internet-related businesses. Current projects address monitoring and caching technologies, multicast networks and systems and various switching products.

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Professional Services

Our IBX centers are staffed with highly trained Internet and telecommunications specialists who are available 24 hours per day, 365 days per year. These professionals are trained to perform installations of customer equipment and cross connections, and integration and support services.

"Smart Hands" Services. Our customers can take advantage of our professional "Smart Hands" service, which gives customers access to our IBX staff for a variety of troubleshooting tasks, when their own staff is not on site. These tasks include power cycling, card swapping, and performing emergency equipment replacement. Services are available on-demand or by customer contract.

Other Professional Services. We also provide network consulting and system integration services to our customers.

IBX Design and Staffing

Our IBX centers are designed to provide a state-of-the-art, secure, full-service, neutral operating environment of typically 900 cabinets, or 50,000 square feet, in the first-phase buildout for colocation of customer equipment. The IBX centers are designed to provide specific and compelling improvements over legacy facilities, including improved security, redundancy of all key infrastructure systems and improved customer care. An IBX center is divided

into six basic functional areas--access, customer care, colocation, telecommunications access, mechanical and power systems and operations.

Access Area. The access area includes a bullet-resistant guard booth; a welcome area, a hand-geometry enrollment station, and a mantrap to further control access to the IBX center. All doors and access ways are secured with biometric hand-geometry readers to ensure absolute identification and authentication. All customers and Equinix employees entering an Equinix IBX center must be cleared through this secured zone.

Customer Care Area. The customer care area includes a seating section, conference rooms, Internet workstations, customer equipment preparation work areas, equipment lockers, a game room, bathrooms, showers and a kitchen.

Colocation Area. The colocation area is divided into large cages to house networking and customer computer equipment that is secured by biometric security access systems. This area includes dual independent AC and DC power distribution systems, full-automated CCTV digital camera security surveillance, and a tamper-proof overhead cable-management system with separate trays for fiber and copper data, AC power and DC power cables. Access to the colocation area is through the customer care area.

Telecommunications Access Area. All IBX centers will have a minimum of two dedicated fiber entry vaults for telecommunications carrier access to the colocation area. In addition, every IBX center has roof space or a separate platform for customers who access the IBX center via wireless devices such as satellite dishes, radio antennae and microwave.

Mechanical and Power Systems Area. The mechanical and power systems area includes machine rooms and space used to house all mechanical, power safety and security equipment. Fully redundant heating, ventilation, air conditioning and power systems, as well as dual electric utility feeds support all areas of the IBX center. Power systems are designed and periodically tested to transparently handle rapid transition from public utility power to back-up power. The AC uninterruptible power supply and DC battery systems are configured to operate a fully occupied IBX center for a minimum of fifteen minutes. If there is a utility power failure, the on-site generator system could be brought on-line in less than eight seconds through an automatic transfer switch to supply seamless, uninterrupted power to the IBX center. The emergency generators, located in a specially equipped area, supply power to the AC and DC systems. On-site fuel tanks store sufficient fuel to power a fully occupied IBX center for a minimum of 48 hours.

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Operations Area. The operations area houses the IBX manager's office, an operations center for staff technicians and office space for visiting Equinix employees. It includes consoles for monitoring all IBX environmental systems and for tracking all activities at the IBX center. In selected IBX centers, this area will house regional operations centers that will monitor the operations of several IBX centers.

Other Specifications

Security System. All access controls and other security functions are connected to a central security computer system that controls access to the interior and exterior perimeters of the IBX centers. An armed security guard located behind the bullet-resistant security console controls access to the colocation area. The caged sections of the colocation area can only be accessed through hand-geometry readers located on cage doors. CCTV digital cameras connected to a central system at the security console monitor and record all activity within the IBX center, as well as the perimeter and the roof.

Staffing. A typical IBX center is staffed with nine Equinix employees, including one IBX manager and eight technical service personnel who provide 24 hours per day, 365 days per year coverage for customer support needs. In addition, an IBX facility has two armed security guards on duty at all times, a chief engineer and 24-hour technical support.

Other. For security purposes, an Equinix IBX center is anonymous. No indications of center ownership or function are visible from the exterior. In addition, there are no raised floors and all walls are airtight and without windows. Our IBX centers are designed with advanced fire suppression systems, either a FM-200 gas type or a multi-zoned dry-pipe system, both of which are armed with sensory mechanisms to sample the air and raise alarms before pressurization or release. Finally, an Equinix IBX center is designed to withstand a seismic event of 7.5 as measured on the Richter scale.

IBX Rollout Schedule

The objective of our global rollout strategy is to rapidly establish a leadership position in the mission critical Internet and e-commerce market. We intend to open approximately 30 IBX centers in major Internet markets in the U.S., Europe, Asia, South America and Australia over the next four years. We

opened our first IBX center in July 1999 in Ashburn, Virginia, our Washington, D.C. IBX center, and, in December 1999, we opened our second IBX center in Newark, New Jersey. During the first quarter of 2000, we intend to open an additional IBX center in San Jose, California. Through the remainder of 2000, our rollout consists of opening IBX centers in Boston, Massachusetts; Chicago, Illinois; Los Angeles, California; New York City, New York; Seattle, Washington; London, England; Dallas, Texas; Amsterdam, Netherlands; Paris, France; and Frankfurt, Germany. In addition, we are planning major expansions to our Washington, D.C. and San Jose IBX centers. The scalable nature of our IBX model enables us to be flexible in response to changing market opportunities. As a result, the timing and placement of our IBX centers will vary depending on numerous factors, including competitive, technological, regulatory and other developments.

To facilitate our rollout schedule we entered into an agreement with MCI WorldCom, or MCI, under which MCI agreed to install fiber at our first seven U.S. IBX centers. Among other things, MCI has agreed to provide timely and sufficient fiber to fulfill the requirements of all customers in the designated IBX centers. In addition, we entered into an agreement with Bechtel Corporation, or Bechtel, where Bechtel will act as exclusive contractor for a number of our IBX centers worldwide. Bechtel has agreed to assist us with site identification and evaluation, design, build-out, and testing of these IBX centers.

Sales and Marketing

Sales

We use a direct sales force to market our services to Internet and e-commerce related businesses. We are organizing our sales force by customer segments as well as establishing a sales presence in diverse geographic

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regions, which will enable efficient servicing of the customer base from a network of regional offices. A regional office is comprised of a manager, sales representatives and technical support personnel. While we may contemplate other distribution channels and reseller arrangements in the future, through the year 2000 substantially all revenues will be generated by direct sales.

Before opening an IBX center, we will focus on securing key anchor customers and generating sales commitments for at least 20% of the available capacity. Our sales strategy is to focus our efforts on the top 25 companies in our customer segments, which include content providers, ISPs, carriers and CSPs. Momentum in the selling process and the presence of anchor customers are important to attracting additional potential customers who see the IBX center as an opportunity to generate new customers and revenues in a business exchange environment and to improve the quality of their colocation services. We expect a substantial number of customers to contract for services at multiple IBX centers and have already received orders from three such customers. At each IBX center, our sales representatives will screen prospective customers and will manage the population of the IBX center to ensure an appropriate mix of customer types.

Marketing

To support our sales effort and to actively promote and solidify the Equinix brand, we plan to conduct comprehensive marketing programs. Our marketing strategies will include an active public relations campaign, print advertisements, online advertisements, trade shows, speaking engagements, strategic partnerships and on-going customer communications programs. We are focusing our marketing effort on business and trade publications, online media outlets, industry events and sponsored activities. We participate in a variety of Internet, computer and financial industry conferences and encourage our officers and employees to pursue speaking engagements at these conferences. In addition to these activities, we intend to build recognition through sponsoring industry technical forums, participating in Internet industry standard-setting bodies, such as the Internet Engineering Task Force, and delivering white papers that address Internet infrastructure issues at conferences.

Competition

Our market is new, rapidly evolving, and likely to have an increasing number of competitors. To be successful in this emerging market, we must be able to differentiate ourselves from existing colocation and web hosting companies. We may also face competition from persons seeking to replicate our IBX concept. We may not be successful in differentiating ourselves or achieving widespread market acceptance of our business. Furthermore, enterprises that have already invested substantial resources in peering arrangements may be reluctant or slow to adopt our approach that may replace, limit or compete with their existing systems. If we are unable to complete our IBX centers in a timely manner, other companies will be able to attract the same customers that we are targeting. Once the customers are located in our competitors' facilities, it will be very difficult, if not impossible, to convince them to relocate to our IBX centers.

We may encounter competition from a number of sources, some of which may also be our customers, including:

- . Web site hosting, colocation and ISP companies such as AboveNet, Digital Island, Exodus, Frontier GlobalCenter, Globix, PSINet and Verio;
- . established communications carriers such as AT&T, Level 3, MCI WorldCom, Qwest and Sprint; and
- . emerging colocation service providers such as Colo.com, IX Europe, Neutral Nap and Telehouse.

Potential competitors may bundle their products or incorporate colocation services in a manner that is more attractive to our potential customers than purchasing cabinet space in our IBX centers and utilizing our services. Furthermore, new competitors or alliances among competitors may emerge and rapidly acquire significant market share. Our competitors may be able to respond more quickly to new or emerging technologies and changes in customer requirements than we can.

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Some of our potential competitors have longer operating histories and significantly greater financial, technical, marketing and other resources than we do. In particular, carriers and several hosting and colocation companies have extensive customer bases and broad customer relationships that they can leverage, including relationships with many of our potential customers. These companies also have significantly greater customer support and professional service capabilities than we do. Because of their greater financial resources, some of these companies have the ability to adopt aggressive pricing policies. As a result, in the future we may have to adopt pricing strategies that compete with such competitors to attract and retain customers. Any such pricing pressures would adversely affect our ability to generate revenues.

Employees

As of December 31, 1999, we had 91 full-time employees and two full-time consultants. We had 73 employees based at our corporate headquarters in Redwood City, California and our regional sales offices in New York, NY and Reston, VA, and 18 employees based at our Washington, D.C. and Newark, N.J. IBX centers. Of those employees, 51 were in engineering and operations, 23 were in sales and marketing and 17 were in management and finance.

Properties

Our executive offices are currently located in Redwood City, CA and after June 2000 will be located in Mountain View, CA. We have entered into lease commitments for IBX centers in Ashburn, VA, Newark, NJ, San Jose and Los Angeles, CA, Chicago, IL and Dallas, TX. Relating to future IBX centers, we do not intend to own real estate or buildings but rather continue to enter into lease agreements with a minimum term of ten years, renewal options and rights of first refusal on space for expansion.

Legal Proceedings

We are currently not involved in any litigation.

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MANAGEMENT

Officers, Key Employees and Directors

Our officers, key employees and directors, and their ages as of January 31, 2000, are as follows:

Name	Age	Position
Albert M. Avery, IV.....	56	President, Chief Executive Officer and Director
Jay S. Adelson.....	29	Vice President, Engineering, Chief Technology Officer and Director
Philip J. Koen.....	47	Chief Financial Officer and Secretary
Marjorie S. Backaus.....	38	Vice President, Marketing
Roy A. Earle.....	43	Vice President, IBX Development
Peter T. Ferris.....	42	Vice President, Worldwide Sales
Gregory F. McHugh.....	51	Vice President, Operations
William B. Norton.....	36	Director of Business Development
Andrew S. Rachleff.....	41	Director
Michelangelo Volpi.....	33	Director

Albert M. Avery, IV, one of our founders, has served as Equinix's president,

chief executive officer and a director since our inception in June 1998. During the period from February 1996 to June 1998, Mr. Avery was general manager of the Palo Alto Internet Exchange, or PAIX, of Digital Equipment Corporation, or DEC, a division of Compaq. During the period from March 1994 to February 1996, Mr. Avery served as chief of staff to the vice president of research and advanced development at DEC. Before holding this position, Mr. Avery held a variety of sales, business and engineering management roles at DEC, which he joined in 1968. Mr. Avery holds a B.S. in electrical engineering from Lafayette College and an M.S. in computing from the University of California at Los Angeles.

Jay S. Adelson, one of our founders, has served as Equinix's vice president, engineering, chief technology officer and a director since our inception in June 1998. During the period from February 1997 to June 1998, Mr. Adelson was operations manager at PAIX. Before joining PAIX, Mr. Adelson was a founding member of Netcom On-Line Communications, Inc., an Internet services corporation, where, during the period from January 1994 to February 1997, he managed both access and network operations. Mr. Adelson holds a B.S. in communications from Boston University.

Philip J. Koen has served as Equinix's chief financial officer and secretary since July 1999. Before joining Equinix, Mr. Koen was employed at PointCast, Inc., an Internet company, where he served as chief executive officer during the period from March 1999 to June 1999; chief operating officer during the period from November 1998 to March 1999; and chief financial officer and executive vice president responsible for software development, network operations, finance, information technology, legal and human resources during the period from July 1997 to November 1998. From December 1993 to May 1997, Mr. Koen was vice president of finance and chief financial officer of Etec Systems, Inc., a semi-conductor equipment company. Mr. Koen currently serves as a director of Zitel Corporation and of Centura Software Corp., both public companies. Mr. Koen holds a B.A. in economics from Claremont McKenna University and an M.B.A. from the University of Virginia.

Marjorie S. Backaus has served as Equinix's vice president, marketing since November 1999. During the period from August 1996 to November 1999, Ms. Backaus was vice president of marketing at Global One, a telecommunications company. From November 1987 to August 1996, Ms. Backaus served in various positions at AT&T, including that of division manager, DirecTV. Ms. Backaus holds a B.B.A.A. in accounting from Kennesaw State University and an M.B.A. from Emory University.

Roy A. Earle has served as Equinix's vice president, IBX development since November 1999. Before joining Equinix, Mr. Earle was employed at Etec Systems, a semiconductor equipment company where he served as vice president and general manager of display products from September 1997 to November 1999 and

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as vice president for operations from October 1995 to September 1997. From July 1994 to October 1995, Mr. Earle served as chief operating officer and plant manager at Temic Siliconix, a semiconductor company. Mr. Earle holds a B.S. in chemistry from the University College in Dublin, Ireland and an M.S. in materials science from the University of Sheffield, United Kingdom.

Peter T. Ferris has served as Equinix's vice president, worldwide sales since July 1999. During the period from June 1997 to July 1999, Mr. Ferris was vice president of sales for Frontier Global Center, a provider of complex web site hosting services. From June 1996 to June 1997, Mr. Ferris served as vice president, eastern sales at Genvity Inc., an Internet services provider. From December 1993 to June 1996, Mr. Ferris was vice president, mid-Atlantic sales at MFS DataNet Inc., a telecommunications services provider. Mr. Ferris holds a B.A. in economics from Ohio Wesleyan University.

Gregory F. McHugh has served as Equinix's vice president, operations since March 1999. During the period from February 1996 to March 1999, Mr. McHugh was a principal at Pittiglio, Rabin, Todd & McGrath, a high-technology consulting firm. During the period from September 1993 to November 1995, Mr. McHugh was vice president of operations for Cadence Design Systems, an electronic design firm. Mr. McHugh has held a number of executive roles in information systems for such companies as Quantum, Analog Devices, National Semiconductor and Motorola. He also has experience managing service operations and Internet services at Pacific Bell. Mr. McHugh holds a B.S. in engineering from San Francisco State University and an M.S.E.E. in electrical engineering from Stanford University.

William B. Norton, one of our founders, has served as Equinix's director of business development since October 1998. During the period from October 1987 to September 1998, Mr. Norton, an industry-recognized speaker and panelist, was manager of Internet engineering at Merit Network, Inc., a not-for-profit corporation in support of higher education networks, and led the North American Network Operators Group, the Internet network operations forum for the United States and Canada. Mr. Norton holds a B.A. in computer science from the State University of New York, Potsdam and an M.B.A. from the University of Michigan School of Business Administration.

Andrew S. Rachleff has served as a director of Equinix since September 1998. Mr. Rachleff has served as a general partner of Benchmark Capital, a Menlo Park-based venture capital firm, since its founding in May 1995. Since May 1986, Mr. Rachleff has served as a general partner of Merrill, Pickard, Anderson & Eyre. Mr. Rachleff currently serves as a director of several privately held companies and of NorthPoint Communications, Inc., a public company and one of our stockholders. Mr. Rachleff holds a B.S. from the University of Pennsylvania and an M.B.A. from the Stanford Graduate School of Business.

Michelangelo Volpi has served as a director of Equinix since November 1999. Mr. Volpi has served in various capacities at Cisco Systems, a data communications equipment manufacturer, since 1994, most recently as senior vice president, business development. Mr. Volpi holds a B.S. and an M.S. in mechanical engineering from Stanford University and an M.B.A. from the Stanford Graduate School of Business.

Director Compensation

Directors do not receive compensation for services provided as a director or for participation on any committee of the board of directors. Directors are not reimbursed for their out-of-pocket expenses in serving on the board of directors or any committee of the board of directors. Directors are eligible for option grants under our 1998 Stock Plan.

Compensation Committee Interlocks and Insider Participation

No interlocking relationship exists between any member of our board of directors and any member of the board of directors or compensation committee of any other company, and no such interlocking relationship has existed in the past. Currently, we do not have a compensation committee. Instead, compensation related decisions are made by the entire board of directors.

Indemnification

To the fullest extent permitted by applicable law, our amended and restated certificate of incorporation authorizes us to provide indemnification of, and advancement of expenses to, our agents and any other persons to whom the Delaware General Corporation Law permits us to provide indemnification, in excess of the indemnification and advancement otherwise permitted by the Delaware General Corporation Law. Our authorization is subject only to limits created by the Delaware General Corporation Law relating to actions for breach of duty to Equinix, our stockholders and others.

Our bylaws provide for mandatory indemnification of our directors to the fullest extent permitted by Delaware law and for permissive indemnification of any person, other than a director, made party to any action, suit or proceeding by reason of the fact that he or she is or was our officer or employee.

We have also entered into indemnification agreements with our officers and directors containing provisions that may require us to indemnify such officers and directors against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from willful misconduct of a culpable nature, and to advance their expenses incurred as a result of any proceeding against them as to which they could be indemnified.

Executive Compensation

The following table sets forth compensation information for the period from June 1998 through December 31, 1999 paid by us for services by our chief executive officer and our other highest-paid executive officers whose total annualized salary and bonus for such fiscal year exceeded \$100,000:

Summary Compensation Table

<TABLE>
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Name and Principal Position	Annual Compensation		Long-Term Compensation Awards
	Salary(\$)	Bonus(\$)	Securities Underlying Options(#)
<S>	<C>	<C>	<C>
Albert M. Avery, IV..... President, Chief Executive Officer and Director	\$ 178,020		0(1)
Jay S. Adelson..... Vice President, Engineering, Chief Technology Officer and Director	\$ 173,754		0(1)
Peter T. Ferris..... Vice President, Worldwide Sales	\$ 187,583		510,000

</TABLE>

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(1)Each of Messrs. Avery and Adelson purchased 3,030,000 shares of restricted stock on June 22, 1998 in accordance with a Stock Purchase Agreement. Each agreed to amend their stock purchase agreement on July 30, 1998 to subject 2,727,000 of the shares to vesting restrictions. Pursuant to the amendment, the 2,727,000 shares will vest in 48 monthly installments from June 22, 1998. The purchaser will also vest in 25% of the shares if his employment is involuntarily terminated and will vest in all of the shares if his employment is involuntarily terminated within 12 months following a change in control of Equinix. As of December 31, 1999, Messrs. Avery and Adelson had each vested in 1,022,625 of the restricted shares and the restricted shares had a value of \$4,549,829, which represents 1,704,375 shares valued at \$2.67 per share less \$0.0003, the price paid per share.

Option Grants in Last Fiscal Year

The following table sets forth the only grant of stock options made during the fiscal year ended December 31, 1999 to the named executive officers. We have not granted stock appreciation rights. The option listed in the table is immediately exercisable. The shares purchasable thereunder are subject to repurchase by Equinix at the original exercise price paid per share upon the optionee's cessation of service prior to vesting in

such shares. The repurchase right on his option lapses and he vests as to 25% of the option shares upon completion of one year of service from the date of grant and the balance in a series of equal monthly installments over the next 36 months of service thereafter. Mr. Ferris' option will vest in 12 months worth of stock upon a change in control of Equinix. The exercise price for each option was equal to the fair market value of our common stock as determined by our board of directors on the date of grant. The exercise price may be paid in cash, in shares of our common stock valued at fair market value on the exercise date or through a cashless exercise procedure involving a same-day sale of the purchased shares. We may also finance the option exercise by loaning the optionee sufficient funds to pay the exercise price for the purchased shares, together with any federal and state income tax liability incurred by the optionee in connection with such exercise. We have calculated the potential realizable value based on the term of the option at the time of grant (ten years) and we assumed stock price appreciation of 5% and 10% in accordance with the rules promulgated by the Securities and Exchange Commission; this does not represent our prediction of our stock price performance. The potential realizable values at 5% and 10% appreciation are calculated by assuming that the exercise price on the date of grant appreciates at the indicated rate for the entire term of the option and that the option is exercised at the exercise price and sold on the last day of its term at the appreciated price.

<TABLE>

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Individual Grants

Name	Number of Securities Underlying Options Granted (#)	% of Total Options to Employees in Fiscal Year	Price (\$/Sh)	Expiration Date	Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term	
					5% (\$)	10% (\$)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Albert M. Avery, IV.....	0	--	--	--	--	--
Jay S. Adelson.....	0	--	--	--	--	--
Peter T. Ferris.....	510,000	8.4%	0.067	6/30/09	21,382	54,187

Aggregated Option Exercises in Last Fiscal Year and Fiscal Year-End Option Values

None of the named executive officers exercised options during the fiscal year ended December 31, 1999. The following table sets forth for each of the named executive officers the number and value of securities underlying unexercised options that are held by the named executive officers as of December 31, 1999. Since our options are immediately exercisable at grant, any shares purchased under those options will be subject to repurchase by us, at the original exercise price paid per share, upon the optionee's cessation of service with Equinix, prior to vesting in such shares. Accordingly, we have

chosen to report the number of the underlying shares that are vested and the number unvested as of December 31, 1999. The heading "Vested" refers to shares no longer subject to repurchase; the heading "Unvested" refers to shares subject to repurchase as of December 31, 1999. Our board has determined that the fair market value of our common stock on December 31, 1999 was \$2.67 per share.

<TABLE>
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Name	Number of Securities Underlying Unexercised Options at December 31, 1999 (#)		Value of Unexercised in-the-Money Options at December 31, 1999 (\$)	
	Vested	Unvested	Vested	Unvested
<S>	<C>	<C>	<C>	<C>
Albert M. Avery, IV.....	0	0	0	0
Jay S. Adelson.....	0	0	0	0
Peter T. Ferris.....	0	510,000	0	1,327,530

Employee Benefit Plan

1998 Stock Plan

Share Reserve. Our board of directors adopted our 1998 Stock Plan on September 10, 1998. Our stockholders have also approved this plan. We have reserved 12,012,810 shares of our common stock for

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issuance under the 1998 Stock Plan. In general, if options or shares awarded under the 1998 Stock Plan are forfeited, then those options or shares will again become available for awards under the 1998 Stock Plan.

Administration. Our board of directors administers the 1998 Stock Plan. The board has the complete discretion to make all decisions relating to the interpretation and operation of our 1998 Stock Plan. The board has the discretion to determine who will receive an option, what type of option it will be, how many shares will be covered by the option, what the vesting requirements will be, if any, and what the other features and conditions of each option will be. The board may also reprice outstanding options and modify outstanding options in other ways.

Eligibility. The following groups of individuals are eligible to participate in the 1998 Stock Plan:

- . Employees;
- . Non-employee members of our board of directors; and
- . Consultants.

Types of Awards. The 1998 Stock Plan provides for the following types of awards:

- . Incentive stock options to purchase shares of our common stock;
- . Nonstatutory stock options to purchase shares of our common stock; and
- . Restricted stock.

Options. An optionee who exercises an incentive stock option may qualify for favorable tax treatment under Section 422 of the Internal Revenue Code of 1986. However, nonstatutory stock options do not qualify for such favorable tax treatment. The exercise price for incentive stock options granted under the 1998 Stock Plan may not be less than 100% of the fair market value of our common stock on the option grant date. In the case of nonstatutory stock options, the minimum exercise price is 85% of the fair market value of our common stock on the option grant date. Optionees may pay the exercise price by using:

- . Cash;
- . Shares of common stock that the optionee already owns;
- . An immediate sale of the option shares through a broker designated by us; or
- . A loan from a broker designated by us, secured by the option shares.

Options vest at the time or times determined by our board of directors. In most cases, our options will vest over a four-year period following the date of grant. Options generally expire 10 years after they are granted, however they

generally expire earlier if the optionee's service terminates earlier.

Restricted Shares. Restricted shares may be awarded under the 1998 Stock Plan in return for:

- . Cash;
- . Services previously provided to us; and
- . Services to be provided to us in the future, except that the par value of such shares, if newly issued, shall be paid in cash.

Restricted shares vest at the time or times determined by the board.

Change in Control. If a change in control of Equinix occurs, an option or restricted stock award under the 1998 Stock Plan will generally become fully vested. However, if the surviving corporation assumes the option stock award or option or replaces it with a comparable option, then vesting will not accelerate. An

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option or stock award will become fully exercisable and fully vested if the holder's employment or service is involuntarily terminated within 12 months following the change in control. A change in control includes:

- . A merger or consolidation of Equinix with or into another entity or any other corporate reorganization, if persons who were not our shareholders immediately before the transaction own immediately after the transaction 50% or more of the voting power of the outstanding securities of each of (a) the continuing or surviving entity and (b) any direct or indirect parent corporation of such continuing or surviving entity; after which our own stockholders own 50% or less of the surviving corporation, or its parent company; or
- . A sale of all or substantially all of our assets.

Amendments or Termination. Our board of directors may amend or terminate the 1998 Stock Plan at any time. If our board amends the plan, stockholder approval is not required unless such approval is otherwise required under applicable law. The 1998 Stock Plan will continue in effect until September 9, 2008, unless the board decides to terminate the plan earlier.

Employment Agreements and Change of Control Arrangements

The board of directors, as plan administrator of the 1998 Stock Plan, has the authority to provide for accelerated vesting of the shares of common stock subject to outstanding options held by our officers and any other person in connection with certain changes in control of Equinix. In connection with our adoption of the 1998 Stock Plan, we have provided that upon a change in control of Equinix, each outstanding option and all shares of restricted stock will generally become fully vested unless the surviving corporation assumes the option or award or replaces it with a comparable award.

Except for Mr. Ferris, none of the executive officers have employment agreements with Equinix, and their employment may be terminated at any time. Equinix has entered into an agreement with Mr. Ferris, our Vice President of Sales, dated June 28, 1999 which provides that his salary shall be \$190,000 per year and he is eligible for a target bonus of \$60,000. The agreement provides for the grant of an option to purchase 340,000 shares of common stock at the fair market value on the grant date vesting over 4 years. The agreement also provides that we will extend a loan to Mr. Ferris of up to \$750,000. Should Equinix be acquired before an initial public offering of its equity securities, we have agreed to pay Mr. Ferris a cash bonus equal to the difference between \$1,000,000 and the amount Mr. Ferris receives for his shares of Equinix stock. The agreement also provides for acceleration of vesting of option shares as if Mr. Ferris remained employed for one additional year if there are certain changes in control of Equinix. We also agreed to indemnify Mr. Ferris for any claims brought by his former employer under an employment and non-compete agreement he had with this employer.

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RELATED-PARTY TRANSACTIONS

Since inception, there has not been, nor is there currently proposed, any transaction or series of similar transactions to which we were or are to be a party in which the amount involved exceeds \$60,000 and in which any director, executive officer or holder of more than 5% of our common stock, on an as converted basis, or an immediate family member of any of these individuals or entities, had or will have a direct or indirect interest other than:

- . compensation arrangements, which are described where required under "Management;" and

. the transactions described below.

Sale of Common Stock. In June 1998, we issued and sold 3,030,000 shares of our common stock to Albert M. Avery, IV, our president, chief executive officer and director, at a per share purchase price of \$0.0003, which accounts for a 2.02 for one stock split on August 31, 1998 and a three for two stock split on January 19, 2000.

In June 1998, we issued and sold 3,030,000 shares of our common stock to Jay S. Adelson, our vice president, engineering and site development, chief technology officer and director, at a per share purchase price of \$0.0003, which accounts for a 2.02 for one stock split on August 31, 1998 and a three for two stock split on January 19, 2000.

Series A Preferred Stock Financing. In September 1998, we issued and sold 7,522,500 shares of our Series A preferred stock to Benchmark Capital Partners II, L.P., a 5% stockholder of us, at a per share purchase price of \$0.67 which accounts for a three for two stock split on January 19, 2000. One of our directors, Andrew S. Rachleff, is a general partner of Benchmark Capital, the general partner of Benchmark Capital Partners II, L.P.

In September 1998, we issued and sold 5,775,000 shares of our Series A preferred stock to Cisco Systems, Inc., a 5% stockholder of us, at a per share purchase price of \$0.67. One of our directors, Michelangelo Volpi, is a senior vice president of Cisco Systems, Inc. which accounts for a three for two stock split on January 19, 2000.

In January 1999, we issued and sold 3,000,000 shares of our Series A preferred stock to Microsoft Corporation, a 5% stockholder of us, at a per share purchase price of \$0.67 which accounts for a three for two stock split on January 19, 2000.

Series B Preferred Stock Financing. In August through November 1999, we issued and sold 1,012,500 shares of our Series B preferred stock to Benchmark Capital Partners II, L.P., at a per share purchase price of \$5.33 which accounts for a three for two stock split on January 19, 2000.

In September 1999, we issued and sold 684,375 shares of our Series B preferred stock to Cisco Systems, Inc., at a per share purchase price of \$5.33 which accounts for a three for two stock split on January 19, 2000.

In September 1999, we issued and sold 356,250 shares of our Series B preferred stock to Microsoft Corporation, at a per share purchase price of \$5.33 which accounts for a three for two stock split on January 19, 2000.

In September 1999, we issued and sold 937,500 shares of our Series B preferred stock to NorthPoint Communications, Inc. at a per share purchase price of \$5.33 which accounts for a three for two stock split on January 19, 2000. One of our directors, Andrew S. Rachleff, is also a director of NorthPoint Communications, Inc.

Lease Agreement with Entity Affiliated with 5% Stockholder. In March 1999, we entered into an equipment lease facility with Cisco Systems Credit Corporation, an entity affiliated with Cisco Systems, Inc., under which we leased \$137,293 of equipment for a 24-month term. See "Description of Other Indebtedness--Cisco Systems Credit Corporation Lease Facility" for a description of this lease facility.

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Warrants to Purchase Common Stock. In August 1999, we issued warrants to purchase 338,145 shares of our common stock, at a purchase price of \$0.53 per share, to NorthPoint Communications, Inc. in connection with a strategic agreement which accounts for a three for two stock split on January 19, 2000.

Loans to Executive Officers In September 1999, we loaned an aggregate of \$750,000 to Peter Ferris, one of our executive officers, to purchase a principal residence. The non-interest bearing note is secured by a second deed of trust on the residence, a promissory note and a stock pledge agreement, and has a term of five years. In January 2000, we loaned an aggregate of \$250,000 to Marjorie Backaus, one of our executive officers, to purchase a principal residence. The non-interest bearing note is secured by a second deed of trust on the residence, a promissory note and a stock pledge agreement, and has a term of five years. In addition, in December 1999 we loaned Ms. Backaus \$112,500. This amount was repaid in full in January 2000.

Relocation Allowance to Executive Officers. In July 1999, we granted a relocation allowance in the amount of \$60,000 to Peter Ferris. The full amount of the allowance has been paid to Peter Ferris. In November 1999, we granted a relocation allowance in the amount of \$60,000 to Marjorie Backaus. To date, Marjorie Backaus has not received any amount under the allowance.

Founders' Registration Rights. We have entered into an investors' rights agreement that provides for registration rights in favor of Albert M. Avery, IV

and Jay S. Adelson if there are public issuances of our common stock.

Option Grants. In the past, we have granted options to our executive officers. We may grant options to our directors and executive officers in the future. See "Management--Option Grants in Last Fiscal Year."

Indemnification. We have entered into an indemnification agreement with each of our officers and directors. See "Management--Indemnification" for a description of the indemnification available to our officers and directors under these indemnification agreements.

PRINCIPAL STOCKHOLDERS

The table below presents selected information regarding beneficial ownership of our outstanding common stock, on an as converted basis, as of January 31, 2000 for:

- . each person known by us to own beneficially more than five percent, in the aggregate, of the outstanding shares of our common stock on an as converted basis;
- . each of our directors, our chief executive officer and our four other highest-paid executive officers; and
- . all of our directors and executive officers as a group.

Under the rules of the Securities and Exchange Commission, beneficial ownership includes sole or shared voting or investment power over securities and includes the shares issuable under stock options that are exercisable within 60 days of January 31, 2000. Shares issuable under stock options exercisable within 60 days are considered outstanding for computing the percentage of the person holding the options but are not considered outstanding for computing the percentage of any other person.

Percentage ownership calculations are based on 52,537,616 shares of common stock outstanding as of January 31, 2000, as adjusted to reflect the conversion of all outstanding shares of preferred stock into common stock. Unless otherwise indicated, the address for each listed stockholder is c/o Equinix, Inc., 901 Marshall Street, Redwood City, California 94063. To our knowledge, except as indicated in the footnotes to this table and under applicable community property laws, the persons or entities identified in this table have sole voting and investment power relating to all shares of stock shown as beneficially owned by them.

<TABLE>
<CAPTION>

Name of Beneficial Owner -----	Number of Beneficially Owned Shares	Percentage Beneficially Owned
<S>	<C>	<C>
Albert M. Avery, IV(1).....	2,580,000	4.9%
Jay S. Adelson (2).....	2,993,208	5.7
Philip J. Koen (3).....	660,000	1.3
Peter T. Ferris (4).....	510,000	1.0
Michelangelo Volpi (5)..... 170 West Tasman Drive San Jose, CA 95134	--	--
Andrew S. Rachleff (6)..... 2480 Sand Hill Road, Suite 200 Menlo Park, CA 94025	8,535,000	16.2
Entities affiliated with Benchmark Capital (7)..... 2480 Sand Hill Road, Suite 200 Menlo Park, CA 94025	8,535,000	16.2
Cisco Systems, Inc..... 170 West Tasman Drive San Jose, CA 95134	6,459,375	12.3
Microsoft Corporation..... One Microsoft Way Redmond, WA 98052	3,356,250	6.4
All directors and executive officers as a group (9 persons) (8).....	16,515,708	31.0

</TABLE>

(1) Includes 1,647,562 shares subject to a right of repurchase by us as of January 31, 2000.

(2) Includes 1,647,562 shares subject to a right of repurchase by us as of January 31, 2000. Also includes 6,474 shares held as custodian for Rowan Sharon Adelson. Mr. Adelson disclaims beneficial ownership of these shares.

(3) Includes 505,312 shares subject to a right of repurchase by us as of January 31, 2000.

(4) Includes 510,000 shares subject to a right of repurchase by us as of January 31, 2000.

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(5) Mr. Volpi is a senior vice president of Cisco Systems, Inc., which holds 6,459,375 shares of Equinix.

(6) Includes shares held by Benchmark Capital Partners II, L.P., Benchmark Founders' Fund II, L.P., Benchmark Founders' Fund II-A, L.P., and Benchmark Members' Fund II, L.P. Mr. Rachleff is a managing member of Benchmark Capital Management Co. II, L.L.C., which is the general partner of Benchmark Capital Partners II, L.P., Benchmark Founders' Fund II, L.P., Benchmark Founders' Fund II-A, L.P., and Benchmark Members' Fund II, L.P. Mr. Rachleff shares voting and dispositive power relating to the shares held by each such entity and disclaims beneficial ownership of these shares, except to the extent of his pecuniary interest in Benchmark Capital Management Co. II, L.L.C., arising from his general partnership interest.

(7) Includes shares held by Benchmark Capital Partners II, L.P., Benchmark Founders' Fund II, L.P., Benchmark Founders' Fund II-A, L.P., and Benchmark Members' Fund II, L.P.

(8) Includes the shares described in Notes 1 through 6. Also includes 675,000 shares subject to options that are exercisable within 60 days of January 31, 2000 and 562,500 shares subject to a right of repurchase by us as of January 31, 2000.

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DESCRIPTION OF OTHER INDEBTEDNESS

Venture Lending & Leasing Equipment Acquisition Loan Facility

In August 1999, we entered into a \$10.0 million equipment acquisition loan facility with Venture Lending & Leasing, Inc. II, as the agent and principal lender. The facility lenders will make advances up to:

- . 85% of the acquisition cost of the equipment and tenant improvements for our Newark, New Jersey IBX center; and
- . 100% of the acquisition cost, to the extent that such cost does not exceed \$1.0 million, of certain customer acquisition and serving software that we acquire for our headquarters.

Our obligations under the facility are secured by a first priority security interest against the assets financed with the facility advances and the customer acquisition and serving software that the facility lenders have agreed to finance. We can request facility advances until June 2000. As of December 31, 1999 we have drawn the entire \$10.0 million against this loan facility.

Interest will accrue on the facility advances at the annual rate of 8.5%, and the advances will be repaid in 42 equal monthly installments. In connection with the last installment we will pay a final amount equal to 15% of the original advance amount. We will have the right to prepay the advances, in whole or in part, provided that we pay a prepayment premium equal to the following percentage of the principal prepaid:

<TABLE>

<CAPTION>

Month of Term of Advance Prepaid -----	Percentage -----
<S>	<C>
1-6	8%
7-12.....	7%
13-18.....	6%
19-24.....	5%
25-30.....	4%
31-36.....	3%
37-42.....	2%

</TABLE>

In connection with this facility, we issued to the lenders warrants to purchase Series A preferred stock at an exercise price of \$3.00 per share. In total, 300,000 shares can be acquired under the warrants, for an aggregate exercise price equal to 9% of the facility commitment. The fair value of these warrants, as determined using an option pricing model, has been recorded as a deferred debt facility cost and will be amortized to interest expense on a straight-line basis over the term of the facility.

The facility contains customary covenants that restrict our operations relating to, among other things, incurring debt, granting security interests,

merging or consolidating with other entities, making loans and investments, entering into affiliate transactions and changing our business. It does not have any financial covenants. The facility contains customary events of default, including non-payment of amounts due under the facility, default under certain of our other obligations, breach of covenants set forth in the facility, the existence of certain unstayed or undischarged judgments, the making of materially false or misleading representations or warranties, the commencement of reorganization, bankruptcy, insolvency or similar proceedings, the occurrence of certain ERISA events or certain change of control events.

Comdisco Equipment Lease Facility

In May 1999, we entered into a \$1.0 million equipment lease finance facility with Comdisco, Inc. In August 1999, Comdisco amended this facility and increased its total lease financing commitment by \$5 million.

Under the original \$1.0 million commitment, which we can draw down through May 2000, Comdisco will lease to us equipment, software and tenant improvements for our corporate headquarters, on the condition that the dollar amount of the software and tenant improvements financed does not exceed 20% of this commitment. Each lease schedule under this commitment is for 42 months, with monthly lease payments in the amount of

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2.698% of the acquisition cost of the leased property, for an implied annual interest rate of 16.2%. When the term for a schedule covering equipment expires, we will have the option of returning the leased property to Comdisco, negotiating with Comdisco for an extension of the lease term or purchasing the property at its then fair market value, to the extent that such value does not exceed 15% of the equipment's original acquisition cost. When the term for a schedule covering software and tenant improvements expires, we must make a final payment equal to 15% of the original acquisition cost of the software and tenant improvements. As of December 31, 1999, we have leased a total of \$661,000 in equipment under this facility.

Under the \$5.0 million increased commitment, which we can draw down until August 2000, Comdisco will lease to us equipment, software and tenant improvements for our San Jose, California IBX center, provided that the dollar amount of the software and tenant improvements financed does not exceed 57% of this commitment. Each lease schedule under this commitment is for 42 months, with monthly lease payments in the amount of 2.742% of the acquisition cost of the leased property, for an implied annual interest rate of 8.5%. Upon executing a lease schedule, we must pay the first and last months rent in advance. When the term for a schedule covering the San Jose IBX center expires, we must make a final payment equal to 15% of the original acquisition cost of the property financed under the schedule. To date, we have not leased any amount under this commitment.

In connection with the original \$1.0 million lease commitment, we issued to Comdisco a warrant to acquire 30,000 shares of Series A preferred stock at a purchase price of \$1.67 per share, as adjusted to reflect a three-for-two forward split of our capital stock effected on January 19, 2000. In connection with the \$5.0 million increase in the facility commitment, we issued to Comdisco a warrant to acquire 150,000 shares of Series A preferred stock at a purchase price of \$3.00 per share, as adjusted to reflect a three-for-two forward split of our capital stock effected on January 19, 2000. The fair value of these warrants, as determined using an option pricing model, has been recorded as a deferred debt facility cost and will be amortized on a straight-line basis to interest expense over the term of the facility.

The facility restricts our ability to merge or consolidate with another entity. It does not contain any financial covenants. The facility contains customary equipment lease events of default, including non-payment of amounts due under the facility, breach of covenants set forth in the facility, the making of materially false or misleading representations or warranties under the facility, and the commencement of reorganization, bankruptcy, insolvency or similar proceedings involving us.

Comdisco Equipment Loan Facility

In March 1999, Equinix-DC, Inc., our wholly owned subsidiary and the operator of our Washington, D.C. IBX center, entered into a \$7.0 million equipment acquisition loan facility with Comdisco, Inc. Until March 2000, Comdisco will make advances up to 100% of the acquisition cost of equipment, tenant improvements and software for our Washington, D.C. IBX center, provided that no more than 57% of the loan commitment may be used to finance tenant improvements and software. Comdisco holds a first priority security interest in all of Equinix-DC's assets as collateral for the facility obligations.

Advances that finance equipment acquisitions will accrue interest at the annual rate of 7.5% and will be repaid in 42 monthly installments, and in connection with the last installment we will pay a final amount equal to 15% of the original advance amount. Advances that finance tenant improvements and

software acquisitions will accrue interest at the annual rate of 9% and will be repaid in 36 monthly installments. In connection with the last installment, we will pay a final amount equal to 15% of the original advance amount. We will have the right to prepay the advances, in whole or in part, without paying any penalty or premium. As at December 31, 1999, we have borrowed a total of \$5.5 million under this facility.

In connection with this facility, we issued to Comdisco a warrant to acquire 765,000 shares of our Series A preferred stock at a purchase price of \$0.67 per share, as adjusted to reflect a three-for-two forward split of our capital stock effected on January 19, 2000. The fair value of these warrants, as determined using an option pricing model, has been recorded as a deferred debt facility cost and will be amortized on a straight-line basis to interest expense over the term of the facility.

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The facility contains covenants that restrict Equinix-DC's right to, among other things, grant security interests, declare dividends, dispose of a material portion of its assets, and enter into settlements with customers relating to outstanding accounts. It does not have any financial covenants. The facility contains customary events of default, including non-payment of amounts due under the facility, default by Equinix-DC relating to certain of its other obligations, breach of covenants set forth in the facility, the existence of certain unstayed or undischarged judgments against Equinix-DC, the making of materially false or misleading representations or warranties under the facility, and the commencement of reorganization, bankruptcy, insolvency or similar proceedings involving Equinix-DC.

Fore Financial Services Equipment Lease Facility

In June 1999, we entered into an equipment lease facility with Fore Financial Services. Under the first lease schedule, we leased \$197,440 in equipment and software for our corporate headquarters. We are required to make 36 monthly lease payments of \$5,943. Upon expiration of the initial lease term, the term can be extended for another 6 months, or we can purchase the leased property at its then fair market value. Under the second lease schedule, we leased \$208,298 in equipment and software for the Washington, D.C. IBX center. We are required to make 36 monthly lease payments of \$6,270. Upon expiration of the initial lease term, the term can be extended for another 6 months, or we can purchase the leased property at its then fair market value. Under the third lease schedule, we leased \$210,300 in equipment and software for our Newark, New Jersey IBX center, effective November 1999. We are required to make 36 monthly lease payments of \$6,379. Upon the expiration of the initial lease term, the term can be extended for another 6 months, or we can purchase the lease property at its then fair market value.

The facility restricts our ability to merge or consolidate with another entity or to sell all or substantially all of our assets, by treating such events as defaults. It does not contain any financial covenants. The facility contains customary equipment lease events of default, including non-payment of amounts due under the facility, breach of covenants set forth in the facility, the making of materially false or misleading representations or warranties under the facility, and the commencement of reorganization, bankruptcy, insolvency or similar proceedings involving us.

Cisco Systems Credit Corporation Lease Facility

In March 1999, we entered into an equipment lease facility with Cisco Systems Credit Corporation. Under this facility, we have leased, for a 24-month term, \$137,293 in Cisco and Cisco-related equipment for our corporate headquarters. We paid the first and last months' rent payments upon signing the lease schedule. Each rent payment is \$5,463. When the term expires, we will have the option to purchase the leased property at its then fair market value. The option will terminate, however, if default occurs during the term. If we do not purchase the leased property, we will have the right to extend the lease term in one-year increments with the same monthly payments.

The facility contains customary equipment lease events of default, including non-payment of amounts due under the facility, breach of covenants set forth in the facility and the commencement of reorganization, bankruptcy, insolvency or similar proceedings involving us.

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THE EXCHANGE OFFER

Purpose of the Exchange Offer

Under the registration rights agreement, we are required to use our reasonable best efforts to file not later than February 29, 2000, 90 days following the date of original issuance of the initial notes, the registration statement of which this prospectus is a part for a registered exchange offer relating to an issue of new notes. The date of the original issuance of the

initial notes is also referred to as the "closing date". The new notes will be substantially identical in all material respects to the initial notes except that the new notes will be registered under the Securities Act, will not bear legends restricting their transfer and will not be entitled to registration rights under the registration rights agreement. This summary of provisions of the registration rights agreement does not purport to be complete and we refer you to the provisions of the registration rights agreement, which has been filed as an exhibit to the registration statement of which this prospectus is a part and a copy of which is available as described under the heading "Available Information."

Under the registration rights agreement, we are required to:

- . use our reasonable best efforts to cause the registration statement to be declared effective no later than June 28, 2000, 210 days after the closing date;
- . use our reasonable best efforts to consummate the exchange offer within 30 days of the registration statement being declared effective; and
- . keep the exchange offer effective for not less than 30 days, or longer if required by applicable law, after the date that notice of the exchange offer is mailed to holders of the initial notes.

The exchange offer being made here, if commenced and consummated within the time periods described in this paragraph, will satisfy those requirements under the registration rights agreement.

This prospectus, together with the letter of transmittal, is being sent to all record holders of initial notes as of , 2000.

Based on interpretations by the staff of the Securities and Exchange Commission, as set forth in no-action letters issued to third parties, we believe that the exchange notes issued in the exchange offer may be offered for resale, resold or otherwise transferred by each holder of exchange notes, other than a broker-dealer who acquires the initial notes directly from Equinix for resale under Rule 144A under the Securities Act or any other available exemption under the Securities Act, and other than any holder that is an "affiliate," as defined in Rule 405 under the Securities Act, of Equinix, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such holder:

- . is acquiring the exchange notes in the ordinary course of its business;
- . is not participating in, and does not intend to participate in, a distribution of such exchange notes within the meaning of the Securities Act and has no arrangement or understanding with any person to participate in a distribution of the exchange notes within the meaning of the Securities Act; and
- . is not an affiliate, as defined in Rule 405 under the Securities Act, of Equinix.

By tendering the initial notes in exchange for exchange notes, each holder, other than a broker-dealer, will be required to make representations to that effect. If a holder of initial notes is participating in or intends to participate in, a distribution of the exchange notes, or has any arrangement or understanding with any person to participate in a distribution of the exchange notes to be acquired in the exchange offer, such holder may be deemed to have received restricted securities and may not rely on the applicable interpretations of the staff of the Securities and Exchange Commission. Any such holder will have to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction.

Each broker-dealer that receives exchange notes for its own account in exchange for initial notes may be deemed to be an "underwriter" within the meaning of the Securities Act and must acknowledge that it will

deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with offers to resell, resales and other transfers of exchange notes received in exchange for initial notes which were acquired by such broker-dealer as a result of market making or other trading activities. We have agreed that we will make this prospectus available to any broker-dealer for a period of time not to exceed 180 days after the consummation of the exchange offer for use in connection with any such offer to resell, resale or other transfer. Please refer to the section in this prospectus entitled "Plan of Distribution."

Shelf Registration Statement

In the event that:

- . because of any change in law or its applicable interpretations by the staff of the Securities and Exchange Commission, we are not permitted to effect the exchange offer;
- . for any other reason, the exchange offer is not consummated within 210 days from the closing date; or
- . any holder of initial notes notifies us within 20 business days following the consummation of the exchange offer that (a) such holder was prohibited by law of policy of the Securities and Exchange Commission from participating in the exchange offer, or (b) such holder may not resell the exchange notes acquired by it in the exchange offer to the public without delivering a prospectus and this prospectus is not appropriate or available for such resale, or (c) such holder is a broker-dealer and holds notes acquired directly from us or any of our affiliates, within the meaning of the Securities Act;

we will be obligated, at our sole expense, to:

- . use our reasonable best efforts, as promptly as practicable and in no event more than 30 days following such request, to file with the Securities and Exchange Commission a shelf registration statement covering resales of the initial notes;
- . use our reasonable best efforts to cause the shelf registration statement to be declared effective under the Securities Act within 90 days after the date we are required to file a shelf registration statement; and
- . use our reasonable best efforts to keep the shelf registration statement continuously effective, supplemented and amended as required by the Securities Act to permit the prospectus which is a part of such shelf registration statement to be usable by holders for a period of two years after the shelf registration statement is declared effective or such shorter period of time that will terminate when all of the applicable initial notes have been sold thereunder.

We will, in the event that a shelf registration statement is filed, provide to each holder of the initial notes being registered copies of the prospectus that is a part of the shelf registration statement, notify each such holder when the shelf registration statement has become effective and take certain other actions as are required to permit unrestricted resales of the initial notes being registered. A holder that sells initial notes under the shelf registration statement will be required to be named as a selling security holder in the related prospectus and to deliver a prospectus to purchasers, will be subject to certain of the civil liability provisions under the Securities Act in connection with such sales and will be bound by the provisions of the registration rights agreement that are applicable to such a holder, including certain indemnification rights and obligations.

Liquidated Damages

In the event that:

- . we do not file the registration statement or the shelf registration statement, as the case may be, with the Securities and Exchange Commission on or before the dates specified above for such filings;

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- . the registration statement or the shelf registration statement, as the case may be, is not declared effective on or before the dates specified above for such effectiveness;
- . the exchange offer is not consummated within 30 days of the registration statement being declared effective; or
- . the shelf registration statement is filed and declared effective but thereafter ceases to be effective or usable in connection with its intended purpose;

each such event a "Registration Default," then we will be obligated to pay to each holder of transfer restricted securities, as defined in the registration rights agreement, liquidated damages. Liquidated damages will accrue and be payable semi-annually on the initial notes and the exchange notes, in addition to the stated interest on the initial notes and the exchange notes, in an amount equal to 0.50% per year during the first 90-day period, which will increase by 0.50% per year for each subsequent 90-day period, but in no event will such rate exceed 1.50% per year in the aggregate, regardless of the number of registration defaults. Liquidated damages will accrue from the date a registration default occurs until the date on which:

- . the registration statement is filed;
- . the registration statement or shelf registration statement is declared effective and the exchange offer is consummated;
- . the shelf registration statement is declared effective; or
- . the shelf registration statement again becomes effective or made usable, as the case may be.

Following the cure of all registration defaults, the accrual of liquidated damages will cease.

Upon consummation of the exchange offer, subject to certain exceptions, holders of initial notes who do not exchange their initial notes for exchange notes in the exchange offer will no longer be entitled to registration rights and will not be able to offer or sell their initial notes, unless such initial notes are subsequently registered under the Securities Act, which, subject to certain limited exceptions, we will have no obligation to do, or under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Please refer to the section in this prospectus entitled "Risk Factors--There could be negative consequences to you if you do not exchange your initial notes for exchange notes."

Expiration of the Exchange Offer

The exchange offer will expire at 5:00 p.m., New York City time, on , 2000. The expiration date will be at least 30 days after the commencement of the exchange offer in accordance with Rule 14e-1(a) under the Securities Exchange Act of 1934 and the registration rights agreement.

Procedures for Tendering Initial Notes

To tender your initial notes in the exchange offer, you must complete, sign and date the letter of transmittal, or a facsimile of the letter of transmittal, have the signatures thereon guaranteed if required by the letter of transmittal, and mail or otherwise deliver the letter of transmittal or the facsimile, or an agent's message, as defined below, together with the certificates representing the initial notes being tendered and any other required documents, to the exchange agent on or before 5:00 p.m., New York City time, on the expiration date. Alternatively, you may either:

- . send a timely confirmation of a book-entry transfer of such initial notes, if such procedure is available, into the exchange agent's account at The Depository Trust Company, or DTC, following the procedure for book-entry transfer described below, on or before 5:00 p.m. on the expiration date; or
- . comply with the guaranteed delivery procedures described below.

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The term "agent's message" means a message, transmitted by DTC to, and received by, the exchange agent and forming a part of a book-entry confirmation, which states that DTC has received an express acknowledgment from the participant in DTC tendering initial notes which are the subject of such book-entry confirmation that such participant has received and agrees to be bound by the terms of the letter of transmittal, and that we may enforce such agreement against such participant.

The method of delivery of the initial notes, the letter of transmittal and all other required documents is at your election and risk. Instead of delivery by mail, we recommend that you use an overnight or hand-delivery service. If such delivery is by mail, we recommend that you use registered mail, properly insured, with return receipt requested. In all cases, you should allow sufficient time to assure timely delivery. You should not send any letters of transmittal or initial notes to us. You must deliver all documents to the exchange agent at its address set forth below. You may also request your respective brokers, dealers, commercial banks, trust companies or nominees to effect such tender on your behalf.

Your tender of initial notes will constitute an agreement between you and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

Only a holder of initial notes may tender such initial notes in the exchange offer. The term "holder" relating to the exchange offer means any person in whose name initial notes are registered on our books or any other person who has obtained a properly completed bond power from the registered holder.

If you are the beneficial owner of initial notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your initial notes, you should contact such registered holder promptly and instruct such registered holder to tender on your behalf.

If you wish to tender on your own behalf, you must, before completing and executing the letter of transmittal and delivering your initial notes, either make appropriate arrangements to register ownership of the initial notes in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.

Signatures on a letter of transmittal or a notice of withdrawal, as the case may be, must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor" institution within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, each, an "eligible institution", unless the initial notes are tendered:

- . by a registered holder, or by a participant in DTC whose name appears on a security position listing as the owner, who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal if the exchange notes are being issued directly to such registered holder, or deposited into the participant's account at DTC; or
- . for the account of an eligible institution.

If the letter of transmittal is signed by the recordholder(s) of the initial notes tendered, the signature must correspond with the name(s) written on the face of the initial notes without alteration, enlargement or any change whatsoever. If the letter of transmittal is signed by a participant in DTC, the signature must correspond with the name as it appears on the security position listing as the holder of the initial notes.

If the letter of transmittal is signed by a person other than the registered holder of any initial notes listed, such initial notes must be endorsed or accompanied by bond powers and a proxy that authorize such person to tender the initial notes on behalf of the registered holder in satisfactory form to us as determined in our sole discretion, in each case as the name of the registered holder or holders appears on the initial notes.

If the letter of transmittal or any initial notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or

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representative capacity, such persons should so indicate when signing. Unless waived by us, evidence satisfactory to us of their authority to so act must also be submitted with the letter of transmittal.

A tender will be deemed to have been received as of the date when the tendering holder's duly signed letter of transmittal accompanied by the initial notes tendered, or a timely confirmation received of a book-entry transfer of initial notes into the exchange agent's account at DTC with an agent's message, or a notice of guaranteed delivery from an eligible institution is received by the expiration date. Issuances of exchange notes in exchange for initial notes tendered under a notice of guaranteed delivery by an eligible institution will be made only against delivery of the letter of transmittal, and any other required documents, and the tendered initial notes, or a timely confirmation received of a book-entry transfer of initial notes into the exchange agent's account at DTC with an agent's message, with the exchange agent.

All questions as to the validity, form, eligibility, including time of receipt, acceptance and withdrawal of the tendered initial notes will be determined by us in our sole discretion, which determination will be final and binding. We reserve the absolute right to reject any and all initial notes not properly tendered or any initial notes which, if accepted, would, in our opinion or our counsel's opinion, be unlawful. We also reserve the absolute right to waive any conditions of the exchange offer or irregularities or defects in tender as to particular initial notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of initial notes must be cured within such time as we shall determine. We, the exchange agent or any other person will be under no duty to give notification of defects or irregularities relating to tenders of initial notes. None of us or the exchange agent will incur any liability for failure to give such notification. Tenderees of initial notes will not be deemed to have been made until such irregularities have been cured or waived. Any initial notes received by the expiration date that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned without cost by the exchange agent to the tendering holders of such initial notes, unless otherwise provided in the letter of transmittal, as promptly as practicable following the expiration date.

In addition, we reserve the right in our sole discretion, subject to the provisions of the indenture, to:

- . purchase or make offers for any initial notes that remain outstanding after the expiration date, or, as set forth under "--Expiration Date", to terminate the exchange offer in accordance with the terms of the registration rights agreement; and
- . to the extent permitted by applicable law, purchase initial notes in the open market, in privately negotiated transactions or otherwise. The terms of any such purchases or offers could differ from the terms of the exchange offer.

Acceptance of Initial Notes for Exchange; Delivery of Exchange Notes

Upon satisfaction or waiver of all of the conditions to the exchange offer, we will accept all initial notes properly tendered, promptly after the expiration date, and will issue the exchange notes promptly after the expiration date and acceptance of the initial notes. Please refer to the section of this prospectus entitled "--Conditions" below. For purposes of the exchange offer, initial notes will be deemed to have been accepted as validly tendered for exchange when, as and if we had given oral or written notice to the exchange agent.

In all cases, issuance of exchange notes for initial notes that are accepted for exchange in the exchange offer will be made only after timely receipt by the exchange agent of certificates for such initial notes or a timely book-entry confirmation of such initial notes into the exchange agent's account at the book-entry transfer facility, a properly completed and duly executed letter of transmittal or an agent's message and all other required documents, in each case, in form satisfactory to us and the exchange agent. If any tendered initial notes are not accepted for any reason set forth in the terms and conditions of the exchange offer or if initial notes are submitted for a greater principal amount than the holder desires to exchange, such unaccepted or non-exchanged initial notes will be returned without expense to the tendering holder, or, in the case

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of initial notes tendered by book-entry transfer procedures described below, such non-exchanged initial notes will be credited to an account maintained with such book-entry transfer facility, as promptly as practicable after withdrawal, rejection of tender, the expiration date or earlier termination of the exchange offer.

Book-Entry Transfer

The exchange agent will make a request to establish an account relating to the initial notes at DTC for purposes of the exchange offer. Any financial institution that is a participant in DTC's systems may make book-entry delivery of initial notes by causing DTC to transfer such initial notes into the exchange agent's account at DTC in accordance with DTC's procedures for transfer.

However, although delivery of initial notes may be effected through book-entry transfer into the exchange agent's account at DTC, an agent's message or the letter of transmittal or facsimile of the letter of transmittal with any required signature guarantees and any other required documents must, in any case, be transmitted to and received by the exchange agent at the address set forth below under "--Exchange Agent" on or before the expiration date or the guaranteed delivery procedures described below must be complied with. Delivery of documents to DTC does not constitute delivery to the exchange agent. All references in the prospectus to deposit of initial notes will be deemed to include DTC's book-entry delivery method.

Guaranteed Delivery Procedure

If you are a registered holder of initial notes and desire to tender such initial notes, and the initial notes are not immediately available, or time will not permit your initial notes or other required documents to reach the exchange agent before the expiration date, or the procedures for book-entry transfer cannot be completed on a timely basis and an agent's message delivered, you may still tender in the exchange offer if:

- . you tender through an eligible institution;
- . before the expiration date, the exchange agent receives from such eligible institution a properly completed and duly executed letter of transmittal, or facsimile of the letter of transmittal, and notice of guaranteed delivery, substantially in the form provided by us, by facsimile transmission, mail or hand delivery, setting forth your name and address as holder of the initial notes and the amount of initial notes tendered, stating that the tender is being made thereby and guaranteeing that within five business days after the expiration date the certificates for all tendered initial notes, in proper form for transfer, or a book-entry confirmation with an agent's message, as the case may be, and any other documents required by the letter of

transmittal will be deposited by the eligible institution with the exchange agent; and

- . the certificates for all tendered initial notes, in proper form for transfer, or a book-entry confirmation as the case may be, and all other documents required by the letter of transmittal are received by the exchange agent within five business days after the expiration date.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, you may withdraw tenders of initial notes at any time before 5:00 p.m., New York City time, on the expiration date.

For a withdrawal to be effective, you must send a written or facsimile transmission notice of withdrawal to the exchange agent before 5:00 p.m., New York City time, on the expiration date at the address set forth below under "--Exchange Agent" and before acceptance for exchange by us. Any such notice of withdrawal must:

- . specify the name of the person, or "depositor", having tendered the initial notes to be withdrawn ;
- . identify the initial notes to be withdrawn, including, if applicable, the registration number or numbers and total principal amount of such initial notes;

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- . be signed by the depositor in the same manner as the original signature on the letter of transmittal by which such initial notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer sufficient to permit the trustee relating to the initial notes to register the transfer of such initial notes into the name of the depositor withdrawing the tender;
- . specify the name in which any such initial notes are to be registered, if different from that of the depositor; and
- . if applicable because the initial notes have been tendered following the book-entry procedures, specify the name and number of the participant's account at DTC to be credited, if different than that of the depositor.

All questions as to the validity, form and eligibility, including time of receipt, of such notices will be determined by us and our determination will be final and binding on all parties. Any initial notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offer. Any initial notes which have been tendered for exchange which are not exchanged for any reason will be returned to their holder without cost to such holder, or, in the case of initial notes tendered by book-entry transfer into the exchange agent's account at DTC following the book-entry transfer procedures described above, such initial notes will be credited to an account maintained with DTC for the initial notes, as promptly as practicable after withdrawal, rejection of tender, expiration date or earlier termination of the exchange offer. Properly withdrawn initial notes may be retendered by following one of the procedures described under "--Procedures for Tendering" and "--Book-Entry Transfer" above at any time on or before the expiration date.

Conditions

Notwithstanding any other term of the exchange offer, we will not be required to accept initial notes for exchange, or issue exchange notes in exchange for any initial notes, if:

- . a change in the current interpretation of the staff of the Securities and Exchange Commission has occurred which current interpretation permits the exchange notes issued in the exchange offer in exchange for the initial notes to be offered for resale, resold or otherwise transferred by their holders, other than in certain circumstances; or
- . a law has been adopted or enacted which, in our judgment, would reasonably be expected to impair our ability to proceed with the exchange offer.

These conditions are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any such condition or may be waived by us, in whole or in part, at any time and from time to time, before the expiration date, if we determine in our reasonable discretion that any of the foregoing events or conditions has occurred or exists or has not been satisfied, subject to applicable law. Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of any such right and each such right will be deemed an ongoing right which we may assert at any time and from time to time before the expiration date.

If we determine that we may terminate the exchange offer, as provided above, we may:

- . refuse to accept any initial notes and return any initial notes that have been tendered to their holders;
- . extend the exchange offer and retain all initial notes tendered before the expiration date, subject to the rights of such holders of tendered initial notes to withdraw their tendered initial notes; or
- . waive such termination event relating to the exchange offer and accept all properly tendered initial notes that have not been withdrawn or otherwise amend the terms of the exchange offer in any respect as provided under the section in this prospectus entitled "--Expiration Date; Extensions; Amendments; Termination."

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The exchange offer is not conditioned upon any minimum principal amount of initial notes being tendered for exchange.

We have no obligation to, and will not knowingly, permit acceptance of tenders of initial notes from our affiliates, within the meaning of Rule 405 under the Securities Act, or from any other holder or holders who are not eligible to participate in the exchange offer under applicable law or its interpretations by the Securities and Exchange Commission, or if the exchange notes to be received by such holder or holders of initial notes in the exchange offer, upon receipt, will not be tradable by such holder without restriction under the Securities Act and the Securities Exchange Act of 1934 and without material restrictions under the "blue sky" or securities laws of substantially all of the states of the United States.

Accounting Treatment

We will record the exchange notes at the same carrying value as the initial notes, as reflected in our accounting records on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes. We will amortize the costs of the exchange offer and the unamortized expenses related to the issuance of the exchange notes over the term of the exchange notes.

Exchange Agent

We have appointed State Street Bank and Trust Company of California, N.A. as exchange agent for the exchange offer. All questions and requests for assistance and requests for additional copies of this prospectus or the letter of transmittal should be directed to the exchange agent as follows:

By Mail:

State Street Bank and Trust Company of California, N.A.
c/o State Street Bank and Trust Company
P.O. Box 778
Boston, MA 02101-0778
ATTN: Ralph Jones

By Hand/Overnight Delivery:

State Street Bank and Trust Company of California, N.A.
c/o State Street Bank and Trust Company
2 Avenue de Lafayette
Corporate Trust Window, 5th Floor
Boston, MA 02111-1724
ATTN: Ralph Jones

Facsimile Transmission: (617) 662-1452

Confirm by Telephone: (617) 662-1548

Fees and Expenses

We will bear the expenses of soliciting tenders in the exchange offer. The principal solicitation for tenders in the exchange offer is being made by mail; however, our offices and regular employees may make additional solicitations by telegraph, telephone, teletype or in person.

We will not make any payments to brokers, dealers or other persons soliciting acceptances of the exchange offer. However, we will pay the exchange agent reasonable and customary fees for its services and will reimburse the exchange agent for its reasonable out-of-pocket expenses in connection with the exchange offer. We may also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of the prospectus, letters of transmittal and related documents to the beneficial owners of the initial notes, and in handling or forwarding tenders for exchange.

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We will pay the expenses incurred in connection with the exchange offer, including fees and expenses of the exchange agent and trustee and accounting, legal, printing and related fees and expenses.

We will pay all transfer taxes, if any, applicable to the exchange of initial notes in the exchange offer. However, the amount of any such transfer taxes, whether imposed on the registered holder or any other persons, will be payable by the tendering holder if:

- . certificates representing exchange notes or initial notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of the initial notes tendered;
- . tendered initial notes are registered in the name of any person other than the person signing the letter of transmittal; or
- . a transfer tax is imposed for any reason other than the exchange of initial notes in the exchange offer.

If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to such tendering holder.

The Failures to Participate in the Exchange Offer will have Adverse Consequences

If you do not exchange your initial notes for exchange notes in the exchange offer, you will not be able to resell, offer to resell or otherwise transfer the initial notes unless they are registered under the Securities Act or unless you resell them, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act. In addition, you will no longer be able to obligate us to register the initial notes under the Securities Act except in the limited circumstances provided under the registration rights agreement. The restrictions on transfer of your initial notes arise because we issued the initial notes under exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws. In addition, if you want to exchange your initial notes in the exchange offer for the purpose of participating in a distribution of the exchange notes, you may be deemed to have received restricted securities, and, if so, will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. To the extent the initial notes are tendered and accepted in the exchange offer, the trading market, if any, for the initial notes would be adversely affected. Please refer to the section in this prospectus entitled "Risk Factors."

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DESCRIPTION OF THE EXCHANGE NOTES

General

The form and terms of the exchange notes are the same as the form and terms of the initial notes, except that the exchange notes have been registered under the Securities Act and therefore will not bear legends restricting their transfer. We issued the initial notes and will issue the exchange notes under an indenture, dated as of December 1, 1999, between Equinix and State Street Bank and Trust Company of California, N.A., as trustee. The terms of the exchange notes will include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended. The exchange notes will be subject to all such terms, and holders are referred to the indenture and the Trust Indenture Act for a statement of those terms. Except as otherwise indicated, the following summary description of the material provisions of the indenture relates both to the initial notes and the exchange notes. We urge you to read the indenture because it, and not this description, defines your rights as holder of the exchange notes. We have filed copies of the indenture, escrow agreement and registration agreement as exhibits to the registration statement which includes this prospectus. The definitions of certain terms used in the following summary are set forth below under "--Certain Definitions." For purposes of this summary, the term "Equinix" refers only to Equinix, Inc. and not to any of its subsidiaries. Also, in this description "initial notes" and "exchange notes" are collectively referred to as the "notes."

As of the Issue Date, all of our Subsidiaries will be Restricted Subsidiaries. Under certain circumstances, we will be able to designate existing or future Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries will not be subject to many of the restrictive covenants contained in the indenture.

Terms of Notes

Except as set forth under "--Escrow Account; Disbursement of Funds," the notes will be our senior unsecured obligations, ranking equally in right of

payment with all our other existing and future senior debt and senior to all our existing and future subordinated debt. Holders of our secured Indebtedness, however, will have claims that are before the claims of the holders relating to the assets securing such other debt, except to the extent the notes are equally and ratably secured by such assets. The indenture will permit us to incur certain secured debt.

The notes will be effectively subordinated to all Indebtedness and other liabilities and commitments, including trade payables and lease obligations, of our subsidiaries, including any Guarantees of such subsidiaries. Any right of ours to receive assets of any of our subsidiaries in the event of its liquidation or reorganization, and the consequent right of the holders to participate in those assets, will be effectively subordinated to the claims of that subsidiary's creditors. To the extent that we are recognized as a creditor of such subsidiary, our claims would still be subordinate to any secured claim to the assets of such subsidiary and any Indebtedness of such subsidiary that is senior to that held by us.

Principal, Maturity and Interest

The notes will be limited in aggregate principal amount to \$200,000,000 and will mature on December 1, 2007. Interest on the notes will accrue at the rate of 13% per annum and will be payable semi-annually in arrears on June 1 and December 1, commencing on June 1, 2000, to holders as of the immediately preceding May 15 and November 15. Interest on the notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of original issuance. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. Principal, premium, if any, and interest on the notes will be payable at the office or agency of Equinix maintained for such purpose in New York city or, at the option of Equinix, payment of interest on the notes may be made by check mailed to the holders at their respective addresses set forth in the register of holders. Until otherwise designated by Equinix, Equinix's office or agency in New York will be the office of the trustee maintained for such purpose. The notes will be issued

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in denominations of \$1,000 and integral multiples of \$1,000. The trustee initially will be paying agent and registrar under the indenture. We may also act as paying agent or registrar under the indenture.

Escrow Account; Disbursement of Funds

The notes will be collateralized, pending disbursement, under an escrow agreement dated as of December 1, 1999, among Equinix, the trustee and State Street Bank and Trust Company of California, N.A., as escrow agent, by a pledge of the escrow account referred to in the escrow agreement. The escrow account will initially contain approximately \$37.0 million of the net proceeds from the sale of the notes. These funds, together with the proceeds from their investment, will be sufficient to pay interest on the notes for three scheduled interest payments. The funds will not be sufficient to pay any liquidated damages described under "The Exchange Offer; Liquidated Damages."

The escrow agreement provides for the grant by Equinix to the trustee, for the benefit of the holders, of a first priority security interest in the escrow collateral. All such security interests will collateralize the payment and performance when due of all our obligations under the indenture and the notes, as provided in the escrow agreement. The Liens created by the escrow agreement will be first priority security interests in the Escrow Collateral. The ability of holders to realize upon any such funds or securities may be subject to certain bankruptcy law limitations if there is a bankruptcy of Equinix.

Under the escrow agreement, funds may be disbursed from the escrow account only to pay interest on the notes. If a portion of the notes has been retired by Equinix, funds representing the lesser of:

- . the excess of the amount sufficient to pay interest through and including June 1, 2001 on the notes not so retired; and
- . the interest payments which have not previously been made on such retired notes for each interest payment date through and including the interest payment date to occur on June 1, 2001;

shall be paid to Equinix if no default then exists under the indenture.

Pending such disbursements, all funds contained in the escrow account will be invested in U.S. Government Securities. Interest earned on the U.S. Government Securities will be placed in the escrow account. Upon the acceleration of the maturity of the notes, the escrow agreement will provide for the foreclosure by the trustee upon the net proceeds of the escrow account. Under the terms of the indenture, the proceeds of the escrow account shall be applied, first, to amounts owing to the trustee in respect of fees and expenses of the trustee and, second, to all obligations under the notes and the

indenture. Under the escrow agreement, assuming that we make the first three scheduled interest payments on the notes in a timely manner with funds or U.S. Government Securities held in the escrow account, any remaining U.S. Government Securities will be released from the escrow account.

Optional Redemption

Except as set forth below, the notes will not be redeemable at our option before December 1, 2003. After December 1, 2003, the notes will be subject to redemption at any time at our option, in whole or in part, upon not less than 30 nor more than 60 days' notice. The notes may be redeemed at the redemption prices, expressed as percentages of principal amount, below, plus accrued and unpaid interest to the applicable redemption date. This right is subject to the right of holders as of the relevant record date to receive interest due on the relevant interest payment date, if redeemed during the twelve-month period beginning on December 1 of the years indicated below.

<TABLE>
<CAPTION>

Year	Percentage
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<S>	<C>
2003.....	106.500%
2004.....	103.250%
2005 and thereafter.....	100.000%

</TABLE>

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Selection and Notice

If less than all of the notes are to be redeemed at any time, selection of notes for redemption will be made by the trustee in compliance with the requirements of the principal national securities exchange, if any, on which the notes are then listed, or, if the notes are not so then listed, on a pro rata basis, by lot or by such method as we shall deem fair and appropriate. No notes of \$1,000 or less shall be redeemed in part. Notices of redemption shall be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each holder of notes to be redeemed at its registered address. Notices of redemption may not be conditional. If any note is to be redeemed in part only, the notice of redemption that relates to such note shall state the portion of the principal amount of the note to be redeemed. A new note in principal amount equal to its unredeemed portion will be issued in the name of its holder upon cancellation of the original note. Notes called for redemption will become due on the date fixed for redemption. On and after the redemption date, interest will cease to accrue on notes or portions of notes called for redemption unless we default in their payment.

Mandatory Redemption

Except as provided under "--Repurchase at the Option of Holders," we will not be required to make mandatory redemption or sinking fund payments relating to the notes.

Repurchase at the Option of Holders

Change of Control

Upon the occurrence of a Change of Control, each holder will have the right to require us to purchase all or any part, equal to \$1,000 or an integral multiple of \$1,000, of such holder's notes in the offer described below at a purchase price in cash equal to 101% of the aggregate principal amount of the note, plus accrued and unpaid interest and liquidated damages, if any, to the date of purchase. This right is subject to the right of holders as of a record date to receive interest due on the relevant interest payment date. However, we shall not be obligated to repurchase notes in a Change of Control offer in the event that we have exercised our rights to redeem all of the notes under the indenture. Within 30 days following any Change of Control, we will mail a notice to each holder describing the transaction or transactions that constitute the Change of Control and offering to purchase notes on the date specified in such notice, which date shall be no earlier than 30 and no later than 60 days from the date such notice is mailed, in accordance with the procedures required by the indenture and described in such notice.

We will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws and regulations are applicable in connection with the purchase of notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with any of the provisions of this covenant, we will comply with the applicable securities laws and regulations and will be deemed not to have breached our obligations under this covenant by virtue of such compliance.

On the Change of Control payment date, we will, to the extent lawful:

- . accept for payment all notes or portions of notes properly tendered in the Change of Control offer;
- . deposit with the paying agent an amount equal to the Change of Control payment plus accrued and unpaid interest and liquidated damages, if any, in respect of all notes or portions of notes so tendered; and
- . deliver or cause to be delivered to the trustee notes so accepted together with an Officers' Certificate stating the aggregate principal amount of notes or portions of notes being purchased by us.

The paying agent will promptly mail or deliver to each holder of notes so tendered the Change of Control payment plus accrued and unpaid interest and liquidated damages, if any, for such notes, and the trustee will

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promptly authenticate and mail or deliver, or cause to be transferred by book entry, to each holder a new note equal in principal amount to any unpurchased portion of notes surrendered, if any. Each such new note will be in a principal amount of \$1,000 or an integral multiple of \$1,000. We will publicly announce the results of the Change of Control offer on or as soon as practicable after the Change of Control payment date.

The Change of Control provisions described above will be applicable whether or not any other provisions of the indenture are applicable. Except as described above relating to a Change of Control, the indenture will not contain provisions that permit the holders to require that we purchase or redeem the notes if there is a takeover, recapitalization or similar transaction. Our ability to purchase notes upon a Change of Control may be limited by our then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any such required purchases. We shall not be required to make a Change of Control offer if a third party makes the Change of Control offer in the manner, at the times and otherwise in compliance with the requirements of the indenture and purchases all notes validly tendered and not withdrawn. See "Risk Factors--We may not have sufficient funds to purchase the exchange notes as required upon a change of control."

Asset Sales

We will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, consummate any Asset Sale, unless:

- . we, or such Restricted Subsidiary, as the case may be, receive consideration at the time of such Asset Sale at least equal to the fair market value, as determined in good faith by our board of directors and set forth in an Officer's Certificate delivered to the trustee, of the assets or Equity Interests issued or sold or otherwise disposed of;
- . at least 75% of the consideration is in the form of cash and/or Cash Equivalents or Qualified Consideration; and
- . the Net Cash Proceeds received by Equinix, or such Restricted Subsidiary, as the case may be, from such Asset Sale are applied within 360 days following the receipt of such Net Cash Proceeds, to the extent Equinix, or such Restricted Subsidiary, as the case may be, elects:
 - (a) to the redemption or repurchase of outstanding Indebtedness, (1) that is either (A) secured Indebtedness or (B) Indebtedness of Equinix that ranks equally with the notes but has an earlier maturity date, in either case other than Subordinated Indebtedness, or (2) that is Indebtedness of a Restricted Subsidiary; and/or
 - (b) to reinvest such Net Cash Proceeds, or any portion, in properties or assets, including Equity Interests of a person that will become a Restricted Subsidiary as a result of such investment, that will be used in a Permitted Business.

The balance of such Net Cash Proceeds, after the application of such Net Cash Proceeds as described in the immediately preceding clauses (a) and (b), shall constitute Excess Proceeds.

When the aggregate amount of Excess Proceeds equals or exceeds \$10 million, taking into account income earned on such Excess Proceeds, we will be required to make a pro rata offer to all holders of notes and equally-ranking Indebtedness with comparable provisions requiring such Indebtedness to be purchased with the proceeds of such Asset Sale, called an Asset Sale Offer. We must offer to purchase the maximum principal amount, or accreted value in the case of Indebtedness issued with an original issue discount, of notes and equally-ranking Indebtedness that may be purchased out of the Excess Proceeds, at a purchase price in cash in an amount equal to 100% of the principal amount or the accreted value of the note, as applicable, plus accrued and unpaid interest thereon to the date of purchase, subject to the right of holders as of the relevant record date to receive interest due on the relevant interest

payment date, in accordance with the procedures set forth in the indenture and the agreements governing such equally-ranking Indebtedness. To the extent that any Excess

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Proceeds remain after consummation of an Asset Sale Offer, Equinix may use such Excess Proceeds for any purpose not otherwise prohibited by the indenture. If the aggregate principal amount of notes and equally-ranking Indebtedness tendered in such Asset Sale Offer surrendered by their holders exceeds the amount of Excess Proceeds, the trustee shall select the notes and equally-ranking Indebtedness to be purchased on a pro rata basis in proportion to the respective principal amounts, or accreted values in the case of Indebtedness issued with an original issue discount, of the notes and such other Indebtedness. On completion of such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero for purposes of the first sentence of this paragraph.

The amount of:

- . any liabilities, as shown on Equinix's or such Restricted Subsidiary's, as the case may be, most recent balance sheet, other than Subordinated Indebtedness, of Equinix or any Restricted Subsidiary, that are assumed by the transferee of any such assets under an agreement that immediately releases Equinix and all of the Restricted Subsidiaries from all liability in respect of such liabilities;
- . Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, if Equinix and all of the Restricted Subsidiaries are immediately released from all Guarantees of payment of such Indebtedness and such Indebtedness is no longer the liability of Equinix or any of the Restricted Subsidiaries; and
- . any securities, notes or other obligations received by Equinix, or such Restricted Subsidiary, as the case may be, from such transferee that are converted by Equinix, or such Restricted Subsidiary, as the case may be, into cash and/or Cash Equivalents within 90 days of the date of such Asset Sale, to the extent of the cash and/or Cash Equivalents received;

will be deemed to be cash and/or Cash Equivalents for purposes of this provision.

Notwithstanding any provision of this covenant, its provisions will not apply to any transaction constituting a Restricted Payment that is permitted by the Restricted Payments covenant or that otherwise constitutes a Permitted Investment.

Certain Covenants

Restricted Payments

We will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly make any of the following Restricted Payments:

- . declare or pay any dividend or make any other payment or distribution on account of Equinix's Equity Interests or to the direct or indirect holders of Equinix's Equity Interests in their capacity as stockholders, other than dividends or distributions payable in Equity Interests, other than Disqualified Stock of Equinix or to Equinix or a Restricted Subsidiary of Equinix;
- . purchase, redeem or otherwise acquire or retire for value any Equity Interests of Equinix or any direct or indirect parent of Equinix, other than any such Equity Interests owned by Equinix or any Restricted Subsidiary of Equinix;
- . make any payment on or relating to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness, except a payment of interest or principal at any Stated Maturity; or
- . make any Restricted Investment;

unless:

- . at the time of and after giving effect to such Restricted Payment, no default or Event of Default shall have occurred and be continuing;

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- . Equinix would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable period, have been permitted to incur at least \$1.00 of additional Indebtedness as described below under

"Incurrence of Indebtedness and Issuance of Preferred Stock"; and

- . such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by Equinix and the Restricted Subsidiaries on or after the Issue Date, is less than the sum, without duplication, of
 - (a) the amount of Equinix's (1) Cumulative Consolidated Cash Flow determined at the time of such Restricted Payment less (2) 150% of the cumulative consolidated interest expense, determined for the period commencing on the first day of the fiscal quarter which includes the Issue Date and ending on the last day of the last fiscal quarter preceding the date on which such Restricted Payment is to be made for which reports have been filed with the Commission or provided to the trustee according to the "Reports" covenant; plus
 - (b) 100% of the aggregate Net Cash Proceeds received by Equinix after the Issue Date as a Capital Contribution or from the issue or sale, other than to a Subsidiary of Equinix, of Equity Interests of Equinix, other than Disqualified Stock, or from the issue or sale, other than to a Subsidiary of Equinix, of Disqualified Stock or debt securities of Equinix that have been converted or exchanged into such Equity Interests, plus the amount of Net Cash Proceeds received by Equinix upon such conversion or exchange, other than a conversion or exchange by a Subsidiary of Equinix; plus
 - (c) the aggregate amount equal to the net reduction in Restricted Investments in Unrestricted Subsidiaries on or after the Issue Date resulting from (1) dividends, distributions, interest payments, return of capital, repayments of Restricted Investments or other transfers of assets to Equinix or any Restricted Subsidiary from any Unrestricted Subsidiary and not otherwise included in the calculation of Cumulative Consolidated Cash Flow required by (a) above, (2) proceeds realized by Equinix or any Restricted Subsidiary upon the sale of such Restricted Investment to a person other than Equinix or any Subsidiary of Equinix, or (3) the redesignation of any Unrestricted Subsidiary as a Restricted Subsidiary, not to exceed in the case of any of the immediately preceding clauses (1), (2) or (3) the aggregate amount of Restricted Investments made by Equinix or any Restricted Subsidiary in such Unrestricted Subsidiary on or after the Issue Date; plus
 - (d) to the extent that any Restricted Investment that was made on or after the Issue Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of, to the extent paid to Equinix or a Restricted Subsidiary, (1) the cash return of capital relating to such Restricted Investment, less any cost of disposition and (2) the initial amount of such Restricted Investment; minus
 - (e) 50% of the cumulative aggregate principal amount of any outstanding Indebtedness incurred according to the second clause of the first paragraph of the covenant described below under "Incurrence of Indebtedness and Issuance of Preferred Stock."

So long as no default or Event of Default shall have occurred and be continuing, the foregoing provisions will not prohibit:

- . the payment of any dividend within 60 days after the date it is declared, if at the time it is declared such payment would have complied with the foregoing provisions;
- . the redemption, repurchase, retirement, defeasance or other acquisition of any Subordinated Indebtedness or Equity Interests of Equinix in exchange for, or out of the Net Cash Proceeds of the substantially concurrent sale, other than to a Subsidiary of Equinix, of, Equity Interests of Equinix, other than any Disqualified Stock; provided that the amount of any such Net Cash Proceeds that are utilized for, and the Equity Interests issued or exchanged for, any such redemption, repurchase,

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retirement, defeasance or other acquisition shall be excluded from the third clause of the preceding paragraph and each other clause of this paragraph;

- . the defeasance, redemption, retirement, repurchase or other acquisition of Subordinated Indebtedness with the Net Cash Proceeds from, or issued in exchange for, a substantially concurrent incurrence of Permitted Refinancing Indebtedness; provided that the amount of any such Net Cash Proceeds that are utilized for any such redemption, repurchase, retirement, defeasance or other acquisition shall be excluded from the third clause of the preceding paragraph and each other clause of this paragraph;

- . the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of Equinix held by any member of Equinix's or a Restricted Subsidiary's management; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests shall not exceed \$3 million in any fiscal year;
- . Restricted Investments not to exceed the aggregate fair market value, measured on the date each such Restricted Investment was made or returned, as applicable, when taken together with all other Restricted Investments made according to this clause that are at the time outstanding, the sum of (a) \$30 million, plus (b) the amount then available for the making of Restricted Payments according to the third clause of the preceding paragraph without giving effect to its subclause (a);
- . Restricted Investments the payment for which consists exclusively of Equity Interests, other than Disqualified Stock, of Equinix; and
- . the repurchase of Equity Interests of Equinix in accordance with, and only to the extent required by, dissenters' rights of appraisal under applicable law.

Each Restricted Payment permitted by the first, fourth, fifth, sixth and seventh clauses above shall be included, and each Restricted Payment permitted by the second, third and sixth clauses above shall be excluded, except as specifically set forth in each such clause, for all purposes when performing the calculation set forth in the last bullet point of the preceding paragraph of this covenant.

Our board of directors may not designate any Subsidiary of Equinix as an Unrestricted Subsidiary, unless:

- . no default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such designation; and
- . Equinix would not be prohibited under the indenture from making a Restricted Investment at the time of such designation, assuming the effectiveness of such designation for purposes of this covenant, in an amount equal to the fair market value of the net Investment of Equinix and all Restricted Subsidiaries in such Subsidiary on such date.

This prohibition shall not apply to a newly created Subsidiary in which no investment, apart from any de minimis amount required to capitalize the Subsidiary in connection with its organization, has previously been made.

If there is any such designation, all outstanding Investments owned by Equinix and the Restricted Subsidiaries in the Subsidiary so designated will be deemed to be a Restricted Investment made as of the time of such designation and will reduce the amount available for Restricted Payments under the first or second paragraph of this covenant. All such outstanding Investments will be deemed to constitute Restricted Payments in an amount equal to the fair market value of such Investments at the time of such designation.

The indenture also provides that a designation may be revoked and an Unrestricted Subsidiary may thus be redesignated as a Restricted Subsidiary by a resolution of our board of directors delivered to the trustee. However, Equinix will not make any revocation unless:

- . no default or Event of Default shall have occurred and be continuing at the time of, or after giving effect to, such revocation; and

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- . all Liens and Indebtedness of such Unrestricted Subsidiary outstanding immediately following such revocation would, if incurred at such time, have been permitted to be incurred at such time for all purposes under the indenture.

The amount of all Restricted Payments, other than cash, shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by Equinix, or such Restricted Subsidiary, as the case may be, under the Restricted Payment. The fair market value of any asset(s) or securities that are required to be valued by this covenant shall be determined in good faith by our board of directors. Their determination shall be supported by the opinion or appraisal of an accounting, appraisal or investment banking firm of national standing if such fair market value would exceed \$10 million.

Incurrence of Indebtedness and Issuance of Preferred Stock

We will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise

become directly or indirectly liable for, contingently or otherwise, including by way of merger, consolidation or acquisition, any Indebtedness and we will not issue or incur any Disqualified Stock and will not permit any of the Restricted Subsidiaries to issue or incur any shares of Preferred Stock. However, we may incur Indebtedness or issue or incur shares of Disqualified Stock and the Restricted Subsidiaries may incur Acquired Debt or Acquired Preferred Stock if either:

- . the Consolidated Leverage Ratio at the end of Equinix's most recently ended fiscal quarter, for which a consolidated balance sheet of Equinix which has been filed with the Commission or provided to the trustee, immediately preceding the date on which such additional Indebtedness is incurred or such Preferred Stock is issued or incurred would have been less than 6.0 to 1.0, determined on a pro forma basis, including a pro forma application of the net proceeds therefrom; or
- . the Consolidated Capital Ratio at the end of the most recently ended fiscal quarter, for which a consolidated balance sheet of Equinix has been filed with the Commission or provided to the trustee, would have been less than 2.0 to 1.0 determined on a pro forma basis, including a pro forma application of the net proceeds therefrom.

Notwithstanding the foregoing, the provisions of the paragraph set forth immediately above will not prohibit the incurrence of any of the following items of Indebtedness (collectively, "Permitted Indebtedness"):

- . Permitted Refinancing Indebtedness;
- . the incurrence by Equinix of Indebtedness represented by the notes;
- . the incurrence of Indebtedness by Equinix owing to any Restricted Subsidiary or Indebtedness of any Restricted Subsidiary owing to Equinix or any other Restricted Subsidiary, such Indebtedness deemed to be incurred upon such Indebtedness being held by any person other than Equinix or such Restricted Subsidiary including upon designation and upon such Restricted Subsidiary otherwise no longer being a Restricted Subsidiary; provided that in the case of Indebtedness of Equinix, such obligations shall be unsecured and subordinated in all respects to Equinix's obligations in accordance with the notes;
- . the incurrence by Equinix of Indebtedness in an aggregate amount incurred and outstanding at any time under this clause of up to \$30 million;
- . the incurrence (a) by Equinix or any Restricted Subsidiary, other than any Foreign Subsidiary, of Senior Debt, including under one or more Permitted Credit Facilities, and (b) by any Foreign Subsidiary of Indebtedness under one or more Permitted Foreign Credit Facilities, in an aggregate amount incurred and outstanding at any time under this clause of up to the sum of (a) \$125 million and (b) 85% of the aggregate accounts receivable of Equinix and the Restricted Subsidiaries as of the date of the most recently available balance sheet of Equinix which has been included in a report filed with the Commission or provided to the trustee;

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- . the incurrence by Equinix or any Foreign Subsidiary of Purchase Money Indebtedness (a) under the terms of any Purchase Money Indebtedness facility existing and as in effect on the Issue Date or (b) constituting not more than 75% of the cost, including shipping, installation and importation costs and sales, use and similar taxes, collectively "Costs", payable upon acquisition of the subject property, determined in accordance with GAAP in good faith by our board of directors, to Equinix or any such Foreign Subsidiary, as applicable, of the property so purchased, developed, acquired, constructed, improved or leased; provided, that relating to any Purchase Money Indebtedness incurred under clause (b) above, at least 25% of the Costs payable upon acquisition of the subject property shall be funded from Newly Raised Capital; provided, further, that any assets acquired by a Foreign Subsidiary under this clause are acquired for use in the ordinary course of business of such Foreign Subsidiary;
- . the incurrence by Equinix or any of the Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging interest or foreign currency exchange rate risk relating to any floating rate Indebtedness or foreign currency based Indebtedness, respectively, that is permitted by the terms of the indenture to be outstanding; provided that the notional amount of any such Hedging Obligation does not exceed the amount of Indebtedness or other liability to which such Hedging Obligation relates; and
- . the incurrence by Equinix and the Restricted Subsidiaries of Indebtedness solely in respect of bankers acceptances, letters of credit

and performance bonds, all in the ordinary course of business.

Indebtedness or Preferred Stock of any person which is outstanding at the time such person becomes a Restricted Subsidiary of Equinix, including upon designation of any Subsidiary or other person as a Restricted Subsidiary or upon a Revocation such that such Subsidiary becomes a Restricted Subsidiary, or is merged with or into or consolidated with Equinix or a Restricted Subsidiary of Equinix, shall be deemed to have been incurred at the time such person becomes such a Restricted Subsidiary of Equinix or is merged with or into or consolidated with Equinix or a Restricted Subsidiary of Equinix, as applicable.

Upon each incurrence, Equinix may designate under which provision of this covenant such Indebtedness is being incurred. Such Indebtedness shall not be deemed to have been incurred by Equinix under any other provision of this covenant, except as stated otherwise in the foregoing provisions or in the next sentence. For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described in the clauses above, or is permitted under the first paragraph of this covenant and under one or more of such clauses, Equinix, in our sole discretion, may from time to time reclassify such item of Indebtedness.

Equinix will not, and will not permit any of the Restricted Subsidiaries, other than Foreign Subsidiaries, to, incur any Indebtedness, including Permitted Indebtedness, that is contractually subordinated in right of payment to any other Indebtedness unless such Indebtedness is also contractually subordinated in right of payment to the notes on substantially identical terms. However, no Indebtedness shall be deemed to be contractually subordinated in right of payment to any other Indebtedness solely by virtue of being unsecured.

Liens

We will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind, other than Permitted Liens, to secure Indebtedness upon any of our property or assets or upon any income or profits therefrom unless all payments due under the indenture and the notes are secured, except as provided in the next clause, on an equal and ratable basis with the obligations so secured. No Lien shall be granted or be allowed to exist which secures Subordinated Indebtedness except relating to Acquired Debt, in which case, however, such Liens must be made junior and subordinate to the Liens granted to the holders.

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Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

We will not, and will not permit any of the Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

- . (a) pay dividends or make any other distributions to Equinix or any of the Restricted Subsidiaries on its Capital Stock or relating to any other interest or participation in, or measured by, its profits, or
- (b) pay any Indebtedness owed to Equinix or any of the Restricted Subsidiaries;
- . make loans or advances to Equinix or any of the Restricted Subsidiaries; or
- . transfer any of its properties or assets to Equinix or any of the Restricted Subsidiaries.

The foregoing restrictions will not apply to encumbrances or restrictions existing under or by reason of:

- . Existing Indebtedness as in effect on the Issue Date;
- . any Permitted Credit Facility or Permitted Foreign Credit Facility, provided that (a) the aggregate outstanding amount of any such Indebtedness does not exceed the amount permitted under the fifth clause of the definition of Permitted Indebtedness, (b) relating to any Permitted Credit Facility, such restrictions apply only if there is a payment default under such Permitted Credit Facility, and (c) the chief financial officer of Equinix determines in good faith that any such restrictions contained in any such Permitted Credit Facility or Permitted Foreign Credit Facilities are no more restrictive, taken as a whole, than those contained in a similar credit facility with terms that are commercially reasonable for a borrower engaged in a business comparable to Equinix that has substantially comparable Indebtedness and that any such restrictions will not materially affect Equinix's ability to make principal, premium or interest payments on the notes;
- . applicable law;

- . any instrument governing Indebtedness or Capital Stock of a Person or assets acquired by Equinix or any of the Restricted Subsidiaries as in effect at the time of such acquisition, except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition, which encumbrance or restriction is not applicable to any person, or the properties or assets of any person, other than the person, or the property or assets of the person, so acquired; provided, that in the case of Indebtedness, such Indebtedness was permitted by the terms of the indenture to be incurred;
- . customary non-assignment provisions in leases entered into in the ordinary course of business;
- . purchase money obligations for property acquired in the ordinary course of business that impose restrictions on transfer on the property so acquired, constructed, leased or improved;
- . any agreement for the sale or other disposition of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending its sale or other disposition, provided that the consummation of such transaction would not result in an Event of Default or an event that, with the passing of time or giving of notice or both, would constitute an Event of Default, that such restriction terminates if such transaction is not consummated and that the consummation or abandonment of such transaction occurs within one year of the date such agreement was entered into;
- . Permitted Refinancing Indebtedness, provided that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are no more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded;
- . Liens securing Indebtedness otherwise permitted to be incurred under the provisions of the covenant governing Liens that limit the right of Equinix or any of the Restricted Subsidiaries to dispose of the assets subject to such Lien; and

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- . provisions relating to the disposition or distribution of assets or property in joint venture agreements and other similar agreements entered into in the ordinary course of business.

Merger, Consolidation, or Sale of Assets

We may not, directly or indirectly, consolidate or merge with or into, whether or not we are the surviving corporation, or sell, assign, transfer, convey or otherwise dispose of all or substantially all of our properties or assets, in one or more related transactions, to another person, or permit any of the Restricted Subsidiaries to enter into any such transaction or series of transactions, if it would result in such disposition of all or substantially all of the assets of Equinix and the Restricted Subsidiaries on a consolidated basis, unless:

- . Equinix is the surviving corporation or the person formed by or surviving any such consolidation or merger, if other than Equinix, or to which such sale, assignment, transfer, conveyance or other disposition shall have been made is a corporation organized or existing under the laws of the United States, any state or the District of Columbia;
- . the person formed by or surviving any such consolidation or merger, if other than Equinix, or the person to which such sale, assignment, transfer, conveyance or other disposition shall have been made assumes all the obligations of Equinix under the registration agreement, the notes, the exchange notes and the indenture under a supplemental indenture in a form reasonably satisfactory to the trustee;
- . no default or Event of Default, or an event that, with the passing of time or giving of notice or both, would constitute an Event of Default, shall exist or shall occur immediately after giving effect on a pro forma basis to such transaction;
- . except in the case of a merger of Equinix with or into a Wholly Owned Restricted Subsidiary of Equinix, Equinix or the person formed by or surviving any such consolidation or merger, if other than Equinix, or to which such sale, assignment, transfer, conveyance or other disposition shall have been made will immediately after such transaction and after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable period, be permitted to incur at least \$1.00 of additional Indebtedness according to the first paragraph of the "Incurrence of Indebtedness and Issuance of Preferred Stock" covenant;

- . if, as a result of any such transaction, property or assets of Equinix would become subject to a Lien subject to the provisions of the indenture described under the "Liens" covenant, Equinix or the successor entity to Equinix shall have secured the notes as required by the covenant; and
- . Equinix shall have delivered to the trustee an Officers' Certificate and an opinion of counsel, each stating that such consolidation, merger or transfer and any supplemental indenture comply with the indenture.

The indenture also provides that Equinix may not, directly or indirectly, lease all or substantially all of its properties or assets, in one or more related transactions, to any other person.

Upon any consolidation or merger or any transfer of all or substantially all of the assets of Equinix in accordance with the foregoing, the successor corporation formed by such consolidation or into which Equinix is merged or to which such transfer is made shall succeed to and be substituted for, and may exercise every right and power of, Equinix under the indenture. The effect will be as if the successor corporation had been named therein as Equinix, and Equinix shall be released from the obligations under the notes and the indenture except relating to any obligations that arise from, or are related to, such transaction. The foregoing shall not apply in the case of a lease.

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Transactions with Affiliates

We will not, and will not permit any of the Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of our properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate, each an Affiliate transaction, unless:

- . such Affiliate Transaction is on terms that are not materially less favorable to Equinix or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by Equinix or such Restricted Subsidiary with an unrelated person; and
- . relating to any Affiliate Transaction or series of related Affiliate Transactions:
 - (a) involving aggregate consideration in excess of \$5 million, Equinix delivers to the trustee a resolution of the board of directors set forth in an Officers' Certificate that such Affiliate Transaction is approved by a majority of the disinterested members of the board of directors and that such Affiliate Transaction complies with the first clause above and is in the best interests of Equinix or such Restricted Subsidiary; and
 - (b) if involving aggregate consideration in excess of \$10 million, a favorable written opinion as to the fairness to Equinix of such Affiliate Transaction from a financial point of view is also obtained by Equinix from an accounting, appraisal or investment banking firm of national standing.

Notwithstanding the foregoing, the following items shall not be deemed to be Affiliate Transactions:

- . (a) the entering into, maintaining or performance of any employment contract, collective bargaining agreement, benefit plan, program or arrangement, related trust agreement or any other similar arrangement for or with any employee, officer or director heretofore or hereafter entered into in the ordinary course of business, including vacation, health, insurance, deferred compensation, retirement, savings or other similar plans or (b) the payment of compensation, performance of indemnification or contribution obligations, or an issuance, grant or award of stock, options, or other equity-related interests or other securities, to employees, officers or directors in the ordinary course of business;
- . transactions between or among Equinix and/or the Restricted Subsidiaries;
- . payment of reasonable directors fees;
- . any sale or other issuance of Equity Interests, other than Disqualified Stock, of Equinix;
- . Affiliate Transactions in effect or approved by the board of directors on the Issue Date, including any amendments thereto, provided that the terms of such amendments are not materially less favorable to Equinix than the terms of such agreement before such amendment; and

- . Restricted Payments that are permitted under the Restricted Payments covenant and Permitted Investments described under clause (d) of its definition.

Business Activities

We will not, and will not permit any of the Restricted Subsidiaries to, engage to more than a de minimus extent in any business other than a Permitted Business.

Status as Investment Company

The indenture provides that Equinix will not, and will not permit any of its Subsidiaries or controlled affiliates to, conduct its business in a fashion that would cause Equinix to be required to register as an investment company, as that term is defined in the Investment Company Act of 1940, as amended, or otherwise to become subject to regulation under the Investment Company Act. For purposes of establishing Equinix's

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compliance with this provision, any exemption which is or would become available under Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act will be disregarded.

Reports

The indenture provides that at all times from and after the date of the commencement of an exchange offer or the effectiveness of a shelf registration statement relating to the notes, a "Registration", whether or not Equinix is then required to file reports with the Commission, Equinix shall file with the Commission all such reports and other information as it would be required to file with the Commission by Sections 13(a) or 15(d) under the Exchange Act if it were subject thereto. Without cost, Equinix shall supply the applicable trustee and each applicable holder, or shall supply to the applicable trustee for forwarding to each such applicable holder, copies of such reports and other information. At all times before the date of the Registration, Equinix shall, at its cost, deliver to the trustee and each holder of the notes quarterly and annual reports substantially equivalent to those which would be required by the Exchange Act if Equinix were subject thereto. In addition, at all times before the Registration, upon the request of any holder or any prospective purchaser of the notes designated by a holder, Equinix shall supply to such holder or such prospective purchaser the information required under Rule 144A under the Securities Act.

Events of Default and Remedies

The indenture provides that each of the following will constitute an Event of Default:

- . default for 30 days in the payment when due of interest on the notes;
- . default in the payment when due of the principal of, or premium, if any, on, the notes;
- . failure by Equinix or any of the Restricted Subsidiaries to comply with the provisions described above under the captions "--Change of Control," or "--Asset Sales";
- . failure by Equinix or any of the Restricted Subsidiaries for 60 days after notice to comply with any of its other agreements in the indenture, the notes or the escrow agreement;
- . the default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness of Equinix or any of the Restricted Subsidiaries, or the payment of which is Guaranteed by Equinix or any of the Restricted Subsidiaries, whether such Indebtedness or Guarantee now exists or is created after the Issue Date, and either such Indebtedness is already due and payable or such default results in the acceleration of such Indebtedness before its express maturity and, in each case, the amount of any such Indebtedness, together with the amount of any other such Indebtedness the maturity of which has been so accelerated or which is already due and payable, aggregates \$10 million or more;
- . one or more judgments, orders or decrees for the payment of money in excess of \$10 million, individually or in the aggregate, net of applicable insurance coverage which is acknowledged in writing by the insurer, shall be entered against Equinix or any Restricted Subsidiary or any of their respective properties and shall not be discharged and there shall have been a period of 60 days or more during which a stay of enforcement of such judgment or order, by reason of pending appeal or otherwise, shall not be in effect;

- . Equinix shall assert or acknowledge in writing that the escrow agreement is invalid or unenforceable; or
- . certain events of bankruptcy or insolvency relating to Equinix or any of its Significant Subsidiaries.

If any Event of Default occurs and is continuing, the trustee or the holders of at least 25% in principal amount of the then outstanding notes may declare all principal of, premium, if any, on and interest on the notes to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency relating to Equinix or a Significant Subsidiary, all outstanding notes will become due and payable without further action or notice.

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Holder may not directly enforce the indenture or the notes except as provided in the indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding notes may direct the trustee in its exercise of any trust or power.

Holder of a majority in aggregate principal amount of the then outstanding notes, by notice to the trustee, may, on behalf of all holders, waive any existing default or Event of Default and its consequences under the indenture, except a continuing default or Event of Default in the payment of principal of, premium, if any, or interest on the notes.

We will be required to deliver to the trustee annually a statement regarding compliance with the indenture, and we will be required upon becoming aware of any default or Event of Default to deliver to the trustee a statement specifying such default or Event of Default. The trustee may withhold from holders notice of any continuing default or Event of Default, except a default or Event of Default relating to the payment of principal of, premium, if any, or interest on, the notes, if it determines that withholding notice is in their interest.

No Personal Liability of Directors, Officers, Employees, Incorporators or Shareholders

No director, officer, employee, incorporator or shareholder of Equinix, as such, will have any liability for any obligations of Equinix relating to the notes or the indenture, or for any claim based on, or in respect or by reason of, such obligations or their creation. Each holder of notes by accepting a note will waive and release any and all such liability. Such waiver and release are part of the consideration for issuance of the notes. Such waiver may not be effective to waive liabilities under federal securities laws and it is the view of the Commission that such a waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The indenture provides that Equinix may, at its option and at any time, elect to have all of its obligations discharged relating to the outstanding notes, called legal defeasance, except for:

- . the rights of holders to receive payments in respect of the principal of, premium, if any, and interest on such notes when such payments are due from the trust referred to below;
- . Equinix's obligations relating to the notes concerning issuing temporary notes, registration of notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payment and money for security payments held in trust;
- . the rights, powers, trusts, duties and immunities of the trustee, and Equinix's obligations in connection therewith; and
- . the legal defeasance provisions of the indenture.

In addition, Equinix may, at its option and at any time, elect to have its obligations released relating to certain covenants that are contained in the indenture, called covenant defeasance, and, thereafter, any omission to comply with such obligations will not constitute a default or Event of Default. In the event covenant defeasance occurs, certain events, but not including non-payment, bankruptcy, receivership, rehabilitation or insolvency events, described under "--Events of Default and Remedies" will no longer constitute an Event of Default.

To exercise either legal defeasance or covenant defeasance:

- . Equinix must irrevocably deposit, or cause to be deposited, with the trustee, in trust, for the benefit of the holders, cash in U.S. dollars, non-callable Government Securities, or any combination, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest on the outstanding notes on its stated maturity or on

the applicable redemption date, as the case may be, and Equinix must specify whether the notes are being defeased to maturity or to a particular redemption date;

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- . in the case of legal defeasance, Equinix must deliver to the trustee an opinion of United States counsel reasonably acceptable to the trustee confirming that, since the Issue Date, Equinix has received from, or there has been published by, the Internal Revenue Service a ruling, or there has been a change in the applicable United States federal income tax law, in either case to the effect that, and based thereon such opinion of counsel shall confirm that, the holders will not recognize income, gain or loss for United States federal income tax purposes as a result of such legal defeasance, and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such legal defeasance had not occurred;
- . in the case of covenant defeasance, Equinix must deliver to the trustee an opinion of counsel in the United States reasonably acceptable to the trustee confirming that the holders will not recognize income, gain or loss for United States federal income tax purposes as a result of such covenant defeasance, and such holders will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred;
- . no default or Event of Default shall have occurred and be continuing on the date of such deposit, other than a default or Event of Default resulting from the borrowing of funds to be applied to such deposit;
- . such legal defeasance or covenant defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument, other than the indenture, to which Equinix or any of the Restricted Subsidiaries is a party or by which Equinix or any of the Restricted Subsidiaries is bound;
- . Equinix must deliver to the trustee an Officers' Certificate stating that the deposit was not made by Equinix with the intent of preferring the holders over other creditors of Equinix, or with the intent of defeating, hindering, delaying or defrauding creditors of Equinix or others; and
- . Equinix must deliver to the trustee an Officers' Certificate and an opinion of United States counsel reasonably acceptable to the trustee, each stating that the conditions precedent provided for or relating to legal defeasance or covenant defeasance, as applicable, in the case of the Officers' Certificate, in the first through sixth clauses and, in the case of the opinion of counsel, in the first clause, relating to the validity and perfection of the security interest, and the second and third clauses of this paragraph, have been complied with.

Satisfaction and Discharge

The indenture will be discharged and will cease to be of further effect, except as to surviving rights or registration of transfer or exchange of notes, as to all outstanding notes when either:

- . all such notes theretofore authenticated and delivered, except lost, stolen or destroyed notes that have been replaced or paid and notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by Equinix and thereafter repaid to Equinix or discharged from such trust, have been delivered to the trustee for cancellation; or
- . (a) all such notes not theretofore delivered to the trustee for cancellation have become due and payable and Equinix has irrevocably deposited or caused to be deposited with the trustee as trust funds in trust for the purpose an amount of money sufficient to pay and discharge the entire indebtedness on the notes not theretofore delivered to the trustee for cancellation, for principal amount, premium, if any, and accrued interest to the date of such deposit; (b) Equinix has paid all sums payable by it under the indenture; and (c) Equinix has delivered irrevocable instructions to the trustee to apply the deposited money toward the payment of the notes at Stated Maturity or on the redemption date, as the case may be.

In addition, Equinix must deliver an Officers' Certificate and an opinion of counsel stating that all conditions precedent to satisfaction and discharge have been complied with.

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Transfer and Exchange

A holder may transfer or exchange notes in accordance with the procedures set forth in the indenture. The registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents, and Equinix may require a holder to pay any taxes and fees required by law or permitted by the indenture. Equinix will not be required to transfer or exchange any note selected for redemption. Also, Equinix will not be required to transfer or exchange any note for a period of 15 days before:

- . a selection of notes to be redeemed;
- . an interest payment date; or
- . the mailing of notice of a Change of Control Offer or Asset Sale Offer.

The registered holder of a note will be treated as the owner of it for all purposes under the indenture.

Amendment, Supplement and Waiver

With the consent of the holders of not less than a majority in aggregate principal amount of the notes at the time outstanding, Equinix and the trustee are permitted to amend or supplement the indenture or any supplemental indenture or modify the rights of the holders. However, that no such modification may, without the consent of each holder affected thereby:

- . reduce the principal amount of, change the fixed maturity of, or alter the redemption provisions of, the notes;
- . change the currency in which any notes or amounts owing thereon is payable;
- . reduce the percentage of the aggregate principal amount outstanding of notes which must consent to an amendment, supplement or waiver or consent to take any action under the indenture or the notes;
- . impair the right to institute suit for the enforcement of any payment on or relating to the notes;
- . waive a default in payment relating to the notes;
- . reduce the rate or change the time for payment of interest on the notes;
- . following the occurrence of a Change of Control or an Asset Sale, alter Equinix's obligation to purchase the notes as a result of such Change of Control or Asset Sale in accordance with the indenture or waive any default in its performance;
- . affect the ranking of the notes in a manner adverse to the holder of the notes; or
- . release any Liens created by the escrow agreement except in accordance with the terms of the escrow agreement.

Notwithstanding the foregoing, without the consent of any holder of notes, Equinix and the trustee may amend or supplement the indenture or the notes;

- . to cure any ambiguity, defect or inconsistency;
- . to provide for uncertificated notes in addition to or in place of certificated notes;
- . to provide for the assumption of Equinix's obligations to holders in the case of a merger or consolidation or sale of all or substantially all of Equinix's assets in accordance with the terms of the indenture;
- . to make any change that would provide any additional rights or benefits to the holders or that does not adversely affect the legal rights under the indenture of any such holder; or
- . to comply with the requirements of the Commission to effect or maintain the qualification of the indenture under the Trust Indenture Act.

Concerning the Trustee

The indenture contains certain limitations on the rights of the trustee, should it become a creditor of Equinix, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The trustee will be permitted to engage in other transactions. However, if it acquires any conflicting interest, it must eliminate such conflict within 90 days, apply to the Commission for permission to continue, or resign.

Holders of a majority in principal amount of the then outstanding notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the trustee, subject to certain exceptions. In case an Event of Default shall occur which is not cured, the trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in the conduct of their own affairs. Subject to such provisions, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder, unless such holder shall have offered to the trustee security and indemnity satisfactory to it against any loss, liability or expense.

Governing Law

The indenture and the notes will be governed by and construed in accordance with the laws of the State of New York.

Equinix will submit to the jurisdiction of the U.S. federal and New York state courts located in the Borough of Manhattan, City and State of New York for purposes of all legal actions and proceedings instituted in connection with the notes and the indenture.

Certain Definitions

Set forth below are certain defined terms used in the indenture. Reference is made to the indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"Acquired Debt" or "Acquired Preferred Stock" means, relating to any specified person, Indebtedness or Preferred Stock of any other person existing at the time such other person is merged with or into or became a Subsidiary of such specified person, including by designation or revocation, provided such Indebtedness or Preferred Stock is not incurred in connection with, or in contemplation of, such other person merging with or into or becoming a Subsidiary of such specified person.

"Affiliate" of any specified person means any other person directly or indirectly controlling, controlled by or under direct or indirect common control with such specified person. For purposes of this definition, "control", including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with", as used relating to any person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise; provided that beneficial ownership of 10% or more of the Voting Stock of a person shall be deemed to be control.

"Asset Acquisition" means:

- . any capital contribution, by means of transfers of cash or other property to others or payments for property or services for the account or use of others, or otherwise, by Equinix or any Restricted Subsidiary in any other person, or any acquisition or purchase of Capital Stock of any other person by Equinix or any Restricted Subsidiary, in either case by which such person shall (a) become a Restricted Subsidiary or (b) shall be merged with or into Equinix or any Restricted Subsidiary; or

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- . any acquisition by Equinix or any Restricted Subsidiary of the assets of any person which constitute substantially all of an operating unit or line of business of such person or which is otherwise outside of the ordinary course of business.

"Asset Sale" means:

- . the sale, lease, transfer, conveyance or other disposition of any property, asset or right, including, without limitation, by way of a sale and leaseback, other than leases of space in an Exchange Facility entered into in the ordinary course of business, of Equinix or any Restricted Subsidiary; and
- . the issue or sale by Equinix or any of the Restricted Subsidiaries of Equity Interests of any Subsidiary.

Notwithstanding the foregoing, the following items shall not be deemed to be Asset Sales:

- . any disposition of properties and assets of Equinix subject to the "Merger, Consolidation or Sale of Assets" covenant, provided that any properties, assets or rights that are not included in any such dispositions shall be deemed to have been sold in a transaction constituting an Asset Sale;

- . a transfer of properties, assets or rights by Equinix to a Restricted Subsidiary or by a Subsidiary to Equinix or to a Restricted Subsidiary;
- . a disposition of obsolete or worn out equipment or equipment that is no longer useful in the conduct of a Permitted Business of Equinix and the Restricted Subsidiaries;
- . the surrender or waiver by Equinix or any of the Restricted Subsidiaries of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind by Equinix or any of the Restricted Subsidiaries or the grant by Equinix or any of the Restricted Subsidiaries of a Lien not prohibited by the indenture; and
- . sales, transfers, assignments and other dispositions of assets, or related assets in related transactions (a) in the ordinary course of business (b) with an aggregate fair market value of less than \$500,000 in any fiscal year or (c) constituting the incurrence of a Capital Lease Obligation.

"Board Resolution" means a duly authorized resolution of the board of directors.

"Capital Contribution" means any contribution to the common equity of Equinix from a direct or indirect parent of Equinix for which no consideration other than the issuance of common stock with no redemption rights and no special preferences, privileges or voting rights is given.

"Capital Lease Obligation" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

"Capital Stock" means:

- . in the case of a corporation, corporate stock;
- . in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents, however designated, of corporate stock;
- . in the case of a partnership or limited liability company, partnership or membership interests, whether general or limited; and
- . any other interest or participation that confers on a person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing person.

"Cash Equivalents" means:

- . United States dollars;

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- . securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government, provided that the full faith and credit of the United States is pledged in support of those securities, having maturities of not more than six months from the date of acquisition;
- . certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case with any domestic commercial bank having capital and surplus in excess of \$500 million and a Thompson Bank Watch Rating of "B" or better;
- . repurchase obligations with a term of not more than seven days for underlying securities of the types described in the second clause above entered into with any financial institution meeting the qualifications specified in the third clause above;
- . commercial paper having the highest rating obtainable from Moody's Investors Service, Inc. or Standard & Poor's Ratings Group and in each case maturing within six months after the date of acquisition; and
- . money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described above, provided that relating to any Foreign Subsidiary, Cash Equivalents shall also mean those investments that are comparable to the above clauses in such Foreign Subsidiary's country of organization or country where it conducts business operations.

"Change of Control" means the occurrence of any of the following:

- . any "person" or "group," other than a Permitted Holder, is or becomes the "beneficial owner", as such terms are used in Section 13(d)(3) of the Exchange Act, except that a person shall be deemed to have "beneficial ownership" of all securities that such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time, directly or indirectly, of 35% or more of the Voting Stock, measured by voting power rather than number of shares, of Equinix and the Permitted Holders own, in the aggregate, a lesser percentage of the total Voting Stock, measured by voting power rather than by number of shares, of Equinix than such person and do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the board of directors of Equinix;
- . during any period of two consecutive years, Continuing Directors cease for any reason to constitute a majority of the board of directors of Equinix;
- . Equinix consolidates or merges with or into any other person or Equinix and/or any Restricted Subsidiaries sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of the assets and properties of Equinix and the Restricted Subsidiaries on a consolidated basis to any other person, other than a Permitted Holder, other than a consolidation or merger or disposition of assets (a) of or by Equinix into or to a Wholly Owned Restricted Subsidiary of Equinix or (b) subject to the first clause above, in a transaction in which the outstanding Voting Stock of Equinix is changed into or exchanged for securities or other property with the effect that the beneficial owners of the outstanding Voting Stock of Equinix immediately before such transaction, beneficially own, directly or indirectly, at least a majority of the Voting Stock, measured by voting power rather than number of shares, of the surviving corporation or the person to whom Equinix's assets are transferred immediately following such transaction; or
- . the adoption of a plan relating to the liquidation or dissolution of Equinix.

"Commission" means the Securities and Exchange Commission.

"Consolidated Capital Ratio" means, relating to Equinix as of any date, the ratio of the aggregate amount of Indebtedness of Equinix and the Restricted Subsidiaries then outstanding to the Consolidated Equity Capital of Equinix and the Restricted Subsidiaries as of such date. For the purposes of calculating the "Consolidated Capital Ratio";

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- . any Subsidiary of Equinix that is a Restricted Subsidiary on the Transaction Date shall be deemed to have been a Restricted Subsidiary at the end of the most recently ended fiscal quarter, called the Reference Date; and
- . any Subsidiary of Equinix that is not a Restricted Subsidiary on the Transaction Date shall be deemed not to have been a Restricted Subsidiary on the Reference Date.

In addition to, and without limiting the foregoing, for the purposes of the foregoing, "Consolidated Equity Capital" shall be calculated after giving effect on a pro forma basis as of the Reference Date for, without duplication:

- . any Asset Sales or Asset Acquisitions, including, without limitation, any Asset Acquisition giving rise to the need to make such calculation as a result of Equinix or one of the Restricted Subsidiaries, including any person who becomes a Restricted Subsidiary as the result of the Asset Acquisition, incurring, assuming or otherwise being liable for Acquired Debt, occurring during the period commencing on the Reference Date to and including the Transaction Date, as if such Asset Sale or Asset Acquisition occurred on the Reference Date;
- . any issue or sale of Equity Interests, other than Disqualified Stock but including Equity Interests, other than Disqualified Stock, issued upon the exercise of options, warrants or rights to purchase such Equity Interests, of Equinix or any conversion of Disqualified Stock or debt securities of Equinix into Equity Interests, other than Disqualified Stock, occurring during the period commencing on the Reference Date to and including the Transaction Date, as if such issue, sale or conversion occurred on the Reference Date; and
- . any Restricted Payments made by Equinix, and any sale, disposition or repayment of any Restricted Investment constituting a Restricted Payment, since the Reference Date to and including the Transaction Date, as if such Restricted Payment occurred on the Reference Date.

"Consolidated Cash Flow" means, relating to Equinix for any period, the

Consolidated Net Income of Equinix and the Restricted Subsidiaries for such period plus:

- . to the extent that any of the following items were deducted in computing such Consolidated Net Income, but without duplication, (a) provision for taxes based on income or profits of Equinix and the Restricted Subsidiaries for such period, plus (b) consolidated interest expense of Equinix and the Restricted Subsidiaries for such period, whether paid or accrued and whether or not capitalized, including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments, if any, in Hedging Obligations, plus (c) depreciation, amortization, including amortization of goodwill and other intangibles, but excluding amortization of prepaid cash expenses that were paid in a prior period, and other non-cash expenses, excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period; of Equinix and the Restricted Subsidiaries for such period; minus
- . non-cash items increasing such Consolidated Net Income for such period, other than items that were accrued in the ordinary course of business, in each case, on a consolidated basis and determined in accordance with GAAP.

Notwithstanding the foregoing, the provision for taxes on the income or profits of, and the depreciation and amortization and other non-cash expenses of, a Restricted Subsidiary of Equinix shall be added to Consolidated Net Income to compute Consolidated Cash Flow of Equinix only to the extent that a corresponding amount would be permitted at the date of determination to be dividend or otherwise distributed to Equinix by such

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Restricted Subsidiary without prior governmental approval, that has not been obtained, and without direct or indirect restriction under the terms of its charter and all agreements, instruments, judgments, decrees, orders, statutes, rules and governmental regulations applicable to that Restricted Subsidiary or its shareholders.

"Consolidated Equity Capital" means, relating to Equinix as of any date, the sum, without duplication, of

- . the additional paid-in capital of the common shareholders reflected on the consolidated balance sheet of Equinix and the Restricted Subsidiaries as of such date; plus
- . the respective amounts reported on Equinix's balance sheet as of such date relating to any series of Capital Stock, other than Disqualified Stock, not included in the first clause above; less
- . (a) all write-ups, other than write-ups resulting from foreign currency translations and write-ups of tangible assets of a going concern business made within 12 months after the acquisition of such business, after the Issue Date in the book value of any asset owned by Equinix or a Restricted Subsidiary, (b) all outstanding net Investments as of such date in persons that are not Restricted Subsidiaries, without giving effect to any write-down or write-off, and (c) the aggregate amount of all Restricted Payments declared or made on or after the Issue Date other than (1) Investments in persons that are not Restricted Subsidiaries and (2) Restricted Payments made according to the third clause of the second paragraph of the "Restricted Payments" covenant.

"Consolidated Leverage Ratio" means, relating to Equinix, as of any date, the ratio of:

- . the aggregate consolidated amount of Indebtedness of Equinix and the Restricted Subsidiaries then outstanding; to
- . the annualized Consolidated Cash Flow of Equinix and the Restricted Subsidiaries for the most recently ended fiscal quarter.

For purposes of calculating "Consolidated Cash Flow" for any fiscal quarter for purposes of this definition:

- . any Subsidiary of Equinix that is a Restricted Subsidiary on the Transaction Date shall be deemed to have been a Restricted Subsidiary at all times during such fiscal quarter; and
- . any Subsidiary of Equinix that is not a Restricted Subsidiary on the Transaction Date shall be deemed not to have been a Restricted

Subsidiary at any time during such fiscal quarter.

In addition to and without limitation of the foregoing, for purposes of this definition, "Consolidated Cash Flow" shall be calculated after giving effect on a pro forma basis for the applicable fiscal quarter to, without duplication, any Asset Sales or Asset Acquisitions, including, without limitation, any Asset Acquisition giving rise to the need to make such calculation as a result of Equinix or one of the Restricted Subsidiaries, including any person who becomes a Restricted Subsidiary as a result of the Asset Acquisition, incurring, assuming or otherwise being liable for Acquired Debt, occurring during the period commencing on the first day of such fiscal quarter to and including the Transaction Date, as if such Asset Sale or Asset Acquisition occurred on the first day of such fiscal quarter.

"Consolidated Net Income" means, relating to Equinix for any period, the aggregate of the Net Income of Equinix and the Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; provided that:

- . the Net Income, but not loss, of any person that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to Equinix or a Restricted Subsidiary of Equinix by such person but not in excess of Equinix's Equity Interests in such person;
- . the Net Income of any Restricted Subsidiary shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not

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at the date of determination permitted without any prior governmental approval, that has not been obtained, or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its shareholders, except that Equinix's equity in the net income of any such Restricted Subsidiary for such period may be included in such Consolidated Net Income (a) up to the aggregate amount of cash that could have been distributed by such Restricted Subsidiary during such period to Equinix as a dividend and (b) if the only restriction on the declaration or payment of dividends or similar distributions by such Restricted Subsidiary is a restriction of the type described in the second clause of the second paragraph of the "Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries" covenant;

- . the Net Income of any person acquired in a pooling of interests transaction for any period before the date of such acquisition shall be excluded;
- . the equity of Equinix or any Restricted Subsidiary in the net income, if positive, of any Unrestricted Subsidiary shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Unrestricted Subsidiary during such period to Equinix or a Restricted Subsidiary as a dividend or other distribution, but not in excess of the amount of the Net Income of such Unrestricted Subsidiary for such period;
- . the cumulative effect of a change in accounting principles shall be excluded;
- . all extraordinary, unusual or nonrecurring gains or losses, net of fees and expenses relating to the transaction giving rise thereto, shall be excluded;
- . any gain or loss, net of taxes, realized upon the termination of any employee pension benefit plan shall be excluded; and
- . gains or losses in respect of any Asset Sales, net of fees and expenses relating to the transaction giving rise thereto, shall be excluded.

"Consolidated Tangible Assets" of Equinix as of any date means the total amount of assets of Equinix and the Restricted Subsidiaries, less applicable reserves, on a consolidated basis at the end of the fiscal quarter immediately preceding such date, as determined in accordance with GAAP, less:

- . unamortized debt and debt issuance expenses, deferred charges, goodwill, patents, trademarks, copyrights, and all other items which would be treated as intangibles on the consolidated balance sheet of Equinix and the Restricted Subsidiaries prepared in accordance with GAAP; and
- . appropriate adjustments on account of minority interests of other Persons holding equity investments in Restricted Subsidiaries;

in the case of each of the clauses above, as reflected on the consolidated balance sheet of Equinix and the Restricted Subsidiaries.

"Continuing Directors" means individuals who at the beginning of the period of determination constituted the board of directors of Equinix, together with any new directors whose election by the board of directors or whose nomination for election by the shareholders of Equinix was approved by a vote of a majority of the directors of Equinix then still in office who were either directors at the beginning of the period or whose election or nomination for election was previously so approved or is the designee of any one of the Permitted Holders, or any combination of Permitted Holders, or was nominated or elected by any such Permitted Holder(s) or any of their designees.

"Cumulative Consolidated Cash Flow" means, as of any date of determination, the cumulative Consolidated Cash Flow realized during the period commencing on the first day of the fiscal quarter which includes the Issue Date and ending on the last day of the last fiscal quarter for which reports have been filed

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with the Commission or provided to the trustee preceding the date of the event requiring such calculation to be made.

"Currency Agreement" means, relating to any person, any foreign exchange contract, currency swap agreement or other similar agreement as to which such person is a party or beneficiary.

"Disqualified Stock" means any Equity Interest that, by its terms, or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of its holder, or upon the happening of any event, matures or is mandatorily redeemable, under a sinking fund obligation or otherwise, or redeemable at the option of its holder, in whole or in part, on or before the date that is 91 days after the date on which the notes mature; provided, however, that any Equity Interest that would constitute Disqualified Stock solely because its holders have the right to require Equinix to repurchase such Equity Interest upon the occurrence of a Change of Control or an Asset Sale shall not constitute Disqualified Stock if the terms of such Equity Interest provide that Equinix may not repurchase or redeem any such Equity Interest under such provisions unless such repurchase or redemption complies with the covenant described above under the "Restricted Payments" covenant.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

"Exchange Facility" means a facility providing equipment colocation, direct high-speed connections, switched interconnections and related services to third party internet related businesses and operations.

"Existing Indebtedness" means Indebtedness of Equinix and the Restricted Subsidiaries in existence on the Issue Date, until such amounts are repaid.

"Foreign Subsidiary" means any Restricted Subsidiary of Equinix which:

- . is not organized under the laws of the United States, any state or the District of Columbia; and
- . conducts substantially all of its business operations outside the United States of America.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect on the Issue Date.

"Government Securities" means securities that are:

- . direct obligations, or certificates representing an ownership interest in such obligations, of the United States of America, including any government agency or instrumentally, the payment of which the full faith and credit of the United States of America is pledged;
- . obligations of a person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America; or
- . obligations of a person the payment of which is unconditionally

guaranteed as a full faith and credit obligation by the United States of America.

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"Guarantee" means any obligation, contingent or otherwise, of any person directly or indirectly guaranteeing any Indebtedness of any other person:

- . to purchase or pay, or advance or supply funds for the purchase or payment of, such Indebtedness of such other person, whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise; or
- . entered into for purposes of assuring in any other manner the obligee of such Indebtedness of its payment of indebtedness or to protect such obligee against any loss, in whole or in part;

provided, however, that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"Hedging Obligations" means, relating to any person, the obligations of such person under any Interest Rate Agreement or Currency Agreement.

"Indebtedness" means, relating to any person, any indebtedness of such person, whether or not contingent, in respect of borrowed money or evidenced by bonds, notes, debentures or similar instruments or letters of credit, or related reimbursement agreements, or banker's acceptances or representing Capital Lease Obligations or the balance of the deferred and unpaid purchase price of any property or representing any Hedging Obligations, except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing, other than letters of credit, or related reimbursement agreements, banker's acceptances and Hedging Obligations, would appear as a liability upon a balance sheet of such person prepared in accordance with GAAP, as well as all Indebtedness of others secured by a Lien on any asset of such person, whether or not such Indebtedness is assumed by such person, Disqualified Stock of such person and Preferred Stock of such person's Restricted Subsidiaries and, to the extent not otherwise included, the Guarantee by such person of any Indebtedness of any other person. The amount of any Indebtedness outstanding as of any date shall be:

- . its accreted value, in the case of any Indebtedness issued with original issue discount, but the accretion of original issue discount in accordance with the original terms of Indebtedness issued with an original issue discount will not be deemed to be an incurrence; or
- . its principal amount, together with any interest thereon that is more than 30 days past due, in the case of any other Indebtedness.

Notwithstanding the foregoing, money borrowed and set aside at the time of the incurrence of any Indebtedness to prefund the payment of interest on such Indebtedness shall not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest.

"Interest Rate Agreement" means, relating to any person, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement to which such person is a party or beneficiary.

"Investments" means, relating to any person, all investments by such person in other persons, including affiliates, in the forms of direct or indirect loans, including Guarantees of Indebtedness or other obligations, advances or capital contributions, excluding commission, travel and similar advances to directors, officers and employees made in the ordinary course of business, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If Equinix or any of the Restricted Subsidiaries sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary such that, after giving effect to any such sale or disposition, such person is no longer a Restricted Subsidiary, Equinix shall be deemed to have made an Investment on the date of any such sale or disposition equal to the

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fair market value of the Equity Interests of such Restricted Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of the "Restricted Payments" covenant.

"Issue Date" means the date of first issuance of the notes under the indenture.

"Lien" means, relating to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any related lease, any option or other agreement to sell or give a security interest in, and any filing of or agreement to give any financing statement under the Uniform Commercial Code, or equivalent statutes, of any jurisdiction.

"Net Cash Proceeds" means the aggregate amount of cash or Cash Equivalents received by Equinix in the case of a sale, or Capital Contribution in respect, of Capital Stock and by Equinix and the Restricted Subsidiaries in respect of an Asset Sale plus, in the case of an issuance of Capital Stock upon any exercise, exchange or conversion of securities, including options, warrants, rights and convertible or exchangeable debt, of Equinix that were issued for cash on or after the Issue Date, the amount of cash originally received by Equinix upon the issuance of such securities, including options, warrants, rights and convertible or exchangeable debt, less, in each case, the sum of all payments, fees, commissions and reasonable and customary expenses, including, without limitation, the fees and expenses of legal counsel and investment banking fees and expenses, incurred in connection with such Asset Sale or sale of Capital Stock, and, in the case of an Asset Sale only, less the amount, estimated reasonably and in good faith by Equinix, of income, franchise, sales and other applicable federal, state, provincial, foreign and local taxes required to be paid or accrued as a liability by Equinix or any of its respective Restricted Subsidiaries in connection with such Asset Sale in the taxable year that such sale is consummated or in the immediately succeeding taxable year, the computation of which shall take into account the reduction in tax liability resulting from any available operating losses and net operating loss carryovers, tax credits and tax credit carryforwards, and similar tax attributes.

"Net Income" means, relating to any person, the net income (loss) of such person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however:

- . any gain, but not loss, together with any related provision for taxes on such gain, but not loss, realized in connection with (a) any Asset Sale or (b) the disposition of any securities by such person or any of the Restricted Subsidiaries; and
- . any extraordinary gain or loss, together with any related provision for taxes on such extraordinary gain or loss.

"Newly Raised Capital" means funds raised by Equinix and the Restricted Subsidiaries after the Issue Date.

"Non-Recourse Debt" means Indebtedness:

- . as to which neither Equinix nor an Restricted Subsidiary (a) provides any Guarantee or credit support of any kind, including any undertaking, guarantee, indemnity, agreement or instrument that would constitute Indebtedness or (b) is directly or indirectly liable, as a guarantor or otherwise; and
- . no default relating to which, including any rights that its holders may have to take enforcement action against an Unrestricted Subsidiary, would permit, upon notice, lapse of time or both, any holder of any other Indebtedness of Equinix or any Restricted Subsidiary to declare a default under such other Indebtedness or cause its payment to be accelerated or payable before its Stated Maturity.

"Officer" means the President, the Chief Executive Officer, the Chief Financial Officer and any vice president of Equinix.

"Officers' Certificate" means a certificate signed by two Officers.

"Permitted Business" means the business of designing, constructing, owning, operating and leasing space within Exchange Facilities together with any other activity reasonably related thereto.

"Permitted Credit Facility" means any senior commercial term loan and/or revolving credit facility, including any letter of credit subfacility, entered into principally with commercial banks and/or other persons typically party to commercial loan agreements.

"Permitted Foreign Credit Facility" means any senior commercial term loan and/or revolving credit facility, including any letter of credit subfacility, entered into principally with commercial banks and/or other persons typically party to commercial loan agreements having only Foreign Subsidiaries as obligors thereunder; provided that Equinix may be a guarantor of any such Permitted Foreign Credit Facility.

"Permitted Holder" means Benchmark Capital Partners II, L.P., Cisco Systems, Inc., Microsoft Corporation, News Corp., Albert M. Avery, IV, Jay S. Adelson and their respective Related Persons.

"Permitted Investments" means:

- . any Investment in Equinix or in a Restricted Subsidiary of Equinix that is engaged entirely or substantially entirely in a Permitted Business;
- . any Investment in Cash Equivalents;
- . any Investment by Equinix or any of the Restricted Subsidiaries in a person, if as a result of such Investment (a) such person becomes a Restricted Subsidiary of Equinix that is engaged entirely or substantially entirely in a Permitted Business or (b) such person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, Equinix or a Restricted Subsidiary of Equinix that is engaged entirely or substantially entirely in a Permitted Business;
- . loans or advances to employees of Equinix or any Restricted Subsidiary in an amount not to exceed \$5 million at any time outstanding;
- . any Investment made as a result of the receipt of non-cash consideration from an Asset Sale made in compliance with the "Asset Sales" covenant; and
- . Investments in securities of trade creditors or customers received under any plan of reorganization or similar arrangement arising out of the bankruptcy or insolvency of such trade creditors or customers.

"Permitted Liens" means:

- . Liens to secure Indebtedness (a) permitted by the sixth and seventh clauses of the second paragraph of the "Incurrence of Indebtedness and Issuance of Preferred Stock" covenant, provided that relating to Liens to secure Indebtedness permitted by the seventh clause of the covenant or any Permitted Refinancing Indebtedness of such Indebtedness, such Lien must cover only the assets acquired with such Indebtedness, and (b) incurred under a Permitted Credit Facility or a Permitted Foreign Credit Facility and permitted by the fifth clause of the second paragraph of the "Incurrence of Indebtedness and Issuance of Preferred Stock" covenant;
- . Liens in favor of Equinix or any Restricted Subsidiary;
- . Liens on property of a person existing at the time such person is merged with or into or consolidated with Equinix or any of the Restricted Subsidiaries, provided that such Liens were in existence before the contemplation of such merger or consolidation and do not extend to any assets other than those of the person merged into or consolidated with Equinix or such Restricted Subsidiary;
- . Liens on property existing at the time of its acquisition by Equinix or any of the Restricted Subsidiaries, provided that such Liens were in existence before the contemplation of such acquisition;

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- . Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;
- . Liens existing on the Issue Date;
- . Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded, provided that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;
- . zoning restrictions, rights-of-way, easements and similar charges or encumbrances incurred in the ordinary course which in the aggregate do not detract from the value of the property;
- . Liens securing the notes;
- . Liens incurred in the ordinary course of business of Equinix or any of the Restricted Subsidiaries relating to obligations that do not exceed 5% of Equinix's Consolidated Tangible Assets at any one time outstanding and that (a) are not incurred in connection with the borrowing of money or the obtaining of advances or credit, other than trade credit in the ordinary course of business and (b) do not in the aggregate materially detract from the value of the property or materially impair its use in

the operation of business by Equinix or such Restricted Subsidiary; and

- . Liens securing money borrowed, or any securities purchased therewith, which is, or are, in the case of securities, set aside at the time of the incurrence of any Indebtedness permitted to be incurred under the "Incurrence of Indebtedness and Issuance of Preferred Stock" covenant to prefund the payment of interest on such Indebtedness.

"Permitted Recourse Debt" means Indebtedness as to which Equinix is contingently liable as a guarantor or indemnitor or as to which Equinix has agreed to otherwise provide credit support, in any such case to the extent that the maximum possible liability of Equinix in respect of any such Indebtedness, at the time of its incurrence by Equinix is permitted to be incurred as Permitted Indebtedness under the fourth clause of its definition.

"Permitted Refinancing Indebtedness" means any Indebtedness of Equinix or any of the Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of Equinix or any of the Restricted Subsidiaries, other than Indebtedness incurred under the third, fourth, fifth, seventh or eighth clauses of the definition of Permitted Indebtedness; provided that:

- . the principal amount, or accreted value, if applicable, of such Permitted Refinancing Indebtedness does not exceed the principal amount of, or accreted value, if applicable, plus accrued interest on, the Indebtedness so extended, refinanced, renewed, replaced, defeased or refunded, plus the amount of any premium required to be paid in connection with such refinancing under the terms of such Indebtedness or otherwise reasonably determined by Equinix to be necessary and reasonable expenses incurred in connection therewith;
- . such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded;
- . if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the notes, such Permitted Refinancing Indebtedness is expressly subordinated in right of payment to, the notes on terms at least as favorable to the holders as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded;
- . if such Permitted Refinancing Indebtedness refinances Indebtedness of a Restricted Subsidiary, such Permitted Refinancing Indebtedness is incurred either by Equinix or by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

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- . such Permitted Refinancing Indebtedness is secured only by the assets, if any, that secured the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded.

"Preferred Stock" means any Equity Interest of any class or classes of a person, however designated, which is preferred as to payments of dividends, or as to distributions upon any liquidation or dissolution, over Equity Interests of any other class of such person.

"Purchase Money Indebtedness" means Indebtedness, including Acquired Debt, in the case of Capital Lease Obligations, mortgage financings and purchase money obligations, incurred for the purpose of financing all or any part of the cost of the engineering, construction, installation, importation, acquisition, lease, development or improvement of any assets used by Equinix or any Restricted Subsidiary in a Permitted Business, including any related notes, Guarantees, collateral documents, instruments and agreements executed in connection therewith, as the same may be amended, supplemented, modified or restated from time to time. Equinix in its sole discretion shall determine whether any item of Indebtedness or portion of Indebtedness meeting the foregoing criteria shall be classified as Purchase Money Indebtedness for the purposes of the covenant "Incurrence of Indebtedness and Issuance of Preferred Stock."

"Qualified Consideration" means all assets, rights, contractual or otherwise, and properties, whether tangible or intangible, used or intended for use in a Permitted Business and the Equity Interests of a person engaged entirely or substantially entirely in a Permitted Business.

"Related Person" means any person who controls, is controlled by or is under common control with a Permitted Holder; provided, that for purposes of this definition "control" means the beneficial ownership of more than 50% of the

total voting power of a person normally entitled to vote in the election of directors managers or trustees, as applicable, of a person; provided, further, that relating to any natural person, each member of such person's immediate family shall be deemed to be a Related Person of such person.

"Restricted Investment" means any Investment other than a Permitted Investment.

"Restricted Subsidiary" of a person means any Subsidiary of the referent person that is not an Unrestricted Subsidiary. Unless the context specifically requires otherwise, Restricted Subsidiary includes a direct or indirect Restricted Subsidiary of Equinix.

"Senior Debt" means all Indebtedness of Equinix which is not expressly by its terms, subordinate or junior in right of payment to the notes.

"Significant Subsidiary" means any Restricted Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated under the Act, as such Regulation is in effect on the Issue Date.

"Stated Maturity" means, relating to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal before the date originally scheduled for its payment.

"Subordinated Indebtedness" means Indebtedness of Equinix that is subordinated in right of payment by its terms or the terms of any document or instrument or instrument relating thereto to the notes, in any respect.

"Subsidiary" means, relating to any person:

- . any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled, without regard to the occurrence of any contingency, to vote in the election of directors, managers or trustees of the entity, is at the time owned or controlled, directly or indirectly, by such person or one or more of the other Subsidiaries of that person, or a combination; and

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- . any partnership (a) the sole general partner or the managing general partner of which is such person or a Subsidiary of such person or (b) the only general partners of which are such person or one or more Subsidiaries of such person, or any combination.

"Transaction Date" means the date of the transaction giving rise to the need to calculate the Consolidated Leverage Ratio or the Consolidated Capital Ratio, as the case may be.

"Unrestricted Subsidiary" means any Subsidiary of Equinix that is designated by the board of directors as an Unrestricted Subsidiary by a Board Resolution; but only to the extent that such Subsidiary at the time of such designation:

- . has no Indebtedness other than Non Recourse Debt and Permitted Recourse Debt;
- . is a person relating to which neither Equinix nor any of the Restricted Subsidiaries has any direct or indirect obligation to maintain or preserve such person's financial condition or to cause such person to achieve any specified levels of operating results; and
- . has not Guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of Equinix or any of the Restricted Subsidiaries.

Any such designation by the board of directors shall be evidenced by filing with the trustee a certified copy of the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions and was permitted by the "Restricted Payments" covenant. The board of directors of Equinix may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of Equinix of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if:

- . such Indebtedness is permitted under the "Incurrence of Indebtedness and Issuance of Preferred Stock" covenant, calculated on a pro forma basis as if such designation had occurred at the beginning of the applicable reference period; and
- . no default or Event of Default would be in existence following such designation.

"U.S. Government Securities" means securities that are direct obligations of the United States of America for the payment of which its full faith and credit is pledged.

"Voting Stock" of any person as of any date means the Capital Stock of such person that is at the time entitled to vote in the election of the board of directors of such person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

- . the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years, calculated to the nearest one-twelfth, that will elapse between such date and the making of such payment; by
- . the then outstanding principal amount of such Indebtedness.

"Wholly-Owned Restricted Subsidiary" of any person means a Restricted Subsidiary of such person all of the outstanding Capital Stock or other ownership interests of which, other than directors' qualifying shares, shall at the time be owned by such person or by such person and one or more Wholly Owned Restricted Subsidiaries of such person or by one or more Wholly Owned Restricted Subsidiaries of such person.

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BOOK-ENTRY; DELIVERY AND FORM

Except as described below, we will initially issue the exchange notes in the form of one or more registered exchange notes in global form without coupons. We will deposit each global note on the date of the closing of the exchange offer with, or on behalf of, DTC in New York, New York, and register the exchange notes in the name of DTC or its nominee, or will leave such notes in the custody of the trustee.

Depository Procedures

The descriptions of the operations and procedures of DTC, Euroclear and Cedel set forth below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. Equinix takes no responsibility for these operations or procedures, and you are urged to contact the relevant system or its participants directly to discuss these matters.

DTC has advised us that it is:

- . a limited purpose trust company organized under the laws of the State of New York;
- . a "banking organization" within the meaning of the New York Banking Law;
- . a member of the Federal Reserve System;
- . a "clearing corporation" within the meaning of the Uniform Commercial Code, as amended; and
- . a "clearing agency" registered under Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and facilitates the clearance and settlement of securities transactions between participants through electronic book-entry changes to the accounts of its participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC's participants include securities brokers and dealers, including the initial purchasers, banks and trust companies, clearing corporations and various other organizations. Indirect access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies, as indirect participants, that clear through or maintain a custodial relationship with a participant, either directly or indirectly. Investors who are not participants may beneficially own securities held by or on behalf of DTC only through participants or indirect participants.

Equinix expects that under procedures established by DTC:

- . upon deposit of each global note, DTC will credit the accounts of participants designated by the initial purchasers with an interest in such global note; and
- . ownership of the notes will be shown on, and the transfer of their ownership will be effected only through, records maintained by DTC, relating to the interests of participants, and the records of

participants and the indirect participants, relating to the interests of persons other than participants.

The laws of some jurisdictions may require that purchasers of securities take physical delivery of such securities in definitive form. Accordingly, the ability to transfer interests in the notes represented by a global note to such persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in notes represented by a global note to pledge or transfer such interest to persons or entities that do not participate in DTC's system, or to otherwise take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a global note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the notes represented by such global note for all purposes under the indenture. Except as provided below, owners of beneficial interests in a global note will not

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be entitled to have notes represented by such global note registered in their names, will not receive or be entitled to receive physical delivery of certificated notes, and will not be considered as owners or holders under the indenture for any purpose, including relating to the giving of any direction, instruction or approval to the trustee thereunder. Accordingly, each holder owning a beneficial interest in a global note must rely on the procedures of DTC and, if such holder is not a participant or an indirect participant, on the procedures of the participant through which such holder owns its interest, to exercise any rights of a holder of notes under the indenture or such global note. Equinix understands that under existing industry practice, in the event that Equinix requests any action of holders of notes, or a holder that is an owner of a beneficial interest in a global note desires to take any action that DTC, as the holder of such global note, is entitled to take, DTC would authorize the participants to take such action and the participants would authorize holders owning through such participants to take such action or would otherwise act upon the instruction of such holders. Neither Equinix nor the trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of notes by DTC, or for maintaining, supervising or reviewing any records of DTC relating to such notes.

Payments relating to any notes, including relating to the principal of, and premium, if any, liquidated damages, if any, and interest on, any notes, represented by a global note registered in the name of DTC or its nominee on the applicable record date will be payable by the trustee, as applicable, to or at the direction of DTC or its nominee in its capacity as the registered holder of the global note representing such notes under the indenture. Under the terms of the indenture, Equinix and the trustee may treat the persons in whose names the notes, including the global notes representing such notes, are registered as their owners for the purpose of receiving payment on the notes and for any and all other purposes whatsoever. Accordingly, neither Equinix nor the trustee has or will have any responsibility or liability for the payment of such amounts to owners of beneficial interests in a global note (including principal, premium, if any, liquidated damages, if any, and interest on any notes). Payments by the participants and the indirect participants to the owners of beneficial interests in a global note will be governed by standing instructions and customary industry practice and will be the responsibility of the participants or the indirect participants and DTC.

Transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds. Transfers between participants in Euroclear or Cedel will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the notes, cross-market transfers between the participants in DTC, on the one hand, and Euroclear or Cedel participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Cedel, as the case may be, by its respective depository; however, such crossmarket transactions will require delivery of instructions to Euroclear or Cedel, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines, Brussels time, of such system. Euroclear or Cedel, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant global notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Cedel participants may not deliver instructions directly to the depositories for Euroclear or Cedel.

Because of time zone differences, the securities account of a Euroclear or Cedel participant purchasing an interest in a global note from a participant in

DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Cedel participant, during the securities settlement processing day, which must be a business day for Euroclear and Cedel, immediately following the settlement date of DTC. Cash received in Euroclear or Cedel as a result of sales of interest in a global note by or through a Euroclear or Cedel participant to a participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Cedel cash account only as of the business day for Euroclear or Cedel following DTC's settlement date.

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Although DTC, Euroclear and Cedel have agreed to the foregoing procedures to facilitate transfers of interests in the global notes among participants in DTC, Euroclear and Cedel, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Neither Equinix nor the trustee will have any responsibility for the performance by DTC, Euroclear or Cedel or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

DTC and Year 2000 Problems. DTC's management is aware that some computer applications, systems, and the like for processing data that are dependent upon calendar dates, including dates before, on or after January 1, 2000, may encounter "Year 2000 problems." DTC has informed participants and other members of the financial community that it has developed and is implementing a program so that its systems, as the same relate to the timely payment of distributions, including principal and income payments, to securityholders, book-entry deliveries, and settlement of trades within DTC, continue to function appropriately. This program includes a technical assessment and a remediation plan, each of which is complete. Additionally, DTC's plan includes a testing phase, which is expected to be completed within appropriate time frames. However, DTC's ability to perform its services properly is also dependent upon other parties, including but not limited to Equinix and its agents, as well as third party vendors from whom DTC licenses software and hardware, and third party vendors on whom DTC relies for information or the provision of services, including telecommunication and electrical utility service providers, among others. DTC has informed the financial community that it is contacting, and will continue to contact, third party vendors from whom DTC acquires services to impress upon them the importance of such services being Year 2000 compliant, and to determine the extent of their efforts for Year 2000 remediation and, as appropriate, testing of their services. In addition, DTC is in the process of developing such contingency plans as it deems appropriate.

According to DTC, the foregoing information relating to DTC has been provided to the financial community for informational purposes only and is not intended to serve as a representation, warranty or contract modification of any kind.

Certificated Notes

If:

- . Equinix notifies the trustee in writing that DTC is no longer willing or able to act as a depository or DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depository is not appointed within 90 days of such notice or cessation;
- . Equinix, at its option, notifies the trustee in writing that they elect to cause the issuance of the notes in certificated form under the indenture; or
- . upon the occurrence of other events as provided in the indenture;

then, upon surrender by DTC of such global notes, Certificated Securities will be issued to each person that DTC identifies as the beneficial owner of the notes represented by such global notes. Upon any such issuance, the trustee is required to register such certificated securities in the name of such person or persons, or the nominee of any person or persons, and cause the same to be delivered to such person or persons.

Neither the Equinix nor the trustee shall be liable for any delay by DTC or any participant or indirect participant in identifying the beneficial owners of the related notes and each such person may conclusively rely on, and shall be protected in relying on, instructions from DTC for all purposes, including relating to the registration and delivery, and the respective principal amounts, of the notes to be issued.

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UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of the material United States federal income tax considerations relevant to the exchange of the initial notes for exchange notes pursuant to the exchange offer and to the ownership and

disposition of the exchange notes. The discussion is based upon the Internal Revenue Code of 1986, as amended (the "Code"), U.S. Treasury Regulations, Internal Revenue Service ("IRS") rulings and pronouncements and judicial decisions all in effect as of the date hereof, all of which are subject to change at any time, and any such change may be applied retroactively in a manner that could adversely affect a holder of the initial notes or the exchange notes. The discussion does not address all of the U.S. federal income tax consequences that may be relevant to a holder in light of such holder's particular circumstances or to holders subject to special tax rules, such as certain financial institutions, insurance companies, dealers in securities or currencies, tax-exempt organizations and persons holding the initial notes or exchange notes as part of a "straddle," "hedge" or "conversion transaction." Moreover, the effect of any applicable state, local or foreign tax laws is not discussed. The discussion below assumes that the initial notes and exchange notes are held as "capital assets" within the meaning of Section 1221 of the Code. For purposes of this summary, the term "Equinix" refers only to Equinix, Inc. and not to any of its subsidiaries. Also, in this description the term "notes" refers to the "initial notes" and "exchange notes" collectively.

As used herein, "U.S. holder" means a beneficial owner of an exchange note who or that (i) is a citizen or resident of the United States, (ii) is a corporation, partnership or other entity created or organized in or under the laws of the United States, or political subdivision of the United States, (iii) is an estate the income of which is subject to U.S. federal income taxation regardless of its source, (iv) is a trust if (A) a U.S. court is able to exercise primary supervision over the administration of the trust and (B) one or more U.S. fiduciaries have authority to control all substantial decisions of the trust, or (v) is otherwise subject to U.S. federal income tax on a net income basis in respect of the exchange notes. As used herein, a "non-U.S. holder" means a holder who or that is not a U.S. holder.

Persons considering exchanging their initial notes for exchange notes should consult their own tax advisors with regard to the application of the United States federal income tax considerations discussed below to their particular situations as well as the application of any state, local, foreign or other tax laws, including gift and estate tax laws and any applicable tax treaty.

Federal Income Tax Consequences of the Exchange Offer

The exchange of the initial notes for the exchange notes in accordance with the exchange offer should not be treated as an exchange for federal income tax purposes because the exchange notes should not be considered to differ materially in kind or in extent from the initial notes. Rather, the exchange notes received by a holder should be treated as a continuation of the initial notes in the hands of such holder. As a result, there should be no federal income tax consequences to holders exchanging the initial notes for exchange notes in accordance with the exchange offer, and the federal income tax consequences of holding and disposing of the exchange notes should be the same as the federal income tax consequences of holding and disposing of the initial notes. Accordingly, the holder must, among other things, continue to include original issue discount ("OID") in income as if the exchange had not occurred. See below, "--The Exchange Notes--Original Issue Discount", for a description of the OID rules applicable to the exchange notes.

U.S. Holders

The Exchange Notes

Interest. The stated interest on the exchange notes generally will be taxable to a U.S. holder as ordinary income at the time that it is paid or accrued, in accordance with the U.S. holder's method of accounting for

federal income tax purposes. Failure of Equinix to continue to cause the registration statement of which this prospectus is a part to continue to be effective or useable in connection with its intended purpose under the registration rights agreement as described under "The Exchange Offer; Purpose of the Exchange Offer" may result in the payment of predetermined liquidated damages in the manner described therein, which payments will be treated as additional interest on the notes. According to Treasury Regulations, the possibility of a change in the interest rate will not affect the amount of interest income recognized by a U.S. holder (or the timing of such recognition) if the likelihood of the change, as of the date the initial notes were issued, was remote. Equinix believes that as of the date the initial notes were issued, the likelihood of a change in the interest rate on such notes was remote and has not and does not intend to treat the possibility of a change in the interest rate as affecting the yield to maturity of any initial notes or exchange notes. There can be no assurance that the IRS will agree with such position.

Original Issue Discount. The initial notes were issued as part of an investment unit comprised of \$1,000 principal amount of initial notes and one warrant to purchase shares of the common stock of Equinix. Equinix and the initial purchasers of the initial notes (the "Initial Purchasers") allocated in

the purchase agreement for the initial notes a purchase price of \$949.35 to each \$1,000 principal amount at maturity of initial notes. This allocation reflected Equinix's and the Initial Purchasers' judgement as to the relative values of the initial notes and warrants at the time of issuance but is not binding on the IRS.

Equinix's and the Initial Purchaser's allocation of the issue price of the units will be binding on U.S. holders of exchange notes who acquire such notes in the exchange offer in exchange for initial notes that were in turn acquired by such holder directly from Equinix, unless the U.S. holder discloses the use of a different allocation in a statement attached to its timely federal income tax return for the year in which the unit was acquired. If a U.S. holder acquired a unit at a price different from that on which Equinix's and the Initial Purchaser's allocation is based, such holder may be treated as having acquired the initial notes for an amount greater or less than the amount allocated to such notes as set forth above thereby resulting in market discount or bond premium, as discussed below. U.S. holders considering the use of an issue price allocation different from that described above should consult their tax advisors as to the consequences thereof.

The initial notes will have OID in an amount equal to the excess of the stated redemption price at maturity over the issue price of such initial notes (as discussed above) and the exchange notes that are acquired in the exchange offer will have the same amount of OID. U.S. holders will be required to include OID in ordinary income over the period that they hold the exchange notes in advance of the receipt of cash attributable thereto. The amount of OID to be included in income will be an amount equal to the sum of the daily portions of OID for each day during the taxable year in which the exchange notes are held.

The daily portions of OID are determined by allocating to each day in an accrual period (which may be of any length and may vary over the term of the exchange notes, at the option of the holder, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest on the exchange notes occurs on the first or last day of an accrual period) the pro rata portion of the OID allocable to the accrual period. The amount of OID that is allocable to an accrual period generally will be the excess of the product of the adjusted issue price of the exchange note at the beginning of the accrual period (the issue price of the exchange note determined as described above, generally increased by all prior accruals of OID) and the yield to maturity of the exchange note (calculated on a constant yield basis appropriately adjusted for the length of the accrual period) over the stated interest paid during the accrual period or on the first day of the succeeding accrual period. In general, the constant yield method will result in a greater portion of such discount being included in income in the later part of the term of the exchange note. Any amount of OID included in income will increase a U.S. holder's tax basis in the exchange notes.

Equinix is required to furnish certain information to the IRS, and will furnish annually to record holders of exchange notes, information relating to OID accruing during the calendar year. That information will be based upon the adjusted issue price of the initial notes that were exchanged for the exchange notes as if the holder were the original holder of the initial notes.

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A U.S. holder who purchases an exchange note for an amount other than the adjusted issue price of the initial notes and/or on a date other than the end of an accrual period will be required to determine for itself the amount of OID, if any, it is required to include in gross income for U.S. federal income tax purposes.

Optional Redemption. Under the Treasury Regulations, for purposes of computing OID, Equinix will be presumed to exercise its option to redeem the exchange notes if, by utilizing the date of exercise of the call option as the maturity date and the redemption price as the stated redemption price at maturity, the yield on the exchange notes would be lower than such yield would be if the option were not exercised. See "Description of the Exchange Notes--Optional Redemption."

If Equinix's option to redeem the exchange notes were presumed exercised on a given date (the "Presumed Exercise Date"), the exchange notes would bear additional OID in an amount equal to the amount for which the exchange notes could be redeemed (the "Redemption Amount") over their issue price. For purposes of calculating the current inclusion of such discount, the yield on the exchange notes would be computed on their issue date by treating the Presumed Exercise Date as the maturity date of the exchange notes and the Redemption Amount as their stated principal amount due at maturity. If Equinix's option to redeem the exchange notes were presumed exercised but were not exercised in fact on the Presumed Exercise Date, the exchange notes would be treated, for certain purposes, as if the option were exercised and new debt instruments were issued on the Presumed Exercise Date for an amount of cash equal to the Redemption Amount. In such case, it appears that any payment of stated interest due under the exchange notes after the Presumed Exercise Date would constitute qualified stated interest (rather than OID) and would be

taxable as ordinary interest income at the time such interest was accrued or was received, in accordance with such U.S. holder's regular method of accounting for tax purposes.

Market Discount and Bond Premium. If a U.S. holder purchases exchange notes or has purchased initial notes for an amount that is less than the adjusted issue price of such exchange notes or initial notes, as the case may be, the amount of difference will generally be treated as market discount for U.S. Federal income tax purposes. In such case, any principal payment on and gain realized on the sale, exchange or retirement of the exchange notes and unrealized appreciation on certain nontaxable dispositions of the exchange notes will be treated as ordinary income to the extent of any market discount that has not previously been included in gross income and that is treated as having accrued on such exchange notes or initial notes that were exchanged for such exchange notes, by the time of such payment or disposition. If a U.S. holder makes a gift of exchange notes, accrued market discount, if any, will be recognized as if such holder has sold such exchange notes for a price equal to their fair market value. In addition, the U.S. holder may be required to defer, until the maturity of the exchange notes or their earlier disposition in a taxable transaction, the deduction of a portion of the interest expense on any indebtedness incurred or continued to purchase or carry such exchange notes or initial notes that were exchanged for such exchange notes.

Unless the U.S. holder elects to treat market discount as accruing on a constant yield method, market discount will be treated as accruing on a straight-line basis over the remaining term of the exchange notes. An election made to include market discount in income as it accrues will apply to all debt instruments acquired by the U.S. holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

If a U.S. holder purchases an exchange note for an amount in excess of all amounts payable on the exchange note after the purchase date, other than payments of stated interest, such excess will be treated as bond premium. In general, a U.S. holder may elect to amortize bond premium over the remaining term of the exchange note on a constant yield method. The amount of bond premium allocable to any accrual period is offset against the stated interest allocable to such accrual period (any excess may be deducted, subject to certain limitations). An election to amortize bond premium applies to all taxable debt instruments held at the beginning of the first taxable year to which such election applies and thereafter acquired by the U.S. holder and may be revoked only with the consent of the IRS.

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Sale or Retirement of Exchange Notes. Upon the sale, retirement, redemption or other taxable disposition of exchange notes, a U.S. holder will generally recognize gain or loss in an amount equal to the difference between (a) the amount of cash and the fair market value of other property received in exchange therefor (other than amounts attributable to accrued but unpaid stated interest) and (b) the U.S. holder's adjusted tax basis in such exchange notes. Any gain or loss recognized will generally be capital gain or loss, and such capital gain or loss will generally be long-term capital gain or loss if the exchange notes have been held by the U.S. holder for more than one year (including, in the case of a U.S. holder who acquired the exchange notes in exchange for initial notes, the period of time the initial notes were held by such U.S. holder) and otherwise will be a short-term capital gain or loss.

A U.S. holder's tax basis in an exchange note that was acquired in exchange for an initial note that was in turn acquired in the initial issuance from Equinix will generally be equal to the issue price allocated to such initial note as described above under "--The Exchange Notes--Original Issue Discount", increased by the amount of OID, if any, included in gross income before the date of the disposition, and decreased by the amount of any payment, other than stated interest, on such note before disposition.

U.S. holders should be aware that the resale of the exchange notes may be affected by the market discount rules of the Code as described above under "--The Exchange Notes--Market Discount and Bond Premium" under which a purchaser of an initial note or an exchange note acquiring such note at a market discount generally would be required to include as ordinary income a portion of the gain realized upon the disposition or retirement of such note, to the extent of the market discount that has accrued but not been included in income while such note was held by such purchaser.

Non-U.S. Holders

Interest or redemption proceeds paid to non-U.S. holders of the exchange notes generally will not be subject to U.S. Federal withholding tax provided that (a) the non-U.S. holder does not actually or constructively own 10 percent or more of a total combined voting power of all classes of stock of Equinix entitled to vote, (b) the non-U.S. holder is not a "controlled foreign corporation" (within the meaning of the Code) that is related to Equinix through stock ownership, (c) either (1) the beneficial owner of the exchange notes provides Equinix or its agent with a statement signed under penalties of

perjury that includes its name and address and certifies that it is not a United States person or (2) a securities clearing organization, bank, or other financial institution that holds customers' securities in the ordinary course of its business (a "financial institution") certifies to Equinix or its agent, under penalties of perjury, that such a statement has been received from the beneficial owner by it or another financial institution and furnished to Equinix or its agent a copy of the statement and (d) the exchange notes are in registered form. If these requirements cannot be met, a non-U.S. holder will be subject to U.S. withholding tax at a rate of 30 percent (or lower treaty rate, if applicable) on interest payments. Although U.S. tax will also be imposed against OID on the exchange notes before payment, such tax will only be withheld from stated interest payments on the exchange notes. However, such additional withholding may result in U.S. withholding tax on stated interest payments exceeding 30 percent.

In general, any gain realized by any non-U.S. Holder upon the sale, exchange or redemption of an exchange note will not be subject to Federal income or withholding tax unless (i) a non-U.S. holder is an individual and is present in the U.S. for a total of 183 days or more during the taxable year in which the gain is realized, (ii) the gain is effectively connected with the conduct of a trade or business of the holder in the U.S., or in the case of certain residents of countries which have an income tax treaty in force with the U.S., attributable to a permanent establishment (or in the case of an individual a fixed base) in the U.S. as such terms are defined in the applicable tax treaty, (iii) the holder is subject to tax in accordance with the provisions of U.S. tax law applicable to certain U.S. expatriates (including certain former citizens or residents of the U.S.) or (iv) Equinix is or has been a "United States real property holding corporation" at any time within the shorter of the five-year period preceding such disposition or such holder's holding period. Equinix does not believe that is its currently a "United States real property holding corporation", or that it will become one in the future.

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Deductibility of Interest and Original Issue Discount

The Code contains various limitations and restrictions on the deductibility of interest and/or OID. Some of these limitations and restrictions may be applicable to the interest and/or the OID associated with the notes. In such event, some or all of the interest or OID associated with the notes may not be deductible by Equinix.

Information Reporting and Backup Withholding

In general information reporting requirements will apply to OID, payments of principal, premium, if any, and interest on the exchange notes and payments of the proceeds of the sale of the exchange notes, and a 31% backup withholding tax may apply to such payments if the holder either (i) fails to demonstrate that the holder comes within certain exempt categories of holders or (ii) fails to furnish or certify his correct taxpayer identification number to the payer in the manner required, is notified by the IRS that he has failed to report payments of interest and dividends properly, or under certain circumstances, fails to certify that he has not been notified by the IRS that he is subject to backup withholding for failure to report interest and dividend payments. Any amounts withheld under the backup withholding rules from a payment to a holder will be allowed as a credit against such holder's United States federal income tax and may entitle the holder to a refund, provided that the required information is furnished to the IRS.

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PLAN OF DISTRIBUTION

Each broker-dealer that receives exchange notes for its own account in the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of those exchange notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in the exchange offer where the outstanding exchange notes were acquired as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the consummation of the exchange offer, we will make this prospectus, as amended and supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until , 2000, all dealers effecting transactions in the exchange notes issued in the exchange offer may be required to deliver a prospectus.

We will not receive any proceeds from any sale of exchange notes by broker-dealers. exchange notes received by broker-dealers for their own account in the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the exchange notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or at negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-

dealer or the purchasers of any such exchange notes. Any broker-dealer that resells exchange notes that were received by it for its own account in the exchange offer and any broker or dealer that participates in a distribution of such exchange notes may be deemed to be an "underwriter" within the meaning of the Securities Act, and profit on any such resale of exchange notes issued in the exchange and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 180 days after the consummation of the exchange offer, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer, including the expenses of one counsel for the holders of the exchange notes, other than the commissions or concessions of any broker-dealers and will indemnify the holders of the exchange notes, including any broker-dealers, against certain liabilities, including liabilities under the Securities Act. We note, however, that, in the opinion of the SEC, indemnification against liabilities arising under federal securities laws is against public policy and may be unenforceable.

LEGAL MATTERS

Legal matters as to the validity of the exchange notes offered by this prospectus will be passed on for us by Dewey Ballantine LLP, New York, New York. As of the date of this prospectus, some partners of Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP, our outside corporate counsel, beneficially owned an aggregate of 75,000 shares of our Series A preferred stock and 9,375 shares of our Series B preferred stock.

EXPERTS

The consolidated financial statements of Equinix, Inc. and subsidiary as of December 31, 1998 and 1999 and for the period from June 22, 1998 (inception) to December 31, 1998 and for the year ended December 31, 1999, have been included herein and in the registration statement in reliance on the report of KPMG LLP, independent certified public accountants, appearing elsewhere herein, and upon the authority of that firm as experts in accounting and auditing.

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EQUINIX, INC. AND SUBSIDIARY

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Equinix, Inc. and Subsidiary:

We have audited the accompanying consolidated balance sheets of Equinix, Inc. and subsidiary (the "Company"), as of December 31, 1998 and 1999, and the related consolidated statements of operations, stockholders' equity, and cash flows for the period from June 22, 1998 (inception) to December 31, 1998 and for the year ended December 31, 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above

present fairly, in all material respects, the financial position of Equinix, Inc. and subsidiary as of December 31, 1998 and 1999, and the results of their operations and their cash flows for the period from June 22, 1998 (inception) to December 31, 1998 and for the year ended December 31, 1999, in conformity with generally accepted accounting principles.

Mountain View, California

January 21, 2000, except as to Note 10, which is as of January 28, 2000.

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EQUINIX, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

	December 31,	
	1998	1999
<S>	<C>	<C>
Assets		
Current assets:		
Cash and cash equivalents.....	\$ 4,164,500	222,973,600
Short-term investments.....	5,000,000	--
Accounts receivable.....	--	177,700
Current portion of restricted cash and short-term investments.....	--	25,110,400
Prepays and other current assets.....	167,600	1,596,900
	-----	-----
Total current assets.....	9,332,100	249,858,600
Property and equipment, net.....	482,000	31,303,000
Construction in progress.....	30,700	14,175,800
Restricted cash and short-term investments, less current portion.....	--	13,498,300
Debt issuance costs, net.....	--	6,532,400
Other assets.....	156,400	1,400,300
	-----	-----
Total assets.....	\$10,001,200	316,768,400
	=====	=====

Liabilities and Stockholders' Equity

Current liabilities:		
Accounts payable and accrued expenses.....	\$ 159,200	4,143,200
Accrued construction costs.....	252,300	9,772,200
Current portion of debt facilities and capital lease obligations.....	--	4,394,600
Accrued interest payable.....	--	2,166,700
Other current liabilities.....	--	204,600
	-----	-----
Total current liabilities.....	411,500	20,681,300
Debt facilities and capital lease obligations, less current portion.....	--	10,248,200
Senior notes.....	--	191,087,700
Other liabilities.....	--	802,400
	-----	-----
Total liabilities.....	411,500	222,819,600
	-----	-----

Commitments and Contingencies

Stockholders' equity:

Series A convertible preferred stock, \$0.001 par value per share; 16,500,000 and 32,000,000 shares authorized in 1998 and 1999, respectively; 15,697,500 and 18,682,500 shares issued and outstanding in 1998 and 1999, respectively; liquidation value of \$10,465,000 and \$12,455,000 in 1998 and 1999, respectively.....	15,700	18,700
Series B convertible preferred stock, \$0.001 par value per share; none and 36,000,000 shares authorized in 1998 and 1999, respectively; none and 15,762,373 shares issued and outstanding in 1998 and 1999, respectively; liquidation value of none and \$84,066,000 in 1998 and 1999, respectively.....	--	15,800
Common stock, \$0.001 par value per share; 43,500,000 and 132,000,000 shares authorized in 1998 and 1999, respectively; 6,150,000 and 11,672,196 shares issued and outstanding in 1998 and 1999, respectively.....	6,200	11,700
Additional paid-in capital.....	10,423,600	113,188,500

net of \$29,500 offering costs...	15,037,500	15,000	--	--	--	--	9,980,500	--	--
Conversion of debt to Series A preferred stock..	660,000	700	--	--	--	--	439,300	--	--
Net loss..... (855,800)	--	--	--	--	--	--	--	--	--

Balances as of December 31, 1998..... (855,800)	15,697,500	15,700	--	--	6,150,000	6,200	10,423,600	--	--
Issuance of Series A preferred stock..	3,000,000	3,000	--	--	--	--	1,997,000	--	--
Repurchase of Series A preferred stock..	(15,000)	--	--	--	--	--	(10,000)	--	--
Issuance of Series B preferred stock, net of \$2,360,000 offering costs...	--	--	15,762,373	15,800	--	--	81,690,200	--	--
Issuance of common stock upon exercise of common stock options.....	--	--	--	--	5,522,196	5,500	1,280,100	--	--
Issuance of Series A preferred stock warrants.....	--	--	--	--	--	--	600,600	--	--
Issuance of common stock warrants.....	--	--	--	--	--	--	12,559,400	--	--
Deferred stock- based compensation.....	--	--	--	--	--	--	4,647,600	(4,647,600)	--
Amortization of stock-based compensation.....	--	--	--	--	--	--	--	990,900	--
Comprehensive income (loss): Net loss..... (14,787,500)	--	--	--	--	--	--	--	--	--
Unrealized appreciation on short-term investments.....	--	--	--	--	--	--	--	--	14,100

Net comprehensive loss..... (14,787,500)	--	--	--	--	--	--	--	--	14,100

Balances as of December 31, 1999..... (15,643,300)	18,682,500	\$18,700	15,762,373	\$15,800	11,672,196	\$11,700	113,188,500	(3,656,700)	14,100
=====									

<CAPTION>

Total
stockholders'
equity

<S>

<C>

Issuance of
common stock for
cash..... 4,000
Issuance of

common stock upon exercise of common stock options.....	6,000
Issuance of Series A preferred stock, net of \$29,500 offering costs...	9,995,500
Conversion of debt to Series A preferred stock..	440,000
Net loss.....	(855,800)

Balances as of December 31, 1998.....	9,589,700
Issuance of Series A preferred stock..	2,000,000
Repurchase of Series A preferred stock..	(10,000)
Issuance of Series B preferred stock, net of \$2,360,000 offering costs...	81,706,000
Issuance of common stock upon exercise of common stock options.....	1,285,600
Issuance of Series A preferred stock warrants.....	600,600
Issuance of common stock warrants.....	12,559,400
Deferred stock-based compensation.....	--
Amortization of stock-based compensation.....	990,900
Comprehensive income (loss):	
Net loss.....	(14,787,500)
Unrealized appreciation on short-term investments.....	14,100

Net comprehensive loss.....	(14,773,400)

Balances as of December 31, 1999.....	93,948,800
	=====

</TABLE>

See accompanying notes to consolidated financial statements.

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EQUINIX, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	Period from June 22, 1998 (inception) to December 31, 1998	Year ended December 31, 1999
	-----	-----
<S>	<C>	<C>
Cash flows from operating activities:		
Net loss.....	\$ (855,800)	(14,787,500)
Adjustments to reconcile net loss to net cash used		

in operating activities:		
Depreciation.....	4,200	609,300
Interest charge on beneficial conversion of convertible debt.....	220,000	--
Amortization of deferred stock-based compensation.....	--	990,900
Amortization of senior note discount.....	--	91,700
Amortization of debt facilities and capital lease obligation discount.....	--	116,900
Amortization of debt issuance costs.....	--	67,600
Issuance of common stock warrants for strategic agreement.....	--	366,500
Changes in operating assets and liabilities:		
Accounts receivable.....	--	(177,700)
Prepays and other current assets.....	(167,600)	(1,429,300)
Other assets.....	(156,400)	(1,243,900)
Accounts payable and accrued expenses.....	159,200	2,313,800
Accrued interest payable.....	--	2,166,700
Other current liabilities.....	--	204,600
Other liabilities.....	--	802,400
	-----	-----
Net cash used in operating activities.....	(796,400)	(9,908,000)
	-----	-----
Cash flows from investing activities:		
Purchase of short-term investments.....	(5,000,000)	(28,800,000)
Sales and maturities of short-term investments.....	--	33,814,100
Purchases of property and equipment.....	(486,200)	(28,241,400)
Additions to construction in progress.....	(30,700)	(14,145,100)
Accrued construction costs.....	252,300	9,519,900
Purchase of restricted cash and short-term investments.....	--	(38,608,700)
	-----	-----
Net cash used in investing activities.....	(5,264,600)	(66,461,200)
	-----	-----
Cash flows from financing activities:		
Proceeds from issuance of common stock.....	4,000	--
Proceeds from exercise of stock options.....	6,000	1,285,600
Proceeds from debt facilities and capital lease obligations.....	--	16,114,500
Repayment of debt facilities and capital lease obligations.....	--	(988,000)
Proceeds from issuance of promissory notes.....	220,000	--
Proceeds from senior notes and common stock warrants, net.....	--	193,890,200
Repurchase of preferred stock.....	--	(10,000)
Proceeds from issuance of convertible preferred stock, net.....	9,995,500	84,886,000
	-----	-----
Net cash provided by financing activities.....	10,225,500	295,178,300
	-----	-----
Net increase in cash and cash equivalents.....	4,164,500	218,809,100
Cash and cash equivalents at beginning of period....	--	4,164,500
	-----	-----
Cash and cash equivalents at end of period.....	\$ 4,164,500	222,973,600
	=====	=====
Noncash financing and investing activities:		
Cash paid for taxes.....	\$ --	67,500
	=====	=====
Cash paid for interest.....	\$ --	153,400
	=====	=====
Noncash financing and investing activities:		
Preferred stock warrants issued for financing commitments.....	\$ --	600,600
	=====	=====
Common stock warrants issued for strategic agreement.....	\$ --	366,500
	=====	=====
Common stock warrants issued for services.....	\$ --	3,188,900
	=====	=====
Conversion of notes payable to convertible preferred stock.....	\$ 440,000	--
	=====	=====
Unrealized appreciation on investments.....	\$ --	14,100
	=====	=====
Assets recorded under capital lease.....	\$ --	660,700
	=====	=====
Deferred compensation on grants of stock options...	\$ --	4,647,600
	=====	=====

</TABLE>

See accompanying notes to consolidated financial statements.

(1) Nature of Business and Summary of Significant Accounting Policies

Nature of Business

Equinix, Inc. ("Equinix" or the "Company") was incorporated as Quark Communications, Inc. in Delaware on June 22, 1998. The Company changed its name to Equinix, Inc. on October 13, 1998. Equinix designs, builds, and operates neutral Internet Business Exchange ("IBX") centers.

For the period June 22, 1998 (inception) through December 31, 1998 and the period ended September 30, 1999, the Company was a development stage enterprise. Subsequent to this period, the Company opened its second IBX center for commercial operation. In addition, the Company began to recognize revenue from its IBX centers. As a result, the Company is no longer a development stage enterprise as of and for the year ended December 31, 1999.

Basis of Presentation

The accompanying consolidated financial statements include the accounts of Equinix and its wholly-owned subsidiary, Equinix-DC, Inc. ("Equinix-DC"). All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash, Cash Equivalents and Short-Term Investments

The Company considers all highly liquid instruments with a maturity from the date of purchase of three months or less to be cash equivalents. Cash equivalents consist of money market mutual funds and certificates of deposit with financial institutions with maturities of between 7 and 60 days. Short-term investments generally consist of certificates of deposits with maturities of between 90 and 180 days and highly liquid debt and equity securities of corporations, municipalities and the U.S. government. Short-term investments are classified as "available-for-sale" and are carried at fair value based on quoted market prices, with unrealized gains and losses reported in stockholders' equity as a component of comprehensive income. The cost of securities sold is based on the specific identification method.

Restricted Cash and Short-term Investments

Restricted cash and short-term investments consists of \$37,011,500, plus accrued interest of \$67,100, deposited with an escrow agent to pay the first three interest payments on the Senior Notes (see Note 4) and restricted cash of \$1,530,100 provided as collateral under three separate security agreements for standby letters of credit entered into and in accordance with certain lease agreements. These agreements expire at various dates through 2014.

Financial Instruments and Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash, cash equivalents and short-term investments to the extent these exceed federal insurance limits

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

and accounts receivable. Risks associated with cash, cash equivalents and short-term investments are mitigated by the Company's investment policy, which limits the Company's investing to only those marketable securities rated at least A-1 or P-1 investment grade, as determined by independent credit rating agencies.

The Company's customer base is primarily composed of businesses throughout the United States. The Company performs ongoing credit evaluations of its customers.

Property and Equipment

Property and equipment are stated at original cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, generally two to five years for non-IBX center equipment and seven to ten years for IBX center equipment. Leasehold improvements and assets acquired under capital lease are amortized over the shorter of the lease term or the estimated useful life of the asset or improvement.

Construction in Progress

Construction in progress includes direct and indirect expenditures for the construction of IBX centers and is stated at original cost. The Company has contracted out substantially all of the construction of the IBX centers to independent contractors under construction contracts. Construction in progress includes certain costs incurred under a construction contract including project management services, site identification and evaluation services, engineering and schematic design services, design development and construction services and other construction-related fees and services. In addition, the Company has capitalized certain interest costs during the construction phase. Once an IBX center becomes operational, these capitalized costs are depreciated at the appropriate rate consistent with the estimated useful life of the underlying asset.

Interest incurred is capitalized in accordance with Statement of Financial Accounting Standards ("SFAS") No. 34, Capitalization of Interest Costs. Total interest cost incurred and total interest capitalized during the year ended December 31, 1999, was \$2,791,400 and \$177,400, respectively.

Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed Of

In accordance with SFAS No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of, the Company considers the impairment of long-lived assets and certain identifiable intangibles whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. No impairment of long-lived assets has been recorded as of December 31, 1998 and 1999.

Revenue Recognition

Revenues consist of monthly fees from customer use of the IBX centers and related services and installation. Revenues from customer use of the IBX centers are billed monthly and recognized ratably over the term of the contract, generally one year. In addition, installation and service fees are recognized ratably over the term of the contract.

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are established when necessary to reduce tax assets to the amounts expected to be realized.

Stock-Based Compensation

The Company accounts for its stock-based compensation plans in accordance with SFAS No. 123, Accounting for Stock-Based Compensation. As permitted under SFAS No. 123, the Company uses the intrinsic value-based method of Accounting Principles Board ("APB") Opinion No. 25, Accounting for Stock Issued to Employees, to account for its employee stock-based compensation plans.

The Company accounts for stock-based compensation arrangements with nonemployees in accordance with the Emerging Issues Task Force Abstract ("EITF") No. 96-18, Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling Goods or Services. Accordingly, unvested options and warrants held by nonemployees are subject to revaluation at each balance sheet date based on the then current fair market value.

Unearned deferred compensation resulting from employee and nonemployee option grants is amortized on an accelerated basis over the vesting period of the individual options, in accordance with FASB Interpretation No. 28, Accounting for Stock Appreciation Rights and Other Variable Stock Option or Award Plans ("FASB Interpretation No. 28").

Segment Reporting

The Company has adopted the provisions of SFAS No. 131, Disclosures about Segments of an Enterprise and Related Information. SFAS No. 131 establishes annual and interim reporting standards for operating segments of a company. The statement requires disclosures of selected segment-related financial information about products, major customers and geographic areas.

Comprehensive Income

The Company has adopted the provisions of SFAS No. 130, Reporting Comprehensive Income. SFAS No. 130 establishes standards for the reporting and display of comprehensive income and its components; however, the adoption of this statement had no impact on the Company's net loss or stockholders' equity. SFAS 130 requires unrealized gains or losses on the Company's available-for-sale securities to be included in other comprehensive income (loss). Comprehensive income (loss) consists of net loss and other comprehensive income.

Recent Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board issued SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities. SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including derivative instruments embedded in other contracts, and for

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

hedging activities. SFAS No. 133, as amended by SFAS No. 137, Deferral of the Effective Date of FASB Statement No. 133, is effective for all fiscal quarters of fiscal years beginning after September 15, 2000. This statement does not currently apply to the Company as the Company does not have any derivative instruments or hedging activities.

(2) Balance Sheet Components

Cash, Cash Equivalents and Short-term Investments

As of December 31, 1998 and 1999, cost approximated market value of cash, cash equivalents and short-term investments; unrealized gains and losses were not significant. As of December 31, 1999, cash equivalents included investments in corporate debt securities with various contractual maturity dates which do not exceed 90 days.

Property & Equipment

Property and equipment is comprised of the following as of December 31:

<TABLE>

<CAPTION>

	1998	1999
	-----	-----
<S>	<C>	<C>
Leasehold improvements.....	\$240,600	19,523,200
IBX plant and machinery.....	--	8,235,400
Computer equipment and software.....	77,000	3,126,000
IBX equipment.....	--	658,700
Furniture and fixtures.....	168,600	373,200
	-----	-----
	486,200	31,916,500
Less accumulated depreciation.....	4,200	613,500
	-----	-----
	\$482,000	31,303,000
	=====	=====

</TABLE>

Leasehold improvements and certain computer equipment and software and furniture and fixtures, recorded under capital leases, aggregated none and \$660,700 as of December 31, 1998 and 1999, respectively. Amortization on the assets recorded under capital leases is included in depreciation expense.

Included within leasehold improvements is the value attributed to the MCI Warrant and the Bechtel Warrant totaling \$2,145,600 and \$1,043,300, respectively (see Note 5). Amortization on such warrants is included in depreciation expense.

Restricted Cash and Short-term Investments

Restricted cash and short-term investments consisted of the following as of December 31 1999:

<TABLE>	
<S>	<C>
United States treasury notes:	
Due within one year.....	\$ 25,110,400
Due after one year through two years.....	11,968,200
Restricted cash in accordance with security agreements.....	1,530,100

	38,608,700
Less current portion.....	(25,110,400)

	\$ 13,498,300
	=====

</TABLE>

As of December 31, 1999, cost approximated market value of restricted cash and short-term investments; unrealized gains and losses were not significant.

EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following as of December 31:

<TABLE>		
<CAPTION>		
	1998	1999
	-----	-----
<S>	<C>	<C>
Accounts payable.....	\$ 33,800	1,978,200
Accrued preferred stock issuance costs.....	--	1,180,000
Accrued compensation.....	23,200	303,000
Deferred rent.....	42,400	18,000
Income taxes payable.....	39,800	--
Accrued debt issuance costs.....	--	490,200
Other.....	20,000	173,800
	-----	-----
	\$159,200	4,143,200
	=====	=====

</TABLE>

(3) Debt Facilities and Capital Lease Obligations

Debt facilities and capital lease obligations consisted of the following as of December 31, 1999:

<TABLE>	
<S>	<C>
Comdisco Loan and Security Agreement (net of unamortized discount of \$331,500).....	\$ 4,710,600
Comdisco Master Lease Agreement and Addendum (net of unamortized discount of \$59,000).....	573,800
Venture Leasing Loan Agreement (net of unamortized discount of \$93,200).....	9,358,400

	14,642,800
Less current portion.....	(4,394,600)

	\$10,248,200
	=====

</TABLE>

In March 1999, Equinix-DC entered into a \$7,000,000 Loan and Security Agreement with Comdisco, Inc. ("Comdisco" and the "Comdisco Loan and Security Agreement"). Under the terms of the Comdisco Loan and Security Agreement, Comdisco may lend the Company up to \$3,000,000 for equipment (referred to as the "hard" loan) and up to \$4,000,000 for software and tenant improvements ("soft" loan) for the Ashburn, Virginia IBX center buildout. The loans, which are collateralized by the assets of the Ashburn IBX, are available in minimum advances of \$1,000,000 and each loan is evidenced by a secured promissory note. The hard and soft loans issued bear interest at rates of 7.5% and 9% per annum, respectively, and are repayable in 42 and 36 equal monthly installments, respectively, plus a final balloon interest payment equal to 15% of the original advance amount due at maturity. The Comdisco Loan and Security Agreement has an effective interest rate of 18.1% per annum. As of December 31, 1999, \$5,042,100 was outstanding under the Comdisco Loan and Security Agreement.

In connection with the Comdisco Loan and Security Agreement, the Company granted Comdisco a warrant to purchase 765,000 shares of the Company's Series A preferred stock at \$0.67 per share (the "Comdisco Loan and Security Agreement Warrant"). This warrant is immediately exercisable and expires in ten years from the date of grant. This warrant, valued at \$428,700 using the Black-Scholes option pricing model, was recorded as a discount to the applicable debt, and is being amortized to interest expense, using the effective interest method, over the life of the agreement.

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Comdisco Master Lease Agreement

In May 1999, the Company entered into a Master Lease Agreement with Comdisco (the "Comdisco Master Lease Agreement"). Under the terms of the Comdisco Master Lease Agreement, the Company sells equipment to Comdisco, which it will then lease back. The amount of financing to be provided is up to \$1,000,000. Repayments are made monthly over 42 months with a final balloon interest payment equal to 15% of the balance amount due at maturity. Interest accrues at 7.5% per annum. The Comdisco Master Lease Agreement has an effective interest rate of 14.6% per annum. As of December 31, 1999, \$590,600 was outstanding under the Comdisco Master Lease Agreement.

In connection with the Comdisco Master Lease Agreement, the Company granted Comdisco a warrant to purchase 30,000 shares of the Company's Series A preferred stock at \$1.67 per share (the "Comdisco Master Lease Agreement Warrant"). This warrant is immediately exercisable and expires in ten years from the date of grant. This warrant, valued at \$15,000 using the Black-Scholes option pricing model, was recorded as a discount to the applicable debt, and is being amortized to interest expense, using the effective interest method, over the life of the agreement.

Comdisco Master Lease Agreement Addendum

In August 1999, the Company amended the Comdisco Master Lease Agreement. Under the terms of the Comdisco Master Lease Agreement Addendum, the Company sells equipment (hard items) and software and tenant improvements (soft items) in its San Jose IBX center to Comdisco, which it then leases back. The amount of financing available under the Comdisco Master Lease Agreement Addendum is up to \$2,150,000 for hard items and up to \$2,850,000 for soft items. Amounts drawn under this addendum will be collateralized by the underlying hard and soft assets of the San Jose IBX center that were funded under the Comdisco Master Lease Agreement Addendum. Repayments are made monthly over the course of 42 months. Interest accrues at 8.5% per annum, with a final balloon interest payment equal to 15% of the original acquisition cost of the property financed. The Comdisco Master Lease Agreement Addendum has an effective interest rate of 15.3% per annum. As of December 31, 1999, \$42,200 was outstanding under the Comdisco Master Lease Agreement Addendum.

In connection with the Comdisco Master Lease Agreement Addendum, the Company granted Comdisco a warrant to purchase 150,000 shares of the Company's Series A preferred stock at \$3.00 per share (the "Comdisco Master Lease Agreement Addendum Warrant"). This warrant is immediately exercisable and expires in seven years from the date of grant or three years from the effective date of the Company's initial public offering, whichever is shorter. This warrant, valued at \$52,300 using the Black-Scholes option pricing model, was recorded as a discount to the applicable debt, and is being amortized to interest expense, using the effective interest method, over the life of the agreement.

Venture Leasing Loan Agreement

In August 1999, the Company entered into a Loan Agreement with Venture Lending & Leasing II, Inc. and other lenders ("VLL" and the "Venture Leasing Loan Agreement"). The Venture Leasing Loan Agreement provides financing for equipment and tenant improvements at the Newark, New Jersey IBX center and a secured term loan facility for general working capital purposes. The amount of financing to be provided is up to \$10,000,000, which may be used to finance up to 85% of the projected cost of tenant improvements and equipment for the Newark IBX center and is collateralized by the assets of the Newark IBX. Notes issued bear interest at a rate of 8.5% per annum and are repayable in 42 monthly installments plus a final balloon interest payment equal to 15% of the original advance amount due at maturity and are collateralized by the assets of the New Jersey IBX. The Venture Leasing Loan Agreement has an effective interest rate of 14.7% per annum. As of December 31, 1999, \$9,451,600 was outstanding under the Venture Leasing Loan Agreement.

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

In connection with the Venture Leasing Loan Agreement, the Company granted VLL a warrant to purchase 300,000 shares of the Company's Series A preferred stock at \$3.00 per share (the "Venture Leasing Loan Agreement"). This warrant is immediately exercisable and expires on June 30, 2006. This warrant, valued at \$104,600 using the Black-Scholes option pricing model, was recorded as a discount to the applicable debt, and is being amortized to interest expense, using the effective interest method, over the life of the agreement.

Maturities

Aggregate maturities of debt facilities and capital lease obligations for each of the five years following December 31, 1999 are as follows:

<u><S></u>	<u><C></u>
Year ending December 31:	
2000.....	\$ 4,394,600
2001.....	4,783,200
2002.....	4,736,800
2003.....	1,211,900
2004.....	--

Total.....	\$15,126,500
	=====

</TABLE>

(4) Senior Notes and Debt Issuance Costs

On December 1, 1999, the Company issued 200,000 units, each consisting of a \$1,000 principal amount 13% Senior Note due 2007 (the "Senior Notes") and one warrant to purchase 16.8825 shares (for an aggregate of 3,376,500 shares) of common stock for \$0.0067 per share (the "Senior Note Warrants"), for aggregate net proceeds of \$193,400,000, net of offering expenses. Of the \$200,000,000 gross proceeds, \$9,004,000 was allocated to additional paid-in capital for the fair value of the Senior Note Warrants and recorded as a discount to the Senior Notes. The discount on the Senior Notes is being amortized to interest expense, using the effective interest method, over the life of the debt. The Senior Notes have an effective interest rate of 13.6% per annum. The fair value attributed to the Senior Note Warrants was consistent with the Company's treatment of its other common stock transactions prior to the issuance of the Senior Notes. The fair value was based on recent equity transactions by the Company and supported by an independent, third-party valuation of the Company's common stock. The amount of the Senior Notes, net of the unamortized discount, is \$191,087,700 as of December 31, 1999.

As of December 31, 1999, restricted cash and short-term investments, including accrued interest thereon, includes \$37,078,600 deposited with an escrow agent that will be used to pay the first three interest payments. Interest is payable semi-annually, in arrears, on June 1 and December 1 of each year, commencing on June 1, 2000. The Senior Notes are partially collateralized by the restricted cash and short-term investments. Except for this security interest, the notes are unsecured, senior obligations of the Company and are effectively subordinated to all existing and future indebtedness of the Company, whether or not secured.

The Senior Notes are governed by the Indenture dated December 1, 1999, between the Company, as issuer, and State Street Bank and Trust Company of California, N.A., as trustee (the "Indenture"). Subject to certain

exceptions, the Indenture restricts, among other things, the Company's ability to incur additional indebtedness and the use of proceeds therefrom, pay dividends, incur certain liens to secure indebtedness or engage in merger transactions.

The costs related to the issuance of the Senior Notes were capitalized and are being amortized to interest expense using the effective interest method, over the life of the Senior Notes. Debt issuance costs, net of amortization, are \$6,532,400 as of December 31, 1999.

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

(5) Stockholders' Equity

Stock Split

In January 2000, the Company's stockholders approved a three-for-two stock split effective January 19, 2000 whereby three shares of common stock and preferred stock were exchanged for every two shares of common stock and preferred stock then outstanding. All share and per share amounts in these financial statements have been adjusted to give effect to the stock split (see Note 10).

Preferred Stock

On September 10, 1998, 15,037,500 shares of Series A preferred stock were issued at a price of \$0.67 per share. Concurrent with the issuance of the Series A preferred stock, promissory notes of \$220,000 were converted into 660,000 shares of Series A preferred stock. During July 1998, the Company had borrowed \$220,000 in the aggregate under a convertible loan arrangement with a number of individual investors. The loans accrued interest of 5.83% per annum while outstanding, which was paid in cash. During the period ended December 31, 1998, the Company recorded a charge of \$220,000 to account for the "in the money" conversion right of the convertible loan arrangement. On January 27, 1999, 3,000,000 shares of Series A preferred stock were issued, at a price of \$0.67 per share in the second closing of the Series A financing.

In August 1999, the Company amended and restated its Certificate of Incorporation to increase the authorized share capital to 75,000,000 shares of common stock and 30,000,000 shares of preferred stock, of which 14,000,000 has been designated as Series A and 16,000,000 as Series B.

In January 2000, the Company amended and restated its Certificate of Incorporation to increase the authorized share capital to 132,000,000 shares of common stock and 68,000,000 shares of preferred stock, of which 32,000,000 has been designated as Series A and 36,000,000 as Series B.

Between August and December 1999, the Company completed its Series B preferred stock financing. The Company issued 15,762,373 shares of Series B preferred stock, at a price of \$5.33 per share.

The rights, preferences, and privileges of the Series A and Series B preferred stock are as follows:

- . Dividends are noncumulative and are payable only upon declaration by the Board of Directors at a rate of \$0.05 and \$0.43 per share for Series A and B, respectively.
- . Holders of Series A and B preferred stock have a liquidation preference of \$0.67 and \$5.33 per share, respectively, plus all declared but unpaid dividends.
- . Each share of Series A and B preferred stock is convertible, at the option of the holder, into common stock at a conversion price equal to the respective original preferred stock issue price. The conversion price is subject to adjustment for stock splits and combinations and will automatically convert into common stock in the event of either (i) an underwritten public offering with an aggregate gross offering price of at least \$25,000,000 or (ii) upon a vote of the holders of a majority of the then outstanding shares of each class of preferred stock.
- . Each share of Series A and Series B preferred stock has voting rights equal to that of common stock on an "as if converted" basis.
- . The holders of Series A and B preferred stock are entitled to elect two and one directors, respectively, to the Company's Board of Directors so long as 25% of the shares of Series A and B preferred stock originally issued remain outstanding.

EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

- . Series A and B preferred stock is not redeemable at any time.
- . Holders of greater than 666,666 shares of Series A and/or Series B preferred stock have the right to purchase their pro rata share of securities subsequently sold or otherwise issued by the Company, subject to standard exceptions.
- . Holders of Series A and Series B preferred stock have the right to veto:
 - . any increase in the number of Series B preferred stock or the issuance of any securities with rights senior to those of the Series B preferred stock;
 - . the redemption of any securities by the Company, other than in connection with an employee's termination of employment; and
 - . any increase to the size of the Company's board of directors.
- . Holders of Series A and Series B preferred stock may require the Company to file a registration statement with the SEC to register the holders' stock, and have the right to force the Company to include their shares in any registered public offering following the Company's initial public offering.
- . Holders of Series A and Series B preferred stock have the right to receive financial and other information from the Company.

Common Stock

The Company's founders purchased 6,060,000 shares of stock. Approximately 5,454,000 shares are subject to restricted stock purchase agreements whereby the Company has the right to repurchase the stock upon voluntary or involuntary termination of the founder's employment with the Company at \$0.00033 per share. The Company's repurchase right lapses at a rate of 25% per year. As of December 31, 1998 and 1999, 4,888,875 and 3,522,375 shares are subject to repurchase at a price of \$0.00033 per share, respectively.

Upon the exercise of certain unvested stock options, the Company issued to employees common stock which is subject to repurchase by the Company at the original exercise price of the stock option. This right lapses over the vesting period. As of December 31, 1998 and 1999, there were 45,000 and 4,590,735 shares, respectively, subject to repurchase.

Stock Option Plan

In September 1998, the Company adopted the 1998 Stock Plan (the "Plan") under which nonstatutory stock options and restricted stock may be granted to employees, outside directors, and consultants, and incentive stock options may be granted to employees. Accordingly, the Company has reserved a total of 8,262,810 shares of the Company's common stock for issuance upon the grant of restricted stock or exercise of options granted in accordance with the Plan. Options granted under the Plan generally expire 10 years following the date of grant and are subject to limitations on transfer. The Plan is administered by the Board of Directors.

The Plan provides for the granting of incentive stock options at not less than 100% of the fair market value of the underlying stock at the grant date. Nonstatutory options may be granted at not less than 85% of the fair market value of the underlying stock at the date of grant.

Option grants under the Plan are subject to various vesting provisions, all of which are contingent upon the continuous service of the optionee and may not impose vesting criterion more restrictive than

EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

20% per year. Stock options may be exercised at anytime subsequent to grant. Stock obtained through exercise of unvested options is subject to repurchase at the original purchase price. The Company's repurchase right decreases as the shares vest under the original option terms.

Options granted to stockholders who own greater than 10% of the outstanding stock must have vesting periods not to exceed five years and must be issued at prices not less than 110% of the fair market value of the stock on the date of grant as determined by the Board of Directors. Upon a change of control, all shares granted under the Plan shall immediately vest. Unless otherwise terminated by the Board of Directors, the Plan automatically terminates in September 2008.

A summary of the Plan is as follows:

<TABLE>
<CAPTION>

	1998		1999	
	Shares	Weighted-average exercise price	Shares	Weighted-average exercise price
<S>	<C>	<C>	<C>	<C>
Outstanding at beginning of period.....	--	\$ --	2,074,050	\$0.10
Granted.....	2,164,050	0.10	6,404,040	0.46
Forfeited.....	--	--	(340,500)	0.09
Exercised.....	(90,000)	0.10	(5,522,196)	0.23
Outstanding at end of period... =====	2,074,050	0.10	2,615,394	0.67
Shares available for future grant..... =====	6,098,760		35,220	
Exercisable at end of period... =====	20,001		76,431	
Weighted-average grant date fair value of options granted to employees during the period at fair value.....		0.01		0.01
Weighted-average grant date fair value of options granted to non-employees during the period at fair value.....		0.56		0.56
Weighted-average grant date fair value of options granted to employees during the period at below fair value.....		--		1.28
Weighted-average grant date fair value of options granted to non-employees during the period at below fair value....		--		1.77

</TABLE>

The following table summarizes information about stock options outstanding as of December 31, 1999:

<TABLE>
<CAPTION>

	Outstanding			Exercisable	
	Number of shares	Weighted-average remaining contractual life	Weighted-average exercise price	Number of shares	Weighted-average exercise price
<S>	<C>	<C>	<C>	<C>	<C>
\$0.01 to \$0.13.....	1,383,144	9.23	\$0.07	76,431	\$0.07
\$0.67.....	180,750	9.78	0.67	--	--
\$1.00.....	753,000	9.86	1.00	--	--
\$2.67.....	298,500	9.93	2.67	--	--
	2,615,394	9.53	0.67	76,431	0.07
	=====			=====	

</TABLE>

Stock-Based Compensation

Employees

The Company uses the intrinsic-value method prescribed in APB No. 25 in accounting for its stock-based compensation arrangements with employees. Stock-based compensation expense is recognized for employee stock option grants in those instances in which the fair value of the underlying common stock exceeds the exercise price of the stock options at the date of grant. The Company recorded deferred stock-based compensation related to employees of \$4,313,500 in respect to stock options granted through December 31, 1999, of which \$788,300 has been amortized to stock-based compensation expense for the year ended December 31, 1999 on an accelerated basis over the vesting period of the individual options, in accordance with FASB Interpretation No. 28.

Had compensation costs been determined using the fair value method for the Company's stock-based compensation plans, net loss would have been changed to the amounts indicated below:

<TABLE>
<CAPTION>

	Period from June 22, 1998 (inception) to December 31, 1998	Year ended December 31, 1999
	-----	-----
<S>	<C>	<C>
Net loss:		
As reported.....	\$(855,800)	\$(14,787,500)
Pro forma.....	(857,500)	(14,831,800)

</TABLE>

The Company's calculations for employee grants were made using the minimum value method with the following weighted average assumptions for the period from June 22, 1998 (inception) to December 31, 1998 and the year ended December 31, 1999: dividend yield of 0%; expected volatility of 0%; risk-free interest rates of 5.77% in the period from June 22, 1998 (inception) to December 31, 1998 and 5.66% in the year ended December 31, 1999; and expected lives of 2.67 years in the period from June 22, 1998 (inception) to December 31, 1998 and 2.52 years in the year ended December 31, 1999.

Non-Employees

The Company uses the fair value method to value options granted to non-employees. In connection with its grant of options to non-employees, the Company has recognized deferred stock-based compensation of \$334,100 through December 31, 1999, of which \$202,600 has been amortized to stock-based compensation expense for the year ended December 31, 1999 on an accelerated basis over the vesting period of the individual options, in accordance with FASB Interpretation No. 28.

The Company's calculations for non-employee grants were made using the Black-Scholes option pricing model with the following weighted average assumptions for the period from June 22, 1998 (inception) to December 31, 1998 and the year ended December 31, 1999: dividend yield of 0%; expected volatility of 80%; risk-free interest rates of 4.99% in the period from June 22, 1998 (inception) to December 31, 1998 and 5.48% in the year ended December 31, 1999; and contractual life of 10 years.

Warrants

In August 1999, the Company entered into a strategic agreement with NorthPoint Communications, Inc. ("NorthPoint"). Under the terms of the strategic agreement, NorthPoint has agreed to use certain of the Company's domestic IBX centers and install their operational nodes in such centers. In exchange, the Company granted NorthPoint a warrant to purchase 338,145 shares of the Company's common stock at \$0.53 per share (the "NorthPoint Warrant"). The NorthPoint Warrant was earned upon execution of the strategic agreement and is immediately exercisable. The NorthPoint Warrant expires five years from date of grant. The NorthPoint Warrant was valued at \$366,500 using the Black-Scholes option-pricing model and was immediately expensed to general and administrative expenses.

In November 1999, the Company entered into a definitive agreement with

MCI Worldcom ("MCI") whereby MCI agreed to install high-bandwidth Internet connectivity to the Company's first seven IBX centers in exchange for a warrant to purchase 675,000 shares of common stock of the Company at \$0.67 per share (the "MCI Warrant"). The MCI Warrant is immediately exercisable and expires five years from the date of grant. As of December 31, 1999, warrants for 525,000 shares are subject to repurchase at the original exercise price, if certain performance criteria are not met by MCI. The MCI Warrant was valued at \$2,145,600 using the Black-Scholes option-pricing model and was recorded to property and equipment as a cost component of leasehold improvements on the accompanying consolidated balance sheet as of December 31, 1999. Under the applicable guidelines in EITF 96-18, the underlying shares of common stock associated with the MCI Warrant subject to repurchase are revalued at each balance sheet date to reflect their current fair value until counterparty performance has occurred. Any resulting increase in fair value of the warrants is recorded as an additional cost component of leasehold improvements.

In November 1999, the Company entered into a master agreement with Bechtel Corporation ("Bechtel") whereby Bechtel agreed to act as the exclusive contractor for the Company's IBX centers. As part of the agreement, the Company granted Bechtel a warrant to purchase 352,500 shares of the Company's common stock at \$1.00 per share (the "Bechtel Warrant"). The Bechtel Warrant is immediately exercisable and expires in five years from date of grant. As of December 31, 1999, warrants for 253,800 shares are subject to repurchase at the original exercise price, if certain performance criteria are not met by Bechtel. The Bechtel Warrant was valued at \$1,043,300 using the Black-Scholes option-pricing model and was recorded to property and equipment as a cost component of leasehold improvements on the accompanying consolidated balance sheet as of December 31, 1999. Under EITF 96-18, the underlying shares of common stock associated with the Bechtel Warrant subject to repurchase are revalued at each balance sheet date to reflect their current fair value until counterparty performance has occurred. Any resulting increase in fair value of the warrants is recorded as an additional cost component of leasehold improvements.

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

In addition, the Company has issued several warrants in connection with its debt facilities and capital lease obligations (see Note 3) and the Senior Notes (see Note 4). The Company has the following warrants outstanding as of December 31, 1999:

<TABLE>

<CAPTION>

Series A preferred stock warrants -----	Warrants outstanding	Exercise price
<S>	<C>	<C>
Comdisco Loan and Security Agreement Warrant.....	765,000	\$ 0.67
Comdisco Master Lease Agreement Warrant.....	30,000	1.67
Comdisco Master Lease Agreement Addendum Warrant.....	150,000	3.00
Venture Leasing Loan Agreement Warrant.....	300,000	3.00

	1,245,000	
	=====	

<CAPTION>

Common stock warrants -----	Warrants outstanding	Exercise price
<S>	<C>	<C>
Senior Note Warrants.....	3,376,500	\$0.0067
NorthPoint Warrant.....	338,145	0.53
MCI Warrant.....	675,000	0.67
Bechtel Warrant.....	352,500	1.00

	4,742,145	
	=====	

</TABLE>

The fair value of warrants, using the Black-Scholes option-pricing model, was calculated using the following assumptions for the year ended December 31, 1999: dividend yield of 0%, expected volatility of 80%, risk-free interest rate of 5.48% and the contractual life of each specific warrant.

(6) Income Taxes

The components of the provision for income taxes (benefit) are as follows:

<TABLE>

<CAPTION>

	1998	1999
	-----	-----
<S>	<C>	<C>
Current:		
Federal.....	\$ 29,300	(18,600)
State.....	10,500	(1,500)
	-----	-----
	39,800	(20,100)
	-----	-----
Deferred:		
Federal.....	(29,300)	29,300
State.....	(10,500)	10,500
	-----	-----
	(39,800)	39,800
	-----	-----
	\$ --	19,700
	=====	=====

</TABLE>

Income tax expense is included in selling, general and administrative expenses for the year ended December 31, 1999.

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

Actual income tax expense differs from the expected tax benefit computed by applying the statutory federal income tax rate of approximately 24.8% and 35% for the periods ended December 31, 1998 and December 31, 1999, respectively, as a result of the following:

<TABLE>
<CAPTION>

	1998	1999
	-----	-----
<S>	<C>	<C>
Computed tax (benefit) at statutory rate.....	\$(212,300)	(5,166,600)
State taxes.....	--	6,000
Net operating losses and temporary differences for which no tax benefit is recognized.....	211,900	2,594,000
Net operating losses not benefitted.....	--	2,572,000
Other.....	400	14,300
	-----	-----
	\$ --	19,700
	=====	=====

</TABLE>

The tax effect of temporary differences that give rise to significant portions of the deferred tax assets as of December 31, 1998 and December 31, 1999 is presented as follows:

<TABLE>
<CAPTION>

	1998	1999
	-----	-----
<S>	<C>	<C>
Deferred tax assets:		
Other assets.....	\$ 1,100	--
Start-up expenses.....	326,000	3,301,000
Net operating loss.....	--	3,169,000
	-----	-----
Total deferred tax assets.....	327,100	6,470,000
Less valuation allowance.....	(287,300)	(6,470,000)
	-----	-----
Net deferred tax assets.....	\$ 39,800	--
	=====	=====

</TABLE>

Net deferred tax assets are included in prepaids and other current assets at December 31, 1998.

The net change in the total valuation allowance for the period from June 22, 1998 (inception) to December 31, 1998 and the year ended December 31, 1999, was an increase of \$287,300 and \$6,182,700, respectively.

The Company has established a valuation allowance against that portion of deferred tax assets where management has determined that it is more likely than not that the asset will not be realized.

At December 31, 1999, the Company had net operating loss carryforwards of approximately \$7,300,000 for federal and state tax purposes. If not earlier utilized, the federal net operating loss carryforward will expire in 2019 and the state loss carryforward will expire in 2006.

The Company's future ability to utilize net operating loss carryforwards may be subject to ownership changes as defined in the Internal Revenue Code of 1986.

(7) Commitments and Contingencies

Lease Commitments

The Company leases its IBX centers and certain equipment under noncancelable operating lease agreements expiring through 2014. The centers' lease agreements typically provide for base rental rates which increase at defined intervals during the term of the lease. In addition, the Company has negotiated rent expense abatement periods to better match the phased build-out of its centers. The Company accounts

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

for such abatements and increasing base rentals using the straight-line method over the life of the lease. The difference between the straight-line expense and the cash payment is recorded as deferred rent.

The Company has entered into a number of equipment lease facilities whereby it leases equipment and software for corporate headquarters and its IBX centers. These transactions have been accounted for as operating leases as they do not meet the criteria for classification as a capital lease outlined in SFAS No. 13, Accounting for Leases. The Company also leases certain leasehold improvements, computer equipment and software and furniture and fixtures under capital leases under the Comdisco Master Lease Agreement. These leases were entered into as sales-leaseback transactions. The Company has deferred a gain of \$77,700 related to the sale-leaseback in July 1999, which is being amortized in proportion to the amortization of the leased assets.

Minimum future lease payments as of December 31, 1999 are summarized as follows:

<TABLE>
<CAPTION>

	Capital leases	Operating leases
<S>	<C>	<C>
Year ending:		
2000.....	\$174,200	4,949,700
2001.....	187,200	8,321,500
2002.....	202,200	8,578,700
2003.....	69,200	8,775,500
2004.....	--	9,045,300
Thereafter.....	--	90,244,300
	-----	-----
Total minimum lease payments.....	632,800	129,915,000
		=====
Less amount representing imputed interest.....	142,500	

Present value of minimum lease payments.....	490,300	
Less current portion.....	174,200	

Capital lease obligations, less current portion....	\$316,100	
	=====	

</TABLE>

Total rent expense was approximately \$165,000 and \$1,739,100 for the period from June 22, 1998 (inception) to December 31, 1998 and for the year ended December 31, 1999, respectively.

Deferred rent included in accrued expenses was \$42,400 and \$18,000 as of December 31, 1998 and 1999, respectively. Deferred rent included in other liabilities was none and \$566,600 as of December 31, 1998 and 1999, respectively.

Employment Agreement

The Company has agreed to indemnify an officer of the Company for any claims brought by his former employer under an employment and non-compete agreement the officer had with this employer.

Employee Benefit Plan

During the year ended December 31, 1999, the Company adopted the Equinix 401(k) Plan (the "401(k) Plan"). The 401(k) Plan allows eligible employees

to contribute up to 15% of their compensation, limited to \$10,000 in 1999. Employee contributions and earnings thereon vest immediately. Although the Company may make discretionary contributions to the 401(k) Plan, none have been made as of December 31, 1999.

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

(8) Related Party Transactions

The Company advanced an aggregate of \$750,000 to an officer of the Company, which is evidenced by a promissory note. The proceeds of this loan were used to fund the purchase of a personal residence. The loan is due September 13, 2004, but is subject to certain events of acceleration, including an initial public offering of the Company's common stock and is secured by a second deed of trust on the officer's residence. The loan is non-interest bearing. This loan is presented in other assets on the accompanying consolidated balance sheet as of December 31, 1999.

In March 1999, the Company entered into an equipment lease facility with a preferred stockholder under which the Company leased \$137,300 of equipment for a 24-month term.

In August 1999, the Company issued warrants to purchase 338,145 shares of the Company's common stock, at a purchase price of \$0.53 per share, to a stockholder in connection with a strategic agreement.

(9) Segment Information

During the year ended December 31, 1999, the Company adopted the provisions of SFAS No. 131, Disclosures about Segments of an Enterprise and Related Information. SFAS No. 131 requires disclosures of selected segment-related financial information about products, major customers and geographic areas.

The Company and its subsidiary are principally engaged in the design, build-out and operation of neutral IBX centers. All revenues result from the operation of these IBX centers. Accordingly, the Company considers itself to operate in a single segment for purposes of disclosure under SFAS No. 131. The Company's chief operating decision-maker evaluates performance, makes operating decisions and allocates resources based on financial data consistent with the presentation in the accompanying consolidated financial statements.

As of December 31, 1998 and 1999, all of the Company's operations and assets are based in the United States.

(10) Subsequent Events

In January 2000, the Company's stockholders approved an amendment to the 1998 Stock Plan increasing the aggregate number of common shares available for issuance over the term of the Plan by 3,750,000 to a total of 12,012,810 shares.

In January 2000, the Company's stockholders approved a three-for-two stock split of its common and preferred stock effective January 19, 2000. The Company amended and restated its Certificate of Incorporation to increase the authorized share capital to 132,000,000 shares of common stock and 68,000,000 shares of preferred stock, of which 32,000,000 has been designated as Series A and 36,000,000 as Series B, to give effect to the three-for-two stock split. The accompanying consolidated financial statements have been adjusted to reflect this stock split.

In January 2000, the Company entered into an operating lease for its Dallas, Texas IBX center. The agreement is for a minimum of 10 years, with annual rent payments increasing from \$1,131,000 to \$1,357,200 over the lease term.

In January 2000, the Company entered into an operating lease agreement for its new corporate headquarters facility in Mountain View, California. The agreement is for a minimum of 7 years, with

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EQUINIX, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

annual rent payments increasing from \$1,662,600 to \$2,103,800 over the lease term. In connection with the lease agreement, the Company granted the lessor warrants to purchase up to 33,100 shares of the Company's common

stock at \$6.00 per share. The warrants are exercisable upon certain defined events occurring through May 28, 2000 and expire in ten years from the date of grant.

In January 2000, the Company advanced an aggregate of \$250,000 to an officer of the Company, which is evidenced by a promissory note. The proceeds of this loan were used to fund the purchase of a principal residence. The loan is due January 13, 2005, but is subject to certain events of acceleration, including an initial public offering of the Company's common stock. The loan is secured by a second deed of trust on the officer's residence and is non-interest bearing.

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Equinix, Inc.

Exchange Offer for
\$200,000,000 13% Senior Notes due 2007

LOGO

, 2000

PART II

Information Not Required in Prospectus

Item 20. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law authorizes a court to award or a corporation's board of directors to grant indemnification to directors and officers in terms sufficiently broad to permit indemnification under limited circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act of 1933, as amended (the "Securities Act"). Article VII, Section 7.6 of our bylaws provides for mandatory indemnification of our directors and permissive indemnification of our officers and employees to the maximum extent permitted by the Delaware General Corporation Law. Our Certificate of Incorporation provides that our directors shall not be liable for monetary damages for breach of the directors' fiduciary duty as directors to our stockholders and us to the fullest extent permitted by the Delaware General Corporation Law. This provision in the Certificate of Incorporation does not eliminate the directors' fiduciary duty, and in appropriate circumstances, equitable remedies like injunctive or other forms of non-monetary relief will remain available under Delaware law. In addition, each director will continue to be subject to liability for breach of the director's duty of loyalty to us for acts or omissions not in good faith or involving intentional misconduct, for knowing violations of law, for actions leading to improper personal benefit to the director, and for payment of dividends or approval of stock repurchases or redemptions that are unlawful under Delaware law. The provision also does not affect a director's responsibilities under any other law, like the federal securities laws or state or federal environmental laws. We have entered into indemnification agreements with our officers and directors, a form of which is attached as Exhibit 10.5 and incorporated herein by reference. The indemnification agreements provide our officers and directors with further indemnification to the maximum extent permitted by the Delaware General Corporation Law.

Item 21. Exhibits and Financial Statement Schedules

(a) Exhibits

<TABLE>

<CAPTION>

Exhibit

No.	Description
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<C> <S>

- | | |
|-------|--|
| 3.1 | Amended and Restated Certificate of Incorporation of the Registrant, as amended to date. |
| 3.2** | Bylaws of the Registrant. |
| 4.1** | Reference is made to Exhibits 3.1 and 3.2. |
| 4.2 | Form of Old Note. |
| 4.3 | Form of New Note. |
| 4.4** | Escrow agreement, dated as of December 1, 1999, by and among the Registrant and State Street Bank and Trust Company of California, N.A. (as escrow agent and trustee). |
| 4.5** | Indenture (See Exhibit 10.1). |
| 4.6** | Common Stock Registration Rights Agreement (See Exhibit 10.3). |
| 4.7** | Registration Rights Agreement (See Exhibit 10.4). |

- 4.8** Purchase Agreement, dated as of November 24, 1999, by and among the Registrant and Salomon Smith Barney Inc., Morgan Stanley & Co. Incorporated and Goldman, Sachs & Co. (collectively, the "Initial Purchasers").
- 4.9** Amended and Restated Investors' Rights Agreement (See Exhibits 10.6 and 10.7).
- 5.1 Opinion of Counsel.
- 10.1** Indenture, dated as of December 1, 1999, by and among the Registrant and State Street Bank and Trust Company of California, N.A. (as trustee).
- 10.2** Warrant Agreement, dated as of December 1, 1999, by and among the Registrant and State Street Bank and Trust Company of California, N.A. (as warrant agent).
- 10.3** Common Stock Registration Rights Agreement, dated as of December 1, 1999, by and among the Registrant, Benchmark Capital Partners II, L.P., Cisco Systems, Inc., Microsoft Corporation, ePartners, Albert M. Avery, IV and Jay S. Adelson (as investors), and the Initial Purchasers.

</TABLE>

II-1

<TABLE>

<CAPTION>

Exhibit

No.	Description
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<C> <S>

- | | |
|--------|---|
| 10.4** | Registration Rights Agreement, dated as of December 1, 1999, by and among the Registrant and the Initial Purchasers. |
| 10.5** | Form of Indemnification Agreement between the Registrant and each of its officers and directors. |
| 10.6** | Amended and Restated Investors' Rights Agreement, dated as of August 26, 1999, by and between the Registrant, the Series A Purchasers, the Series B Purchasers and members of the Registrant's management. |
| 10.7** | Amendment No.1 to the Amended and Restated Investors' Rights Agreement and Amended and Restated Voting Agreement, dated as of August 26, 1999, by and between the Registrant, the Series A Purchasers, the Series B Purchasers and members of the Registrant's management, effective as of November 30, 1999. |
| 10.8** | The Registrant's 1998 Stock Option Plan. |
| 10.9+ | Lease Agreement with Carlyle-Core Chicago LLC, dated as of September 1, 1999. |
| 10.10+ | Lease Agreement with Market Halsey Urban Renewal, LLC, dated as of May 3, 1999. |
| 10.11+ | Lease Agreement with Laing Beaumeade, dated as of November 18, 1998. |
| 10.12+ | Lease Agreement with Rose Ventures II, Inc., dated as of June 10, 1999. |
| 10.13+ | Lease Agreement with 600 Seventh Street Associates, Inc., dated as of August 6, 1999. |
| 10.14+ | First Amendment to Lease Agreement with Trizechahn Centers, Inc. (dba Trizechahn Beaumeade Corporate Management), dated as of October 28, 1999. |
| 10.15+ | Lease Agreement with Nexcomm Asset Acquisition I, L.P., dated as of January 21, 2000. |
| 10.16+ | Lease Agreement with Trizechahn Centers, Inc. (dba Trizechahn Beaumeade Corporate Management), dated as of December 15, 1999. |
| 10.17 | Lease Agreement with ARE-2425/2400/2450 Garcia Bayshore LLC, dated as of January 28, 2000. |
| 10.18* | Sublease Agreement with Insweb Corporation, dated as of November 1, 1998. |
| 10.19+ | Master Agreement for Program Management, Site Identification and Evaluation, Engineering and Construction Services between Equinix, Inc. and Bechtel Corporation, dated November 3, 1999. |
| 10.20+ | Agreement between Equinix, Inc. and MCI Worldcom, Inc., dated November 16, 1999. |
| 10.21 | Customer Agreement between Equinix, Inc. and MCI Worldcom, Inc., dated November 16, 1999. |
| 21.1** | List of Subsidiaries of the Registrant. |
| 23.1 | Consent of KPMG LLP, independent auditors. |
| 23.2 | Consent of Counsel. Reference is made to Exhibit 5.1. |
| 24.1** | Power of Attorney. |
| 25.1 | Form of T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of State Street Bank and Trust Company of California, N.A. |
| 27.1 | Financial Data Schedule. |
| 99.1 | Form of Letter of Transmittal relating to the Exchange Offer. |
| 99.2 | Form of Notice of Guaranteed Delivery. |

</TABLE>

* To be filed by amendment.

** Previously filed.

+ Confidential treatment has been requested for certain portions which are omitted in the copy of the exhibit electronically filed with the Securities and Exchange Commission. The omitted information has been filed separately with the Securities and Exchange Commission pursuant to Equinix's application for confidential treatment.

(b) Financial Statement Schedules

All schedules have been omitted because the information required to be presented in them is not applicable or is shown in the consolidated financial statements or related notes.

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Item 22. Undertakings

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers and controlling persons of the Registrant in accordance with the provisions described in Item 20 above, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission this indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities, other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding, is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of this issue.

The undersigned Registrant hereby undertakes that:

(1) It will respond to requests for information that is incorporated by reference into the prospectus in accordance with Item 4, 10(b), 11, or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed after the effective date of the registration statement through the date of responding to the request.

(2) It will supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

(3) It will file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(a) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(b) To reflect in the prospectus any facts or events arising after the effective date of this Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission in accordance with Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement;

(c) To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement.

(4) For the purpose of determining any liability under the Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(5) It will remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant has duly caused this Amendment No. 1 to the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Redwood City, State of California, on this 23rd day of February, 2000.

Equinix, Inc.

/s/ Albert M. Avery, IV

By: _____
 Albert M. Avery, IV
 President, Chief Executive Officer
 and Director

Pursuant to the requirements of the Securities Act of 1933, as amended, this Amendment No. 1 to the registration statement has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

<TABLE>
 <CAPTION>

Signature -----	Title -----	Date ----
<S> /s/ Albert M. Avery, IV	<C> President, Chief Executive Officer (Principal Executive Officer) and Director	<C> February 23, 2000
_____ Albert M. Avery, IV		
Jay S. Adelson*	Vice President, Engineering and Site Development, Chief Technology Officer and Director	February 23, 2000
_____ Jay S. Adelson		
/s/ Philip J. Koen	Chief Financial Officer (Principal Financial and Accounting Officer)	February 23, 2000
_____ Philip J. Koen		
Andrew S. Rachleff*	Director	February 23, 2000
_____ Andrew S. Rachleff		
Michelangelo Volpi	Director	February 23, 2000
_____ /s/ Albert M. Avery, IV		
*By: Albert M. Avery		
Attorney-in-fact		
_____ /s/ Philip J. Koen		
*By: Philip J. Koen		
Attorney-in-fact		

</TABLE>

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INDEX TO EXHIBITS

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| 21.1** | List of Subsidiaries of the Registrant. |
| 23.1 | Consent of KPMG LLP, independent auditors. |
| 23.2 | Consent of Counsel. Reference is made to Exhibit 5.1. |
| 24.1** | Power of Attorney. |
| 25.1 | Form of T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of State Street Bank and Trust Company of California, N.A. |
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* To be filed by amendment.

** Previously filed.

+ Confidential treatment has been requested for certain portions which are omitted in the copy of the exhibit electronically filed with the Securities and Exchange Commission. The omitted information has been filed separately with the Securities and Exchange Commission pursuant to Equinix's application for confidential treatment.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
EQUINIX, INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Equinix, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "General Corporation Law"), originally incorporated on June 22, 1998, under the name Quark Communications, Inc.

DOES HEREBY CERTIFY:

FIRST: That the name of this corporation is Equinix, Inc.

SECOND: That the Board of Directors duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended and restated in its entirety as follows:

ARTICLE I

The name of this corporation is Equinix, Inc.

ARTICLE II

The address of the registered office of this corporation in the State of Delaware is 15 E. North St., P.O. Box 899, in the City of Dover, County of Kent. The name of its registered agent at such address is Incorporating Services, Ltd.

ARTICLE III

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

ARTICLE IV

Upon the filing of this Amended and Restated Certificate of Incorporation, (i) each two (2) shares of this corporation's outstanding Common Stock shall be automatically split into three (3) shares of this corporation's Common Stock, without any action by the holder

thereof; (ii) each two (2) shares of this corporation's outstanding Series A Preferred Stock shall be automatically split into three (3) shares of this corporation's Series A Preferred Stock, without any action by the holder thereof; and (iii) each two (2) shares of this corporation's outstanding Series B Preferred Stock shall be automatically split into three (3) shares of this corporation's Series B Preferred Stock, without any action by the holder thereof.

ARTICLE V

A. Classes of Stock. This corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares that this corporation is authorized to issue is two hundred million (200,000,000) shares. One hundred thirty-two million (132,000,000) shares shall be Common Stock and sixty-eight million (68,000,000) shares shall be Preferred Stock, each with a par value of \$0.001 per share.

B. Rights, Preferences and Restrictions of Preferred Stock. The Preferred Stock authorized by this Restated Certificate of Incorporation may be issued from time to time in one or more series. The rights, preferences, privileges, and restrictions granted to and imposed on the Series A Preferred Stock, which series shall consist of thirty-two million (32,000,000) shares (the "Series A Preferred Stock") and the Series B Preferred Stock, which series shall consist of thirty-six million (36,000,000) shares (the "Series B Preferred Stock") are as set forth below in this Article V(B).

1. Dividend Provisions.

(a) The holders of the Series A Preferred Stock and Series B Preferred Stock shall be entitled to receive dividends at the rate of \$0.05 per share and \$0.43 per share (as adjusted for any stock dividends, combinations or splits with respect to such shares) per annum, respectively, payable out of funds legally available therefor. Such dividends shall be payable only when, as, and if declared by the Board of Directors and shall be noncumulative.

(b) No dividends (other than those payable solely in the Common Stock of the corporation) shall be paid on any Common Stock of the corporation during any fiscal year of the corporation until dividends in the total amount of \$0.05 per share and \$0.43 per share (as adjusted for any stock dividends, combinations or splits with respect to such shares) on the Series A Preferred Stock and Series B Preferred Stock, respectively, shall have been paid or declared and set apart during that fiscal year and no dividends shall be paid on any share of Common Stock unless a dividend (including the amount of any dividends paid pursuant to the provisions of subsection (a) above) is paid with respect to all outstanding shares of Series A Preferred Stock and Series B Preferred Stock in an amount for each such share of Series A Preferred Stock and Series B Preferred Stock equal to or greater than the aggregate amount of such dividends for all shares of Common Stock into which each such share of Series A Preferred Stock or Series B Preferred Stock could then be converted.

(c) In the event of a conversion of the Series A Preferred Stock or Series B Preferred Stock pursuant to Section 4 hereof, any accrued and unpaid dividends shall be paid at the election of the holder in cash or Common Stock at its then fair market value, as determined by the Board of Directors.

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2. Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of this corporation, either voluntary or involuntary, the holders of Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of this corporation to the holders of Common Stock by reason of their ownership thereof, (A) in the case of the Series A Preferred Stock an amount per share equal to the sum of (i) \$0.67 for each outstanding share of Series A Preferred Stock (the "Original Series A Issue Price"), and (ii) an amount equal to declared but unpaid dividends on such share (subject to adjustment of such fixed dollar amounts for any stock splits, stock dividends, combinations, recapitalizations or the like), and (B) in the case of the Series B Preferred Stock, an amount per share equal to the sum of (i) \$5.33 for each outstanding share of Series B Preferred Stock (the "Original Series B Issue Price"), and (ii) an amount equal to declared but unpaid dividends on such share (subject to adjustments of such fixed dollar amounts for any stock splits, stock dividends, combinations, recapitalizations or the like). If upon the occurrence of such event, the assets and funds thus distributed among the holders of the Series A Preferred Stock and Series B Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amounts, then, the entire assets and funds of this corporation legally available for distribution shall be distributed ratably among the holders of the Series A Preferred Stock and Series B Preferred Stock in proportion to the full preferential amount each such holder is otherwise entitled to receive under this subsection (a).

(b) Upon the completion of the distribution required by subsection (a) of this Section 2 all of the remaining assets of this corporation available for distribution to stockholders shall be distributed among the holders of Common Stock pro rata based on the number of shares of Common Stock held by each.

(c)

(i) For purposes of this Section 2, a liquidation, dissolution or winding up of this corporation shall be deemed to be occasioned by, or to include (unless the holders of at least a majority of the Preferred Stock then outstanding shall determine otherwise), (A) the acquisition of this corporation by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation) that results in the transfer of fifty percent (50%) or more of the outstanding voting power of this corporation; or (B) a sale of all or substantially all of the assets of this corporation.

(ii) In any of such foregoing events, if the consideration received by this corporation is other than cash, its value will be deemed its fair market value. Any securities shall be valued as follows:

(A) Securities not subject to investment letter or other similar restrictions on free marketability covered by (B) below:

(1) If traded on a securities exchange or through the Nasdaq National Market, the value shall be deemed to be the average of the closing prices of the

securities on such exchange or system over the thirty (30) day period ending three (3) days prior to the closing;

(2) If actively traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the thirty (30) day period ending three (3) days prior to the closing; and

(3) If there is no active public market, the value shall be the fair market value thereof, as mutually determined by this corporation and the holders of at least a majority of the voting power of all then outstanding shares of Preferred Stock.

(B) The method of valuation of securities subject to investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall be to make an appropriate discount from the market value determined as above in (A) (1), (2) or (3) to reflect the approximate fair market value thereof, as mutually determined by this corporation and the holders of at least a majority of the voting power of all then outstanding shares of such Preferred Stock.

(iii) In the event the requirements of this subsection 2(c) are not complied with, this corporation shall forthwith either:

(A) cause such closing to be postponed until such time as the requirements of this Section 2 have been complied with; or

(B) cancel such transaction, in which event the rights, preferences and privileges of the holders of the Preferred Stock shall revert to and be the same as such rights, preferences and privileges existing immediately prior to the date of the first notice referred to in subsection 2(c) (iv) hereof.

(iv) This corporation shall give each holder of record of Preferred Stock written notice of such impending transaction not later than twenty (20) days prior to the stockholders' meeting called to approve such transaction, or twenty (20) days prior to the closing of such transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction and the provisions of this Section 2, and this corporation shall thereafter give such holders prompt notice of any material changes. The transaction shall in no event take place sooner than twenty (20) days after this corporation has given the first notice provided for herein or sooner than ten (10) days after this corporation has given notice of any material changes provided for herein; provided, however, that such periods may be shortened upon the written consent of the holders of Preferred Stock that are entitled to such notice rights or similar notice rights and that represent at least a majority of the voting power of all then outstanding shares of such Preferred Stock.

3. Redemption. The Preferred Stock is not redeemable.

4. Conversion. The holders of the Preferred Stock shall have

conversion rights as follows (the "Conversion Rights"):

(a) Right to Convert. Each share of Series A Preferred Stock and

Series B Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of this corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the Original Issue Price for such series by the Conversion Price applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion. The initial Conversion Price for shares of Series A Preferred Stock shall be the Original Series A Issue Price and the initial Conversion Price for shares of Series B Preferred Stock shall be the Original Series B Issue Price, subject to adjustment as set forth in Section 4(d) hereof.

(b) Automatic Conversion. Each share of Series A Preferred Stock and

Series B Preferred Stock shall automatically be converted into shares of Common Stock at the Conversion Price at the time in effect for such Series A Preferred Stock immediately upon the earlier of (i) this corporation's sale of its Common Stock in a firm commitment underwritten public offering pursuant to a registration statement on Form S-1 or Form SB-2 under the Securities Act of 1933, as amended, provided that the aggregate gross offering price is at least \$25,000,000 or (ii) upon vote of the holders of a majority of the then outstanding shares of Preferred Stock (which provision may be amended only by a majority vote of the holders of the Preferred Stock).

(c) Mechanics of Conversion. Before any holder of Preferred Stock

shall be entitled to convert the same into shares of Common Stock, he or she shall surrender the certificate or certificates therefor, duly endorsed, at the office of this corporation or of any transfer agent for the Preferred Stock, and shall give written notice to this corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued. This corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date. If the conversion is in connection with an underwritten offering of securities registered pursuant to the Securities Act of 1933, the conversion may, at the option of any holder tendering Preferred Stock for conversion, be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event the persons entitled to receive the Common Stock upon conversion of the Preferred Stock shall not be deemed to have converted such Preferred Stock until immediately prior to the closing of such sale of securities.

(d) Conversion Price Adjustments of Preferred Stock for Certain

Splits and Combinations. The Conversion Price of the Series A Preferred Stock

and Series B Preferred Stock shall be subject to adjustment from time to time as follows:

(i) (A) If this corporation shall issue, after the date upon which any shares of Series A Preferred Stock or Series B Preferred Stock were first issued (the "Purchase

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Date" with respect to such series, any Additional Stock (as defined below) without consideration or for a consideration per share less than the Conversion Price for such series in effect immediately prior to the issuance of such Additional Stock, the Conversion Price for such series in effect immediately prior to each such issuance shall forthwith (except as otherwise provided in this clause (i)) be adjusted to a price determined by multiplying such Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including shares of Common Stock deemed to be issued pursuant to subsection 4(d)(i)(E)(1) or (2)) plus the number of shares of Common Stock that the aggregate consideration received by this corporation for such issuance would purchase at such Conversion Price; and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issuance (including shares of Common Stock deemed to be issued pursuant to subsection 4(d)(i)(E)(1) or (2)) plus the number of shares of Additional Stock.

(B) No adjustment of the Conversion Price for the Series A Preferred Stock or Series B Preferred Stock shall be made in an amount less than one cent per share, provided that any adjustments that are not required to be made by reason of this sentence shall be carried forward and shall be either taken into account in any subsequent adjustment made prior to three (3) years from the date of the event giving rise to the adjustment being carried forward, or shall be made at the end of three (3) years from the date of the event giving rise to the adjustment being carried forward. Except to the limited extent provided for in subsections (E)(3) and (E)(4), no adjustment of such Conversion Price pursuant to this subsection 4(d)(i) shall have the effect of increasing the Conversion Price above the Conversion Price in effect immediately prior to such adjustment.

(C) In the case of the issuance of Common Stock for cash, the consideration shall be deemed to be the amount of cash paid therefor before deducting any reasonable discounts, commissions or other expenses allowed, paid or incurred by this corporation for any underwriting or otherwise in connection with the issuance and sale thereof.

(D) In the case of the issuance of the Common Stock for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof as determined by the Board of Directors as determined in good faith irrespective of any accounting treatment.

(E) In the case of the issuance (whether before, on or after the applicable Purchase Date) of options to purchase or rights to subscribe for Common Stock, securities by their terms convertible into or exchangeable for Common Stock or options to purchase or rights to subscribe for such convertible or exchangeable securities, the following provisions shall apply for all purposes of this subsection 4(d)(i) and subsection 4(d)(ii):

(1) The aggregate maximum number of shares of Common Stock deliverable upon exercise (assuming the satisfaction of any conditions to exercisability, including without limitation, the passage of time, but without taking into account potential antidilution adjustments) of such options to purchase or rights to subscribe for Common Stock shall be deemed to have been issued at the time such options or rights were issued and for a consideration equal to the consideration (determined in the manner provided in subsections

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4(d)(i)(C) and (d)(i)(D)), if any, received by this corporation upon the issuance of such options or rights plus the minimum exercise price provided in such options or rights (without taking into account potential antidilution adjustments) for the Common Stock covered thereby.

(2) The aggregate maximum number of shares of Common Stock deliverable upon conversion of, or in exchange (assuming the satisfaction of any conditions to convertibility or exchangeability, including, without limitation, the passage of time, but without taking into account potential antidilution adjustments) for, any such convertible or exchangeable securities or upon the exercise of options to purchase or rights to subscribe for such convertible or exchangeable securities and subsequent conversion or exchange thereof shall be deemed to have been issued at the time such securities were issued or such options or rights were issued and for a consideration equal to the consideration, if any, received by this corporation for any such securities and related options or rights (excluding any cash received on account of accrued interest or accrued dividends), plus the minimum additional consideration, if any, to be received by this corporation (without taking into account potential antidilution adjustments) upon the conversion or exchange of such securities or the exercise of any related options or rights (the consideration in each case to be determined in the manner provided in subsections 4(d)(i)(C) and (d)(i)(D)).

(3) In the event of any change in the number of shares of Common Stock deliverable or in the consideration payable to this corporation upon exercise of such options or rights or upon conversion of or in exchange for such convertible or exchangeable securities, including, but not limited to, a change resulting from the antidilution provisions thereof (unless such options or rights or convertible or exchangeable securities were merely deemed to be included in the numerator and denominator for purposes of determining the number of shares of Common Stock outstanding for purposes of subsection 4(d)(i)(A)), the Conversion Price of the Series A Preferred Stock, to the extent in any way affected by or computed using such options, rights or securities, shall be recomputed to reflect such change, but no further adjustment shall be made for the actual issuance of Common Stock or any payment of such consideration upon the exercise of any such options or rights or the conversion or exchange of such securities.

(4) Upon the expiration of any such options or rights, the termination of any such rights to convert or exchange or the expiration of any options or rights related to such convertible or exchangeable securities, the Conversion Price of the Series A Preferred Stock, to the extent in any way affected by or computed using such options, rights or securities or options or rights related to such securities (unless such options or rights were merely deemed to be included in the numerator and denominator for purposes of determining the number of shares of Common Stock outstanding for purposes of subsection 4(d)(i)(A)), shall be recomputed to reflect the issuance of only the number of shares of Common Stock (and convertible or exchangeable securities that remain in effect) actually issued upon the exercise of such options or rights, upon the conversion or exchange of such securities or upon the exercise of the options or rights related to such securities.

(5) The number of shares of Common Stock deemed issued and the consideration deemed paid therefor pursuant to subsections 4(d)(i)(E)(1) and (2) shall be

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appropriately adjusted to reflect any change, termination or expiration of the type described in either subsection 4(d)(i)(E)(3) or (4).

(ii) "Additional Stock" shall mean any shares of Common Stock issued (or deemed to have been issued pursuant to subsection 4(d)(i)(E)) by this corporation after the Purchase Date other than:

(A) Common Stock issued pursuant to a the three-for-two forward stock split described in Article IV hereof;

(B) Shares of Common Stock issuable or issued to employees, consultants, directors or vendors (if in transactions with primarily non-financing purposes) of this corporation directly or pursuant to a stock option plan or restricted stock plan approved by the Board of Directors of this corporation;

(C) The issuance of stock, warrants or other securities or

rights upon approval by the Company's Board of Directors (including the Series B Director) to persons or entities with which the Company has business relationships provided such issuances are for other than primarily equity financing purposes;

(D) The issuance of securities pursuant to a bona fide, firmly underwritten public offering of shares of Common Stock, registered under the Act resulting in proceeds to the Company of at least \$25,000,000 in the aggregate;

(E) The issuance of securities pursuant to the conversion or exercise of convertible or exercisable securities; or

(F) The issuance of securities in connection with a bona fide business acquisition of or by the Company, whether by merger, consolidation, sale of assets, sale or exchange of stock or otherwise.

(iii) In the event this corporation should at any time or from time to time after the Purchase Date fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock without a corresponding adjustment to the Conversion Price of the Preferred Stock (specifically excluding the three-for-two split of the outstanding shares of Common Stock, Series A Preferred Stock and Series B Preferred Stock effected upon the filing of this Amended and Restated Certificate of Incorporation) the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly, additional shares of Common Stock (hereinafter referred to as "Common Stock Equivalents") without payment of any consideration by such holder for the additional shares of Common Stock or the Common Stock Equivalents (including the additional shares of Common Stock issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Conversion Price of the Series A Preferred Stock and Series B Preferred Stock shall be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase of the

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aggregate of shares of Common Stock outstanding and those issuable with respect to such Common Stock Equivalents.

(iv) If the number of shares of Common Stock outstanding at any time after the Purchase Date is decreased by a combination of the outstanding shares of Common Stock, then, following the record date of such combination, the Conversion Price for the Series A Preferred Stock and Series B Preferred Stock shall be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in outstanding shares.

(e) Other Distributions. In the event this corporation shall declare

a distribution payable in securities of other persons, evidences of indebtedness issued by this corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in subsection 4(d)(i), then, in each such case for the purpose of this subsection 4(e), the holders of the Series A Preferred Stock and Series B Preferred Stock shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of this corporation into which their shares of Series A Preferred Stock and/or Series B Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of this corporation entitled to receive such distribution.

(f) Recapitalizations. If at any time or from time to time there

shall be a recapitalization of the Common Stock (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section 4 or Section 2 or the three-for-two forward stock split provided for in Article IV of this Amended and Restated Certificate of Incorporation) provision shall be made so that the holders of the Series A Preferred Stock and Series B Preferred Stock shall thereafter be entitled to receive upon conversion of the Series A Preferred Stock and/or Series B Preferred Stock the number of shares of stock or other securities or property of the Corporation or otherwise, to which a holder of Common Stock deliverable upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 4 with respect to the rights of the holders of the Series A Preferred Stock and Series B Preferred Stock after the recapitalization to the end that the provisions of this Section 4 (including adjustment of the Conversion Price then in effect and the number of shares purchasable upon conversion of the Series A Preferred Stock and Series B Preferred Stock) shall be applicable after that event as nearly equivalent as may be practicable.

(g) No Impairment. This corporation will not, by amendment of its

Certificate of Incorporation or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by this corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Series A Preferred Stock and Series B Preferred Stock against impairment.

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(h) No Fractional Shares and Certificate as to Adjustments.

(i) No fractional shares shall be issued upon the conversion of any share or shares of the Series A Preferred Stock or Series B Preferred Stock, and the number of shares of Common Stock to be issued shall be rounded to the nearest whole share. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Series A Preferred Stock and/or Series B Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price of Series A Preferred Stock or Series B Preferred Stock pursuant to this Section 4, this corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred Stock and Series B Preferred Stock a certificate executed by the Corporation's President or Chief Financial Officer setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. This corporation shall, upon the written request at any time of any holder of Series A Preferred Stock or Series B Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Price for such series of Preferred Stock at the time in effect, and (C) the number of shares of Common Stock and the amount, if any, of other property that at the time would be received upon the conversion of a share of Series A Preferred Stock or Series B Preferred Stock.

(i) Notices of Record Date. In the event of any taking by this

corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, this corporation shall mail to each holder of Series A Preferred Stock and Series B Preferred Stock, at least twenty (20) days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(j) Reservation of Stock Issuable Upon Conversion. This corporation

shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series A Preferred Stock and Series B Preferred Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A Preferred Stock and Series B Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series A Preferred Stock and Series B Preferred Stock, in addition to such other remedies as shall be available to the holder of such Preferred Stock, this corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite shareholder approval of any necessary amendment to this Restated Certificate of Incorporation.

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(k) Notices. Any notice required by the provisions of this Section 4

to be given to the holders of shares of Series A Preferred Stock and Series B Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of this corporation.

5. Voting Rights.

(a) General Voting Rights. Subject to the provisions of Section 5(b)

hereof, the holder of each share of Preferred Stock shall have the right to one vote for each share of Common Stock into which such Preferred Stock could then be converted, and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any stockholders' meeting in accordance with the bylaws of this corporation, and shall be entitled to vote, together with holders of Common Stock, with respect to any question upon which holders of Common Stock have the right to vote. Fractional votes shall not, however, be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward).

(b) Voting for the Election of Directors. As long as at least

twenty-five percent (25%) of the shares of Series A Preferred Stock originally issued remain outstanding, the holders of such shares of Series A Preferred Stock shall be entitled to elect two (2) directors of this corporation at each annual election of directors. The holders of outstanding Common Stock shall be entitled to elect two (2) directors of this corporation at each annual election of directors. As long as at least twenty-five percent (25%) of the shares of Series B Preferred Stock originally issued remain outstanding, the holders of such shares of Series B Preferred Stock shall be entitled to elect one (1) director of this corporation at each annual election of directors acceptable to the other directors. The holders of Series A Preferred Stock and Common Stock (voting together as a single class and not as separate series, and on an as-converted basis) shall be entitled to elect any remaining directors of this corporation, provided such directors are approved by the directors elected by the holders of Common Stock and the directors elected by the holders of Preferred Stock.

In the case of any vacancy (other than a vacancy caused by removal) in the office of a director occurring among the directors elected by the holders of a class or series of stock pursuant to this Section 5(b), the remaining directors so elected by that class or series may by affirmative vote of a majority thereof (or the remaining director so elected if there be but one, or if there are no such directors remaining, by the affirmative vote of the holders of a majority of the shares of that class or series), elect a successor or successors to hold office for the unexpired term of the director or directors whose place or places shall be vacant. Any director who shall have been elected by the holders of a class or series of stock or by any directors so elected as provided in the immediately preceding sentence hereof may be removed during the aforesaid term of office, either with or without cause, by, and only by, the affirmative vote of the holders of the shares of the class or series of stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders, and any vacancy thereby created may be filled by the holders of that class or series of stock represented at the meeting or pursuant to unanimous written consent.

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6. Protective Provisions. So long as 4,500,000 shares of Preferred

Stock are outstanding (after taking into account the three-for-two forward stock split effected upon the filing of this Amended and Restated Certificate), this corporation shall not without first obtaining the approval (by vote or written consent, as provided by law) of the holders of at least a majority of the then outstanding shares of Series A Preferred Stock and Series B Preferred Stock (voting together as a single class and not as a separate series, and on an as-converted basis; provided, however that such majority vote shall include the vote of at least 1,875,000 shares of the holders of Series B Preferred Stock, after taking into account the three-for-two forward stock split effected upon the filing of this Amended and Restated Certificate):

(a) sell, convey, or otherwise dispose of all or substantially all of its property or business or merge into or consolidate with any other corporation (other than a wholly-owned subsidiary corporation) or effect any transaction or series of related transactions in which more than fifty percent (50%) of the voting power of this corporation is disposed of;

(b) increase the total number of authorized shares of Series A Preferred Stock or Series B Preferred Stock;

(c) authorize or issue, or obligate itself to issue, any equity security other than that authorized herein, including any other security convertible into or exercisable for any equity security having a preference over or greater rights than the Series A Preferred Stock or Series B Preferred Stock with respect to dividends, liquidation, redemption, conversion or voting;

(d) redeem, purchase or otherwise acquire (or pay into or set aside for a sinking fund for such purpose) any share or shares of Preferred Stock or Common Stock; provided, however, that this restriction shall not apply to the

repurchase of shares of Common Stock from employees, officers, directors, consultants or other persons performing services for this corporation or any subsidiary pursuant to agreements under which this corporation has the option to repurchase such shares at cost upon the occurrence of certain events, such as the termination of employment;

(e) alter or change the rights, preferences or privileges of the shares of Series A Preferred Stock or Series B Preferred Stock so as to affect adversely the shares;

(f) pay any dividends on this corporation's Common Stock; or

(g) increase the authorized number of directors of this corporation.

7. Status of Converted Stock. In the event any shares of Series A

Preferred Stock or Series B Preferred Stock shall be converted pursuant to Section 4 hereof, the shares so converted shall be cancelled and shall not be issuable by this corporation. The Restated Certificate of Incorporation of this corporation shall be appropriately amended to effect the corresponding reduction in this corporation's authorized capital stock.

C. Common Stock. The rights, preferences, privileges and

restrictions granted to and imposed on the Common Stock are as set forth below in this Article V(C).

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1. Dividend Rights. Subject to the prior rights of holders of all

classes of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when and as declared by the Board of Directors, out of any assets of this corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

2. Liquidation Rights. Upon the liquidation, dissolution or winding

up of this corporation, the assets of this corporation shall be distributed as provided in Section 2 of Division (B) of Article V hereof.

3. Redemption. The Common Stock is not redeemable.

4. Voting Rights. The holder of each share of Common Stock shall

have the right to one vote for each such share, and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of this corporation, and shall be entitled to vote upon such matters and in such manner as may be provided by law.

ARTICLE VI

Except as otherwise provided in this Certificate of Incorporation, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of this corporation.

ARTICLE VII

The number of directors of this corporation shall be fixed from time to time by a bylaw or amendment thereof duly adopted by the Board of Directors or by the stockholders.

ARTICLE VIII

Elections of directors need not be by written ballot unless the Bylaws of this corporation shall so provide.

ARTICLE IX

Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of this corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of this corporation.

ARTICLE X

A director of this corporation shall, to the fullest extent permitted by the General Corporation Law as it now exists or as it may hereafter be amended, not be personally liable to this corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for

liability (i) for any breach of the director's duty of loyalty to this corporation or its stockholders, (ii) for acts or omissions not in good faith or that involve intentional

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misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law, or (iv) for any transaction from which the director derived any improper personal benefit. If the General Corporation Law is amended, after approval by the stockholders of this Article, to authorize corporation action further eliminating or limiting the personal liability of directors, then the liability of a director of this corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law, as so amended.

Any amendment, repeal or modification of this Article X, or the adoption of any provision of this Amended and Restated Certificate of Incorporation inconsistent with this Article X, by the stockholders of this corporation shall not apply to or adversely affect any right or protection of a director of this corporation existing at the time of such amendment, repeal, modification or adoption.

ARTICLE XI

This corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

ARTICLE XII

To the fullest extent permitted by applicable law, this corporation is authorized to provide indemnification of (and advancement of expenses to) agents of this corporation (and any other persons to which General Corporation Law permits this corporation to provide indemnification) through bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law, subject only to limits created by applicable General Corporation Law (statutory or non-statutory), with respect to actions for breach of duty to this corporation, its stockholders, and others.

Any amendment, repeal or modification of the foregoing provisions of this Article XII shall not adversely affect any right or protection of a director, officer, agent, or other person existing at the time of, or increase the liability of any director of this corporation with respect to any acts or omissions of such director, officer or agent occurring prior to, such amendment, repeal or modification.

* * *

THIRD: The foregoing amendment and restatement was approved by the holders of the requisite number of shares of said corporation in accordance with Section 228 of the General Corporation Law.

FOURTH: That said amendment and restatement was duly adopted in accordance with the provisions of Section 242 and 245 of the General Corporation Law.

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IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by the President of this corporation on this 19th day of January, 2000.

/s/ Albert M. Avery, IV

Albert M. Avery, IV
President and Chief Executive Officer

(Face of Note)

THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (II) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (III) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (IV) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE 'SECURITIES ACT'). THE HOLDER HEREOF, BY PURCHASING THIS SECURITY, AGREES FOR THE BENEFIT OF THE ISSUER THAT THIS SECURITY MAY NOT BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED PRIOR TO THE DATE WHICH IS TWO YEARS AFTER THE LATER OF THE ORIGINAL ISSUE DATE AND THE LAST DATE ON WHICH THE ISSUER OR AN AFFILIATE OF THE ISSUER WAS THE OWNER OF THE SECURITY, IN EITHER CASE OTHER THAN (1) TO THE ISSUER, (2) SO LONG AS THIS SECURITY IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ('RULE 144A'), TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A (AS INDICATED BY THE BOX CHECKED BY THE TRANSFEROR ON THE CERTIFICATE OF TRANSFER ON THE REVERSE OF THIS SECURITY), (3) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATIONS UNDER THE SECURITIES ACT (AS INDICATED BY THE BOX CHECKED BY THE TRANSFEROR ON THE CERTIFICATE OF TRANSFER ON THE REVERSE OF THIS SECURITY), AND, IF SUCH TRANSFER IS BEING EFFECTED BY CERTAIN TRANSFERORS SPECIFIED IN THE INDENTURE (AS DEFINED BELOW) PRIOR TO THE EXPIRATION OF THE APPLICABLE 'DISTRIBUTION COMPLIANCE PERIOD' (WITHIN THE MEANING OF RULE 903(c)(3) OF REGULATIONS UNDER THE SECURITIES ACT), A CERTIFICATE WHICH MAY BE OBTAINED FROM THE ISSUER OR THE TRUSTEE OR TRANSFER AGENT IS DELIVERED BY THE TRANSFEREE TO THE ISSUER AND THE TRUSTEE AND/OR TRANSFER AGENT, (4) TO AN INSTITUTION THAT IS AN 'ACCREDITED INVESTOR' AS DEFINED IN RULE 501(a)(1), (2), (3)

OR (7) UNDER THE SECURITIES ACT (AS INDICATED BY THE BOX CHECKED BY THE TRANSFEROR ON THE CERTIFICATE OF TRANSFER ON THE REVERSE OF THIS SECURITY) THAT IS ACQUIRING THIS SECURITY FOR INVESTMENT PURPOSES AND NOT FOR DISTRIBUTION, AND A CERTIFICATE IN THE FORM ATTACHED TO THIS SECURITY IS DELIVERED BY THE TRANSFEREE TO THE ISSUER AND THE TRUSTEE AND/OR TRANSFER AGENT, (5) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 (IF APPLICABLE) UNDER THE SECURITIES ACT, OR (6) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY OTHER APPLICABLE SECURITIES LAWS. AN 'INSTITUTIONAL ACCREDITED INVESTOR' HOLDING THIS SECURITY AGREES IT WILL FURNISH TO THE ISSUER AND THE TRUSTEE AND/OR TRANSFER AGENT SUCH CERTIFICATES AND OTHER INFORMATION AS THEY MAY REASONABLY REQUIRE TO CONFIRM THAT ANY TRANSFER BY IT OF THIS SECURITY COMPLIES WITH THE FOREGOING RESTRICTIONS. THE HOLDER HEREOF, BY PURCHASING THIS SECURITY, REPRESENTS AND AGREES FOR THE BENEFIT OF THE ISSUER THAT IT IS (1) A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A OR (2) AN INSTITUTION THAT IS AN 'ACCREDITED INVESTOR' AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT AND THAT IT IS HOLDING THIS SECURITY FOR INVESTMENT PURPOSES AND NOT FOR DISTRIBUTION OR (3) A NON-U.S. PERSON OUTSIDE THE UNITED STATES WITHIN THE MEANING OF (OR AN ACCOUNT SATISFYING THE REQUIREMENTS OF) RULE 902 UNDER REGULATIONS UNDER THE SECURITIES ACT.

CUSIP #29444UAB2

13% Senior Notes due 2007

No.

§

This Note is issued with original issue discount for purposes of Section 1271 et seq. of the Internal Revenue Code. For each \$1,000 of principal amount of this Security, the issue price is \$949.35 and the amount of original issue discount is \$50.65. The issue date of this Security is December 1, 1999 and the yield to maturity is 14.074%.

EQUINIX, INC.

promises to pay to Cede & Co., or registered assigns, the principal sum of _____ Dollars on December 1, 2007.

Interest Payment Dates: December 1 and June 1.

Record Dates: November 15 and May 15.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated:

EQUINIX, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

Trustee's Certificate of Authentication

This is one of the Notes referred to in the within-mentioned Indenture:

Dated:

STATE STREET BANK AND TRUST COMPANY OF CALIFORNIA, N.A., as Trustee

By: _____
Authorized Signatory

(Back of Note)

13% Senior Notes due 2007

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. INTEREST. Equinix, Inc., a Delaware corporation (the "Company"),

promises to pay interest on the principal amount of this Note at 13% per annum from December 1, 1999 until maturity and shall pay the Liquidated Damages payable in accordance with the provisions of the following paragraph. The Company shall pay interest and Liquidated Damages semi-annually on December 1 and June 1 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "Interest Payment Date"). Interest on the Notes shall accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; provided that if there is no existing Default or Event of Default relating to the payment of interest, and if this Note is authenticated between a Record Date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; provided, further, that the first Interest Payment Date shall be June 1, 2000. The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1.0% per annum in excess of the rate then in effect; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Liquidated Damages (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

The Holder of this Note is entitled to the benefits of the Registration Rights Agreement. If (a) the Company fails to file any of the Registration Statements required by the Registration Rights Agreement on or before the date specified for such filing, (b) any of such Registration Statements is not declared effective by the Commission on or prior to the date specified for such effectiveness, (c) the Company fails to consummate the Registered Exchange Offer within 210 days of the Issue Date with respect to the Exchange Offer Registration Statement, or (d) any Registration Statement required by the Registration Rights Agreement is declared effective but thereafter ceases to be effective or usable in connection with its intended purpose (each such event referred to in clauses (a) through (d) above a "Registration Default"), then the Company shall pay to each holder of Transfer Restricted Notes (as defined in the Registration Rights Agreement) affected thereby liquidated damages ("Liquidated Damages") which shall accrue and be payable semi-annually on the Notes and the Exchange Notes (in addition to the stated interest on the Notes and the Exchange Notes) from and including the date such Registration Default occurs to, but excluding the date on which the applicable Registration Statement is filed or is declared effective, the

Registered Exchange Offer is consummated, or the applicable Registration Statement is again declared effective or made usable. During the time that Liquidated Damages is accruing continuously, the rate of such Liquidated Damages shall be 0.50% per annum during the first 90-day period and shall increase by 0.25% per annum for each subsequent 90-day period, but in no event shall such rate exceed 1.50% per annum in the aggregate regardless of the number of Registrations Defaults. If, after the cure of all Registrations Defaults then in effect, there is a subsequent Registration Default, the rate of Liquidated Damages for such subsequent Registration Default shall initially be 0.50%, regardless of the Liquidated Damages rate in effect with respect to any prior Registration Default at the time of the cure of such Registration Default.

2. METHOD OF PAYMENT. The Company shall pay interest on the Notes

(except defaulted interest) and Liquidated Damages to the Persons who are registered Holders at the close of business on May 15 or November 15 next preceding the Interest Payment Date, even if such Notes are canceled after such Record Date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes shall be payable as to principal, premium and Liquidated Damages, if any, and interest at the office or agency of the Company maintained for such purpose within or outside of the City and State of New York, or, at the option of the Company, payment of interest and Liquidated Damages may be made by check mailed to the Holders at their addresses set forth in the register of Holders kept by the Registrar, and provided that payment by wire transfer of immediately available funds shall be required with respect to principal of and interest, premium and Liquidated Damages on, all Global Notes and all other Notes the Holders of which shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

3. PAYING AGENT AND REGISTRAR. Initially, State Street Bank and

Trust Company of California, N.A., the Trustee under the Indenture, shall act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Restricted Subsidiaries may act in any such capacity.

4. INDENTURE. The Company issued the Notes under an Indenture dated

as of December 1, 1999 ("Indenture") between the Company and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code Sections 77aaa-77bbb) (the "TIA"). The Notes are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are obligations of the Company limited to \$200 million in aggregate principal amount.

5. OPTIONAL REDEMPTION.

(a) The Notes shall not be redeemable at the Company's option prior to December 1, 2003. Thereafter, the Notes shall be subject to redemption at any time at the option of the Company, in whole or in part, upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest thereon to the applicable redemption date (subject to the right of Holders as of the relevant Record Date to receive interest due on the relevant Interest Payment Date), if redeemed during the twelve-month period beginning on December 1 of the years indicated below:

Year	Percentage
2003.....	106.500%
2004.....	103.250%
2005 and thereafter.....	100.000%

(b) Any redemption pursuant to this Section 5 shall be made pursuant to the provisions of Sections 3.01 through 3.06 of the Indenture.

6. MANDATORY REDEMPTION. The Company shall not be required to make

mandatory redemption or sinking fund payments with respect to the Notes.

7. REPURCHASE AT OPTION OF HOLDER.

(a) Upon the occurrence of a Change of Control, each Holder shall have the right to require the Company to purchase all or any part (equal to \$1,000 or an integral multiple thereof) of such Holder's Notes pursuant to the offer described below (the "Change of Control Offer") at a purchase price in cash

equal to 101% of the aggregate principal amount thereof (the "Change of Control Payment"), plus accrued and unpaid interest (and Liquidated Damages, if any) thereon to the date of purchase (subject to the right of Holders as of a Record Date to receive interest due on the relevant Interest Payment Date); provided, that, the Company shall not be obligated to repurchase Notes pursuant to a Change of Control Offer in the event that it has exercised its rights to redeem all of the Notes pursuant to the Indenture. Within 30 days following any Change of Control, the Company shall mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to purchase Notes on the date specified in such notice, which date shall be no earlier than 30 and no later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), in accordance with the procedures required by the Indenture and described in such notice.

(b) The Company shall comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws and regulations are applicable in connection with the purchase of Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with any of the provisions of this covenant, the Company shall comply with the applicable securities laws and regulations and will be deemed not to have breached its obligations under this covenant by virtue thereof.

(c) On the Change of Control Payment Date, the Company shall, to the extent lawful, (1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer, (2) deposit with the Paying Agent an amount equal to the Change of Control Payment plus accrued and unpaid interest thereon and Liquidated Damages, if any, in respect of all Notes or portions thereof so tendered and (3) deliver or cause to be delivered to the Trustee Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company. The Paying Agent shall promptly mail or deliver to each Holder so tendered the Change of Control Payment plus accrued and unpaid interest thereon and Liquidated Damages, if any, for such Notes, and the Trustee

shall promptly authenticate and mail or deliver (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of Notes surrendered, if any; provided that each such new Note will be in a principal amount of \$1,000 or an integral multiple thereof. The Company shall publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(d) The Company shall not, and shall not permit any of the Restricted Subsidiaries to, directly or indirectly, consummate any Asset Sale, unless (i) the Company (or such Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value (as determined in good faith by the Board of Directors (including as to the value of all noncash consideration) and set forth in an Officers' Certificate delivered to the Trustee) of the assets or Equity Interests issued or sold or otherwise disposed of and (ii) at least 75% of the consideration therefor is in the form of cash and/or Cash Equivalents or Qualified Consideration, and (iii) the Net Cash Proceeds received by the Company (or such Restricted Subsidiary, as the case may be) from such Asset Sale are applied within 360 days following the receipt of such Net Cash Proceeds, to the extent the Company (or such Restricted Subsidiary, as the case may be) elects, (a) to the redemption or repurchase of outstanding Indebtedness (I) that is either (A) secured Indebtedness or (B) Indebtedness of the Company that ranks equally with the Notes but has a maturity date that is prior to the maturity date of the Notes, in either case other than Subordinated Indebtedness or (II) that is Indebtedness of a Restricted Subsidiary and/or (b) to reinvest such Net Cash Proceeds (or any portion thereof) in properties or assets (including Equity Interests of a person that will become a Restricted Subsidiary as a result of such investment) that will be used in a Permitted Business. The balance of such Net Cash Proceeds, after the application of such Net Cash Proceeds as described in the immediately preceding clauses (a) and (b), shall constitute "Excess Proceeds."

(e) When the aggregate amount of Excess Proceeds equals or exceeds \$10 million (taking into account income earned on such Excess Proceeds), the Company shall be required to make a pro rata offer to all Holders and pari passu Indebtedness with comparable provisions requiring such Indebtedness to be purchased with the proceeds of such Asset Sale (an "Asset Sale Offer") to purchase the maximum principal amount or accreted value in the case of Indebtedness issued with an original issue discount of Notes and pari passu Indebtedness that may be purchased out of the Excess Proceeds, at a purchase price in cash in an amount equal to 100% of the principal amount thereof or the accreted value thereof, as applicable, plus accrued and unpaid interest thereon to the date of purchase (subject to the right of Holders of record on the relevant Record Date to receive interest due on the relevant Interest Payment Date), in accordance with the procedures set forth in Article 3 of the Indenture and the agreements governing such pari passu Indebtedness. To the extent that any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and pari passu Indebtedness tendered into such Asset Sale Offer surrendered by Holders thereof

exceeds the amount of Excess Proceeds, the Trustee shall select the Notes and pari passu Indebtedness to be purchased on a pro rata basis in proportion to the respective principal amounts (or accreted values in the case of Indebtedness issued with an original issue discount) of the Notes and such other Indebtedness. Upon completion of such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero for purposes of the first sentence of this paragraph.

8. NOTICE OF REDEMPTION. Notice of redemption shall be mailed at

least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than \$1,000 may be redeemed in part but only in whole multiples of \$1,000, unless all of the Notes held by a Holder are to be redeemed. On and after the redemption date interest shall cease to accrue on Notes or portions thereof called for redemption.

9. DENOMINATIONS, TRANSFER, EXCHANGE. The Notes are in registered

form without coupons in denominations of \$1,000 and integral multiples of \$1,000. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a Record Date and the corresponding Interest Payment Date.

10. PERSONS DEEMED OWNERS. The registered Holder of a Note on the

Registrar's books may be treated as its owner for all purposes under the Indenture.

11. AMENDMENT, SUPPLEMENT AND WAIVER. Subject to certain exceptions,

the Indenture and the Notes may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes, and any existing default or compliance with any provision of the Indenture or the Note may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes. Without the consent of any Holder of a Note, the Indenture or the Notes may be amended or supplemented among other things, to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption of the Company's obligations to Holders of the Notes in case of a merger or consolidation or sale of all or substantially all of the Company's assets in accordance with the terms of the Indenture, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights under the Indenture of any such Holder, or to comply with the requirements of the Commission in order to effect or maintain the qualification of the Indenture under the TIA.

12. DEFAULTS AND REMEDIES.

(a) Events of Default under the Indenture include: (i) the failure to pay interest on, including Liquidated Damages, if any, with respect to, the Notes, when the same becomes due and payable if such default continues for a period of 30 days, (ii) the failure to pay principal of any Notes when such principal becomes due and payable, at maturity, upon redemption or otherwise; (iii) failure by the Company or any Restricted Subsidiary to comply with Sections 4.10 or 4.14 of the Indenture; (iv) failure by the Company or any Restricted Subsidiary for 60 days after notice to comply with any of its other agreements in the Indenture, the Escrow Agreement or this Note; (v) default under any mortgage, indenture or instrument

under which there may be issued or by which there may be secured or evidenced any Indebtedness by the Company or any of the Restricted Subsidiaries (or the payment of which is Guaranteed by the Company or any of the Restricted Subsidiaries) whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, and either such Indebtedness is already due and payable or such default results in the acceleration of such Indebtedness prior to its express maturity and, in each case, the amount of any such Indebtedness, together with the amount of any other such Indebtedness or the maturity of which has been so accelerated, aggregates \$10.0 million or more; (vi) failure by the Company or any of the Restricted Subsidiaries to pay final judgments not subject to appeal aggregating in excess of \$10.0 million; (vii) one or more judgments, orders or decrees for the payment of money in excess of \$10.0 million, individually or in the aggregate (net of applicable insurance coverage which is acknowledged in writing by the insurer), shall be entered against the Company or any Restricted Subsidiary or any of their respective properties and shall not be discharged and there shall have been a period of 60 days or more during which a

stay of enforcement of such judgment or order, by reason of pending appeal or otherwise, shall not be in effect; (viii) the Company shall assert or acknowledge in writing that the Escrow Agreement is invalid or unenforceable; or (ix) certain events of bankruptcy or insolvency with respect to the Company or any of its Significant Subsidiaries.

(b) If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may declare all principal of, premium (if any) on and interest on the Notes to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency with respect to the Company or a Significant Subsidiary, all outstanding Notes will become due and payable without further action or notice.

(c) Holders may not directly enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

(d) The Holders of a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of all the Holders waive any existing Default or Event of Default and its consequences under the Indenture, except a continuing Default or Event of Default in the payment of principal of, premium, if any, or interest on the Notes.

(e) The Company shall be required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company shall be required upon becoming aware of any Default or Event of Default to deliver to the Trustee a statement specifying such Default or Event of Default. The Trustee may withhold from Holders notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal of, premium, if any, or interest on, the Notes) if it determines that withholding notice is in their interest.

13. TRUSTEE DEALINGS WITH COMPANY. The Trustee, in its individual or

any other capacity, may make loans to, accept deposits from, and perform services for the

Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

14. NO RECOURSE AGAINST OTHERS. No director, officer, employee,

incorporator or stockholder of the Company, as such, will have any liability for any obligations of the Company with respect to the Notes or the Indenture, or for any claim based on, or in respect or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note will waive and release any and all such liability. Such waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under federal securities laws and it is the view of the Commission that such a waiver is against public policy.

15. AUTHENTICATION. This Note shall not be valid until authenticated

by the manual signature of the Trustee or an authenticating agent.

16. ABBREVIATIONS. Customary abbreviations may be used in the name

of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entirety), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

17. ADDITIONAL RIGHTS OF HOLDERS OF RESTRICTED GLOBAL NOTES AND

RESTRICTED DEFINITIVE NOTES. In addition to the rights provided to Holders

under the Indenture, Holders shall have all the rights set forth in the Registration Rights Agreement.

18. CUSIP NUMBERS. Pursuant to a recommendation promulgated by the

Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

The Company shall furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

Equinix, Inc.

901 Marshall Street
Redwood City, CA 94063
Attention: Chief Financial Officer

ASSIGNMENT FORM

To assign this Note, fill in the form below: (I) or (we) assign and transfer this Note to

(Insert assignee's soc. sec. or tax I.D. no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____
to transfer this Note on the books of the Company. The agent may substitute
another to act for him.

Date: _____ Your Signature: _____
(Sign exactly as your name appears on the face of this
Note)

Tax Identification No.: _____

SIGNATURE GUARANTEE:

Signatures must be guaranteed by an "eligible guarantor
institution" meeting the requirements of the Registrar,
which requirements include membership or participation
in the Security Transfer Agent Medallion Program
("STAMP") or such other "signature guarantee program"
as may be determined by the Registrar in addition to,
or in substitution for, STAMP, all in accordance with
the Securities Exchange Act of 1934, as amended.

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Company pursuant to
Section 4.10 or 4.14 of the Indenture, check the box below:

Section 4.10

Section 4.14

If you want to elect to have only part of the Note purchased by the Company
pursuant to Section 4.10 or Section 4.14 of the Indenture, state the amount you
elect to have purchased: \$ _____

Date: _____ Your Signature: _____
(Sign exactly as your name appears on the face of this
Note)

Tax Identification No.: _____

SIGNATURE GUARANTEE:

Signatures must be guaranteed by an "eligible guarantor
institution" meeting the requirements of the Registrar,
which requirements include membership or participation
in the Security Transfer Agent Medallion Program
("STAMP") or such other "signature guarantee program"
as may be determined by the Registrar in addition to,
or in substitution for, STAMP, all in accordance with
the Securities Exchange Act of 1934, as amended.

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another
Global Note or for a Definitive Note, or exchanges of a part of another Global
Note or Definitive Note for an interest in this Global Note, have been made:

<TABLE>
<CAPTION>

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)
<S> </TABLE>	<C>	<C>	<C>

(Face of Note)

THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (II) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (III) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (IV) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

CUSIP # _____

13% Senior Notes due 2007

No. _____ \$ _____

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EQUINIX, INC.

promises to pay to Cede & Co., or registered assigns, the principal sum of _____ Dollars on December 1, 2007.

Interest Payment Dates: December 1 and June 1.

Record Dates: November 15 and May 15.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated:

EQUINIX, INC.

By: _____

Name:
Title:

By: _____

Name:
Title:

Trustee's Certificate of Authentication

This is one of the Notes referred to in the within-mentioned Indenture:

Dated:

STATE STREET BANK AND TRUST COMPANY
OF CALIFORNIA, N.A., as Trustee

By: _____
Authorized Signatory

(Back of Note)

13% Senior Notes due 2007

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. INTEREST. Equinix, Inc., a Delaware corporation (the "Company"),

promises to pay interest on the principal amount of this Note at 13% per annum from December 1, 1999 until maturity and shall pay the Liquidated Damages payable in accordance with the provisions of the following paragraph. The Company shall pay interest and Liquidated Damages semi-annually on December 1 and June 1 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "Interest Payment Date"). Interest on the

Notes shall accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; provided that if there is no existing Default or Event of Default relating to the payment of interest, and if this Note is authenticated between a Record Date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; provided, further, that the first Interest Payment Date shall be June 1, 2000. The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1.0% per annum in excess of the rate then in effect; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Liquidated Damages (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

The Holder of this Note is entitled to the benefits of the Registration Rights Agreement. If (a) the Company fails to file any of the Registration Statements required by the Registration Rights Agreement on or before the date specified for such filing, (b) any of such Registration Statements is not declared effective by the Commission on or prior to the date specified for such effectiveness, (c) the Company fails to consummate the Registered Exchange Offer within 210 days of the Issue Date with respect to the Exchange Offer Registration Statement, or (d) any Registration Statement required by the Registration Rights Agreement is declared effective but thereafter ceases to be effective or usable in connection with its intended purpose (each such event referred to in clauses (a) through (d) above a "Registration Default"), then the Company shall pay to each holder of Transfer Restricted Notes (as defined in the Registration Rights Agreement) affected thereby liquidated damages ("Liquidated Damages") which shall accrue and be payable semi-annually on the Notes and the Exchange Notes (in addition to the stated interest on the Notes and the Exchange Notes) from and including the date such Registration Default occurs to, but excluding the date on which the applicable Registration Statement is filed or is declared effective, the Registered Exchange Offer is consummated, or the applicable Registration Statement is again declared effective or made usable. During the time that Liquidated Damages is accruing continuously, the rate of such Liquidated Damages shall be 0.50% per annum during the first 90-day period and shall increase by 0.25% per annum for each subsequent 90-day period, but in no event shall such rate exceed 1.50% per annum in the aggregate regardless of the number of Registration Defaults. If, after the cure of all Registration

Defaults then in effect, there is a subsequent Registration Default, the rate of Liquidated Damages for such subsequent Registration Default shall initially be 0.50%, regardless of the Liquidated Damages rate in effect with respect to any prior Registration Default at the time of the cure of such Registration Default.

2. METHOD OF PAYMENT. The Company shall pay interest on the Notes

(except defaulted interest) and Liquidated Damages to the Persons who are registered Holders at the close of business on May 15 or November 15 next preceding the Interest Payment Date, even if such Notes are canceled after such Record Date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes shall be payable as to principal, premium and Liquidated Damages, if any, and interest at the office or agency of the Company maintained for such purpose within or outside of the City and State of New York, or, at the option of the Company, payment of interest and Liquidated Damages may be made by check mailed to the Holders at their addresses set forth in the register of Holders kept by the Registrar, and provided that payment by wire transfer of immediately available funds shall be required with respect to principal of and interest, premium and Liquidated Damages on, all Global Notes and all other Notes the Holders of which shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

3. PAYING AGENT AND REGISTRAR. Initially, State Street Bank and Trust

Company of California, N.A., the Trustee under the Indenture, shall act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Restricted Subsidiaries may act in any such capacity.

4. INDENTURE. The Company issued the Notes under an Indenture dated

as of December 1, 1999 ("Indenture") between the Company and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code Sections 77aaa-77bbb) (the "TIA"). The Notes are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are obligations of the Company limited to \$200 million in aggregate principal amount.

5. OPTIONAL REDEMPTION.

(a) The Notes shall not be redeemable at the Company's option prior to December 1, 2003. Thereafter, the Notes shall be subject to redemption at any time at the option of the Company, in whole or in part, upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest thereon to the applicable redemption date (subject to the right of Holders as of the relevant Record Date to receive interest due on the relevant Interest Payment Date), if redeemed during the twelve-month period beginning on December 1 of the years indicated below:

Year	Percentage
----	-----
2003.....	106.500%
2004.....	103.250%
2005 and thereafter.....	100.000%

(b) Any redemption pursuant to this Section 5 shall be made pursuant to the provisions of Sections 3.01 through 3.06 of the Indenture.

6. MANDATORY REDEMPTION. The Company shall not be required to make

mandatory redemption or sinking fund payments with respect to the Notes.

7. REPURCHASE AT OPTION OF HOLDER.

(a) Upon the occurrence of a Change of Control, each Holder shall have the right to require the Company to purchase all or any part (equal to \$1,000 or an integral multiple thereof) of such Holder's Notes pursuant to the offer described below (the "Change of Control Offer") at a purchase price in cash equal to 101% of the aggregate principal amount thereof (the "Change of Control Payment"), plus accrued and unpaid interest (and Liquidated Damages, if any) thereon to the date of purchase (subject to the right of Holders as of a Record Date to receive interest due on the relevant Interest Payment Date); provided, that, the Company shall not be obligated to repurchase Notes pursuant to a Change of Control Offer in the event that it has exercised its rights to redeem all of the Notes pursuant to the Indenture. Within 30 days following any Change of Control, the Company shall mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to purchase Notes on the date specified in such notice, which date shall be no earlier than 30 and no later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), in accordance with the procedures required by the Indenture and described in such notice.

(b) The Company shall comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations to the extent such laws and regulations are applicable in connection with the purchase of Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with any of the provisions of this covenant, the Company shall comply with the applicable securities laws and regulations and will be deemed not to have breached its obligations under this covenant by virtue thereof.

(c) On the Change of Control Payment Date, the Company shall, to the extent lawful, (1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer, (2) deposit with the Paying Agent an amount equal to the Change of Control Payment plus accrued and unpaid interest thereon and Liquidated Damages, if any, in respect of all Notes or portions thereof so tendered and (3) deliver or cause to be delivered to the Trustee Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company. The Paying Agent shall promptly mail or deliver to each Holder so tendered the Change of Control Payment plus accrued and unpaid interest thereon and Liquidated Damages, if any, for such Notes, and the Trustee

shall promptly authenticate and mail or deliver (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of Notes surrendered, if any; provided that each such new Note will be in a principal amount of \$1,000 or an integral multiple thereof. The Company shall publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(d) The Company shall not, and shall not permit any of the Restricted Subsidiaries to, directly or indirectly, consummate any Asset Sale, unless (i) the Company (or such Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value (as determined in good faith by the Board of Directors (including as to the value of all noncash consideration) and set forth in an Officers' Certificate delivered to the Trustee) of the assets or Equity Interests issued or sold or otherwise disposed of and (ii) at least 75% of the consideration therefor is in the form of cash and/or Cash Equivalents or Qualified

Consideration, and (iii) the Net Cash Proceeds received by the Company (or such Restricted Subsidiary, as the case may be) from such Asset Sale are applied within 360 days following the receipt of such Net Cash Proceeds, to the extent the Company (or such Restricted Subsidiary, as the case may be) elects, (a) to the redemption or repurchase of outstanding Indebtedness (I) that is either (A) secured Indebtedness or (B) Indebtedness of the Company that ranks equally with the Notes but has a maturity date that is prior to the maturity date of the Notes, in either case other than Subordinated Indebtedness or (II) that is Indebtedness of a Restricted Subsidiary and/or (b) to reinvest such Net Cash Proceeds (or any portion thereof) in properties or assets (including Equity Interests of a person that will become a Restricted Subsidiary as a result of such investment) that will be used in a Permitted Business. The balance of such Net Cash Proceeds, after the application of such Net Cash Proceeds as described in the immediately preceding clauses (a) and (b), shall constitute "Excess Proceeds."

(e) When the aggregate amount of Excess Proceeds equals or exceeds \$10 million (taking into account income earned on such Excess Proceeds), the Company shall be required to make a pro rata offer to all Holders and pari passu Indebtedness with comparable provisions requiring such Indebtedness to be purchased with the proceeds of such Asset Sale (an "Asset Sale Offer") to purchase the maximum principal amount or accreted value in the case of Indebtedness issued with an original issue discount of Notes and pari passu Indebtedness that may be purchased out of the Excess Proceeds, at a purchase price in cash in an amount equal to 100% of the principal amount thereof or the accreted value thereof, as applicable, plus accrued and unpaid interest thereon to the date of purchase (subject to the right of Holders of record on the relevant Record Date to receive interest due on the relevant Interest Payment Date), in accordance with the procedures set forth in Article 3 of the Indenture and the agreements governing such pari passu Indebtedness. To the extent that any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and pari passu Indebtedness tendered into such Asset Sale Offer surrendered by Holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes and pari passu Indebtedness to be purchased on a pro rata basis in proportion to the respective principal amounts (or accreted values in the case of Indebtedness issued with an original issue discount) of the Notes and such other Indebtedness. Upon completion of such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero for purposes of the first sentence of this paragraph.

8. NOTICE OF REDEMPTION. Notice of redemption shall be mailed at

least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than \$1,000 may be redeemed in part but only in whole multiples of \$1,000, unless all of the Notes held by a Holder are to be redeemed. On and after the redemption date interest shall cease to accrue on Notes or portions thereof called for redemption.

9. DENOMINATIONS, TRANSFER, EXCHANGE. The Notes are in registered

form without coupons in denominations of \$1,000 and integral multiples of \$1,000. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a Record Date and the corresponding Interest Payment Date.

10. PERSONS DEEMED OWNERS. The registered Holder of a Note on the

Registrar's books may be treated as its owner for all purposes under the Indenture.

11. AMENDMENT, SUPPLEMENT AND WAIVER. Subject to certain exceptions,

the Indenture and the Notes may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes, and any existing default or compliance with any provision of the Indenture or the Note may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes. Without the consent of any Holder of a Note, the Indenture or the Notes may be amended or supplemented among other things, to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption of the Company's obligations to Holders of the Notes in case of a merger or consolidation or sale of all or substantially all of the Company's assets in accordance with the terms of the Indenture, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal

rights under the Indenture of any such Holder, or to comply with the requirements of the Commission in order to effect or maintain the qualification of the Indenture under the TIA.

12. DEFAULTS AND REMEDIES.

(a) Events of Default under the Indenture include: (i) the failure to pay interest on, including Liquidated Damages, if any, with respect to, the Notes, when the same becomes due and payable if such default continues for a period of 30 days, (ii) the failure to pay principal of any Notes when such principal becomes due and payable, at maturity, upon redemption or otherwise; (iii) failure by the Company or any Restricted Subsidiary to comply with Sections 4.10 or 4.14 of the Indenture; (iv) failure by the Company or any Restricted Subsidiary for 60 days after notice to comply with any of its other agreements in the Indenture, the Escrow Agreement or this Note; (v) default under any mortgage, indenture or instrument

under which there may be issued or by which there may be secured or evidenced any Indebtedness by the Company or any of the Restricted Subsidiaries (or the payment of which is Guaranteed by the Company or any of the Restricted Subsidiaries) whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, and either such Indebtedness is already due and payable or such default results in the acceleration of such Indebtedness prior to its express maturity and, in each case, the amount of any such Indebtedness, together with the amount of any other such Indebtedness or the maturity of which has been so accelerated, aggregates \$10.0 million or more; (vi) failure by the Company or any of the Restricted Subsidiaries to pay final judgments not subject to appeal aggregating in excess of \$10.0 million; (vii) one or more judgments, orders or decrees for the payment of money in excess of \$10.0 million, individually or in the aggregate (net of applicable insurance coverage which is acknowledged in writing by the insurer), shall be entered against the Company or any Restricted Subsidiary or any of their respective properties and shall not be discharged and there shall have been a period of 60 days or more during which a stay of enforcement of such judgment or order, by reason of pending appeal or otherwise, shall not be in effect; (viii) the Company shall assert or acknowledge in writing that the Escrow Agreement is invalid or unenforceable; or (ix) certain events of bankruptcy or insolvency with respect to the Company or any of its Significant Subsidiaries.

(b) If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may declare all principal of, premium (if any) on and interest on the Notes to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency with respect to the Company or a Significant Subsidiary, all outstanding Notes will become due and payable without further action or notice.

(c) Holders may not directly enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

(d) The Holders of a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of all the Holders waive any existing Default or Event of Default and its consequences under the Indenture, except a continuing Default or Event of Default in the payment of principal of, premium, if any, or interest on the Notes.

(e) The Company shall be required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company shall be required upon becoming aware of any Default or Event of Default to deliver to the Trustee a statement specifying such Default or Event of Default. The Trustee may withhold from Holders notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal of, premium, if any, or interest on, the Notes) if it determines that withholding notice is in their interest.

13. TRUSTEE DEALINGS WITH COMPANY. The Trustee, in its individual or

any other capacity, may make loans to, accept deposits from, and perform services for the

Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

14. NO RECOURSE AGAINST OTHERS. No director, officer, employee,

incorporator or stockholder of the Company, as such, will have any liability for any obligations of the Company with respect to the Notes or the Indenture, or for any claim based on, or in respect or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note will waive and release any and all such liability. Such waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under federal securities laws and it is the view of the Commission

that such a waiver is against public policy.

15. AUTHENTICATION. This Note shall not be valid until authenticated

by the manual signature of the Trustee or an authenticating agent.

16. ABBREVIATIONS. Customary abbreviations may be used in the name

of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entirety), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

17. ADDITIONAL RIGHTS OF HOLDERS OF RESTRICTED GLOBAL NOTES AND

RESTRICTED DEFINITIVE NOTES. In addition to the rights provided to Holders

under the Indenture, Holders shall have all the rights set forth in the Registration Rights Agreement.

18. CUSIP NUMBERS. Pursuant to a recommendation promulgated by the

Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

The Company shall furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

Equinix, Inc.
901 Marshall Street
Redwood City, CA 94063
Attention: Chief Financial Officer

ASSIGNMENT FORM

To assign this Note, fill in the form below: (I) or (we) assign and transfer this Note to

(Insert assignee's soc. sec. or tax I.D. no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____
to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____ Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: _____

SIGNATURE GUARANTEE:

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.14 of the Indenture, check the box below:

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.14 of the Indenture, state the amount you elect to have purchased: \$_____

Date:_____ Your Signature:_____ (Sign exactly as your name appears on the face of this Note)

Tax Identification No.:_____

SIGNATURE GUARANTEE:

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

<TABLE>	<S>	<C>	<C>	<C>
	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	
Date of Exchange	-----	-----	-----	-----
-----	-----	-----	-----	-----
</TABLE>				

[Letterhead of Dewey Ballantine LLP]

February 23, 2000

Equinix, Inc.
901 Marshall Street
Redwood City, CA 94063

Ladies and Gentlemen:

We have acted as special New York counsel to Equinix, Inc., a Delaware corporation (the "Company"), in connection with the Company's offer to exchange (the "Exchange Offer") up to \$200,000,000 aggregate principal amount of its 13% Senior Notes due 2007 (the "Exchange Notes") which have been registered under the Securities Act of 1933, as amended (the "Securities Act") for its existing 13% Senior Notes due 2007 (the "Old Notes"), as described in the Prospectus (the "Prospectus") contained in the Registration Statement on Form S-4 (as amended or supplemented, the "Registration Statement"), to be filed with the Securities and Exchange Commission. The Old Notes were issued, and the Exchange Notes are proposed to be issued, under an indenture dated as of December 1, 1999 (the "Indenture"), between the Company and State Street Bank and Trust Company of California, N.A., as Trustee.

In arriving at the opinion expressed below, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records, certificates, agreements and other matters as we have deemed necessary or advisable for the purposes of rendering this opinion.

In such examination, we have assumed, without independent investigation, (i) the genuineness of all signatures; (ii) the legal capacity of all individuals who have executed any of the documents reviewed by us; (iii) the authenticity of all documents submitted to us as originals; (iv) the conformity to executed documents of all unexecuted copies submitted to us; (v) the authenticity of, and the conformity to original documents of, all documents submitted to us as certified or photocopied copies; (vi) that the Company has taken all necessary action, corporate and otherwise, to authorize the issuance and delivery of the Exchange Notes; (vii) that the Company has the power, corporate and otherwise, to issue and deliver the Exchange Notes; and (viii) the due execution and delivery of the Exchange Notes. As to certain factual matters material to our opinion, we have relied upon oral statements, written information and certificates of officials and representatives of the Company and others, and we have not independently verified the accuracy of the statements contained therein.

Based on the foregoing, and subject to the assumptions, limitations, exceptions and qualifications set forth herein, we are of the opinion that the Exchange Notes, when authenticated, issued and delivered in exchange for the Old Notes in accordance with the terms of the Indenture and the Exchange Offer, will constitute valid and binding obligations of the Company, enforceable in accordance with their terms, except as the enforceability thereof may

be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization or similar laws affecting creditors' rights generally or by general equitable principles.

We are members of the Bar of the State of New York and the foregoing opinion is limited to the laws of the State of New York as in effect on the date hereof.

We hereby consent to the filing of this opinion as Exhibit 5.1 to the Registration Statement and to the reference made to this firm under the caption "Legal Matters" in the Prospectus. In giving this consent, we do not thereby admit that we are included within the category of persons whose consent is required under Section 7 of the Securities Act, or the rules and regulations of the Securities and Exchange Commission promulgated thereunder.

This opinion is rendered solely to you in connection with the above matter. This opinion may not be relied upon by you for any other purpose or relied upon by or furnished to any other person without our prior written consent.

Very truly yours,

/s/ Dewey Ballantine LLP

DEWEY BALLANTINE LLP

[*]
[*]
Chicago, Illinois

LEASE AGREEMENT

BETWEEN

CARLYLE-CORE CHICAGO LLC, a Delaware limited liability company
("Landlord")

AND

EQUINIX, INC., a Delaware corporation
("Tenant")

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED
SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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- EXHIBIT B - EQUIPMENT SPACE
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- EXHIBIT D - COMMENCEMENT LETTER
- EXHIBIT E - HAZARDOUS MATERIALS DISCLOSURE CERTIFICATE
- EXHIBIT F - TENANT OPTIONS

LEASE AGREEMENT

This Lease ("Lease") is made and entered into as of September 1, 1999, by and between CARLYLE-CORE CHICAGO LLC, a Delaware limited liability company ("Landlord") and EQUINIX, INC., a Delaware corporation ("Tenant").

1. Basic Lease Information.

- (a) "Building" shall mean the building located at [*], Chicago, Illinois.
- (b) "Rentable Square Footage of the Building" is estimated to be [*] rentable square feet, subject to Landlord's Confirmation (defined below).
- (c) "Premises" shall mean the area shown on Exhibit A to this Lease. The Premises consist of the entire fifth floor of the Building. The "Rentable Square Footage of the Premises" is approximately [*] Rentable Square Feet. As the Premises includes a floor in its entirety, all corridors, elevator lobbies and restroom facilities located on such full floor shall be considered part of the Premises. Landlord and Tenant stipulate and agree that the Rentable Square Footage of the Building and the Rentable Square Footage of the Premises as stated above are estimates, subject to final measurement by Landlord ("Landlord's Confirmation"). Such measurement shall be performed in accordance with ANSI/BOMA Z65.1-1996. ("BOMA Standard"). As used herein "Rentable Square Feet", "Rentable Area" and/or "Rentable Square Footage" shall be the amounts determined by Landlord, based upon calculation of usable areas and rentable areas in accordance with the BOMA Standard, as a result of Landlord's Confirmation. Following Landlord's Confirmation (i) Landlord shall deliver a copy of Landlord's Confirmation to Tenant for Tenant's review and confirmation, and (ii) Landlord will set forth the final measurements in a Commencement Letter in the form of Exhibit D attached hereto.
- (d) "Equipment Space" shall mean the Rooftop Equipment Space, Generator Space and Electrical Space (as described in Article 6 herein) and shown on Exhibit B to this Lease. The Rentable Square Footage of the Equipment Space is estimated to be [*] Rentable Square Feet, subject to Landlord's Confirmation.
- (e) "Base Rent":

Period -----	Annual Rate Per Rentable Square Foot -----
Year 1	\$[*]
Year 2	\$[*]
Year 3	\$[*]
Year 4	\$[*]
Year 5	\$[*]
Year 6	\$[*]
Year 7	\$[*]
Year 8	\$[*]
Year 9	\$[*]
Year 10	\$[*]
Year 11	\$[*]
Year 12	\$[*]
Year 13	\$[*]
Year 14	\$[*]
Year 15	\$[*]

Notwithstanding the foregoing, during the initial [*] ([*]) months following the Rent Commencement Date, Base Rent for [*] ([*]) of the Rentable Square Footage of the Premises (ie, [*] rentable square feet) shall be abated, provided Tenant is not in default

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

hereunder beyond the giving of any applicable notices and the passage of any applicable grace periods. If, at any time following the Rent Commencement Date, Tenant is in monetary default hereunder (beyond the giving of applicable notice and the passage of applicable grace periods) Landlord shall have the right, in addition to any other rights or remedies provided under this Lease, to declare immediately due and payable any Base Rent abated pursuant to the provisions of the foregoing sentence.

(f) "Equipment Space Rent":

Period	Annual Rate Per Rentable Square Foot
-----	-----
Year 1	\$[*]
Year 2	\$[*]
Year 3	\$[*]
Year 4	\$[*]
Year 5	\$[*]
Year 6	\$[*]
Year 7	\$[*]
Year 8	\$[*]
Year 9	\$[*]
Year 10	\$[*]
Year 11	\$[*]
Year 12	\$[*]
Year 13	\$[*]
Year 14	\$[*]
Year 15	\$[*]

- (g) "Tenant's Pro Rata Share": The ratio (expressed as a percentage) that the Rentable Area of the Premises bears to the Rentable Area of the Building; said amount to be determined by Landlord's Confirmation.
- (h) "Commencement Date": The date Landlord delivers possession of the Premises to Tenant with the Landlord Work completed.
- (i) "Rent Commencement Date": The date that is [*] ([*]) days from the Commencement Date.
- (j) "Term": A period commencing on the Commencement Date and expiring on the date ("Expiration Date") that is one hundred eighty (180) months (fifteen (15) years) from the Rent Commencement Date. The Commencement Date is estimated to be [*].
- (k) "Security Deposit": [*] Dollars (\$[*]) in cash or, at Tenant's option, in the form of an irrevocable letter of credit ("Letter of Credit").
- (l) "Guarantor(s)": Not applicable.
- (m) "Broker": Core Location Realty Associates of Chicago LLC, representing Landlord.
- (n) "Permitted Use": Installation, operation and maintenance of telecommunication, switching and transmission equipment (including Co-location as defined in Article 11, subject to the limitations set forth in this Lease) as the primary use and associated general office use required to support, monitor and maintain the equipment located within the Premises or Equipment Space; the amount of office use shall be subject to Landlord's prior written approval.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

(o) "Notice Addresses":

Tenant:

Notices shall be sent to Tenant at the following address:

Equinix, Inc.
901 Marshall Street, 2/nd/ Floor
Redwood City, California 94063
Attn: Mr. Art Chinn

On and after the Rent Commencement Date, a copy of all notices shall be sent to Tenant at the Premises.

Landlord:

CARLYLE-CORE CHICAGO LLC
c/o Core Location Realty Associates of Chicago LLC
4520 East-West Highway, Suite 650
Bethesda, Maryland 20814
Attention: Mark Ezra

With a copy to:

Shartsis, Friese & Ginsburg LLP
One Maritime Plaza, 18/th/ Floor
San Francisco, California 94111
Attention: Jonathan M. Kennedy, Esq.

and

The Carlyle Group
1001 Pennsylvania Avenue
Suite 220 South
Washington, DC 20004
Attention: Gary Block

(p) "Rent Payment Address":

CARLYLE-CORE CHICAGO LLC
c/o Core Location Realty Associates of Chicago LLC
4520 East-West Highway, Suite 650
Bethesda, Maryland 20814
Attention: Management Agent

(q) "Business Day(s)" are Monday through Friday of each week, exclusive of New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day and any other union-recognized holidays (ie, days which labor unions serving Landlord recognize as holidays) ("Holidays"). Landlord may reasonably designate additional Holidays.

(r) "Landlord Work" shall mean the completion by Landlord of demolition, pursuant to a demolition plan prepared by Landlord, of existing partitions within the Premises as well as the demolition of existing wood block floor covering, existing HVAC, existing steam and domestic water (ie, excluding sprinkler systems), electrical and other pipes and conduit, non-load bearing walls, and asbestos that is exposed and/or friable (the Landlord Work shall not include the demolition of masonry partitions, lighting, all vertical penetrations, power panels and main ducts) and the delivery of the Premises in broom clean condition.

(s) "Law(s)" means all applicable statutes, codes, ordinances, orders, rules and regulations of any municipal or governmental entity.

(t) "Property" means the Building, the parking lot serving the Building and the parcel(s) of land on which they are located and, at Landlord's reasonable discretion, other improvements serving the Building generally, if any, and the parcel(s) of land on which they are located.

2. Lease Grant.

(a) Premises. Landlord leases the Premises to Tenant and Tenant leases

the Premises from Landlord, together with the right in common with others to use any portions of the Property that are designated by Landlord for the common use of tenants and others, such as sidewalks, unreserved parking areas, common corridors, elevator foyers, restrooms, vending areas and lobby areas (the "Common Areas").

(b) Equipment Space. Additionally, pursuant to the provisions of Article

6 below, Tenant shall have the right to place certain equipment in the Equipment Space.

3. Term; Possession. The Term shall commence on the Commencement Date and

shall expire, if not sooner terminated pursuant to the provisions of this Lease, on the Expiration Date. On the Commencement Date, the Premises and Equipment Space are accepted by Tenant in "as is" condition and configuration (subject to the completion of the Landlord Work). By taking possession of the Premises and Equipment Space, Tenant agrees that the Premises and Equipment Space are in good order and satisfactory condition, and that there are no representations or warranties by Landlord regarding the condition of the Premises, Equipment Space or the Building except as may be expressly set forth herein. If Landlord is delayed in delivering possession of the Premises and Equipment Space or any other space, Landlord shall use reasonable efforts to obtain possession of the space, but no such delay shall nullify this Lease or give rise to any claim for damages on the part of Tenant. If Tenant takes possession of the Premises or Equipment Space before the Commencement Date, such possession shall be subject to the terms and conditions of this Lease except that, prior to the Rent Commencement Date, Tenant will not be required to pay Rent hereunder. Notwithstanding the foregoing, if the Commencement Date does not occur by the date that is one hundred fifty (150) days following the mutual execution and delivery of this Lease (the "Outside Delivery Date"), Tenant,

as its sole remedy, may terminate this Lease by giving Landlord written notice of termination after the Outside Delivery Date. In such event, and subject to the provisions set forth below in this Article 3, this Lease shall be deemed null and void and of no further force and effect and Landlord shall promptly refund any prepaid Rent and Security Deposit previously advanced by Tenant under this Lease and the parties hereto shall have no further responsibilities or obligations to each other with respect to this Lease. Landlord and Tenant acknowledge and agree that the Outside Delivery Date shall be postponed by the number of days the Commencement Date is delayed due to events of Force Majeure (as defined herein). Notwithstanding the foregoing to the contrary, if Tenant exercises its right to terminate this Lease as set forth above but Landlord delivers the Premises to Tenant in the condition required by this Lease within thirty (30) days after the date of Tenant's delivery of Tenant's termination notice, this Lease shall continue in full force and effect the same as if Tenant had not delivered its termination notice, and Tenant's termination notice will be null and void. Tenant's right to terminate as described herein shall be null and void as of the Commencement Date.

4. Rent.

(a) Payments. As consideration for this Lease, Tenant shall pay Landlord

at the Rent Payment Address (or such other address as Landlord may from time to time specify in writing as the Rent Payment Address), without any setoff or deduction, the total amount of Base Rent, Equipment Space Rent and Additional Rent due for the Term, commencing as of the Rent Commencement Date. "Additional Rent" means all sums (exclusive of Base Rent and Equipment Space Rent) that Tenant is required to pay Landlord. Additional Rent, Base Rent and Equipment Space Rent are sometimes collectively referred to as "Rent". Tenant shall pay and be liable for all rental, sales and use taxes (but excluding income taxes), if any, imposed upon or measured by Rent under applicable Law. Base Rent, Equipment Space Rent and recurring monthly charges of Additional Rent shall be due and payable in advance on the first day of each calendar month without notice or demand, provided that the installment of Base Rent (based upon the estimated Rentable Area of the Premises described in Section 1(c) above) and Equipment Space Rent for the first full calendar month following the Rent Commencement Date shall be payable upon the execution of this Lease by Tenant (such payment to

be calculated taking into account the abatement described in Section 1(e) above). All other items of Rent shall be due and payable by Tenant on or before thirty (30) days after billing by Landlord. All payments of Rent shall be by good and sufficient check or by other means (such as automatic debit or electronic transfer) acceptable to Landlord. If Tenant fails to pay any item or installment of Rent when due, Tenant shall pay Landlord an administration fee equal to five percent (5%) of the past due Rent; provided, that Tenant will be allowed a grace period of five (5) days after notice from Landlord of late payment for the first two (2) late payments in any calendar year prior to the imposition of such administration fee. If the Term commences on a day other than the first day of a calendar month or terminates on a day other than the last day of a calendar month, the Rent for the month shall be prorated based on the number of days in such calendar month. Landlord's acceptance of less than the correct amount of Rent shall be considered a payment on account of the earliest Rent due. No endorsement or statement on a check or letter accompanying a check or payment shall be considered an accord and satisfaction, and Landlord may accept the check or payment without prejudice to Landlord's right to recover the balance or pursue other available remedies. Tenant's covenant to pay Rent is independent of every other covenant in this Lease.

(b) Payment of Tenant's Pro Rata Share of Operating Expenses and Property

Taxes.

(i) Generally. Commencing as of the Rent Commencement Date,

Tenant shall pay as Additional Rent, Tenant's Pro Rata Share of the total amount of Operating Expenses (defined below) and Property Taxes (defined below) for each calendar year thereafter during the Term. Landlord shall provide Tenant with a good faith estimate of the total amount of Operating Expenses and Property Taxes for each calendar year during the Term. On or before the first day of each month, Tenant shall pay to Landlord a monthly installment equal to one-twelfth of Tenant's Pro Rata Share of Landlord's estimate of the total amount of Operating Expenses and Property Taxes. If Landlord determines that its estimate was incorrect, Landlord may provide Tenant with a revised estimate. After its receipt of the revised estimate, Tenant's monthly payments shall be based upon the revised estimate. If Landlord

does not provide Tenant with an estimate of the total amount of Operating Expenses and Property Taxes by January 1 of a calendar year, Tenant shall continue to pay monthly installments based on the previous year's estimate until Landlord provides Tenant with the new estimate. Upon delivery of the new estimate, an adjustment shall be made for any month for which Tenant paid monthly installments based on the previous year's estimate. Tenant shall pay Landlord the amount of any underpayment within thirty (30) days after receipt of the new estimate. Any overpayment shall be refunded to Tenant within thirty (30) days or credited against the next due future installment(s) of Additional Rent.

- (ii) Reconciliation Statement. As soon as is reasonably practical

following the end of each calendar year, Landlord shall furnish Tenant with a statement ("Reconciliation Statement") of the actual amount of Operating Expenses and Property Taxes for the prior calendar year and Tenant's Pro Rata Share of same. If the amount of Operating Expenses and Property Taxes actually paid by Tenant for the prior calendar year is more than the actual amount of Operating Expenses and Property Taxes for the prior calendar year, Landlord shall apply any overpayment by Tenant against Additional Rent due or refund such amount within thirty (30) days after the Reconciliation Statement is provided to Tenant, provided if the Term expires before the determination of the overpayment, Landlord shall refund any overpayment to Tenant after first deducting the amount of Rent due. If the amount of Operating Expenses and Property Taxes paid by Tenant for the prior calendar year is less than the actual amount of Operating Expenses and Property Taxes for such prior year, Tenant shall pay Landlord, within thirty (30) days after its receipt of the Reconciliation Statement of Operating Expenses and Property Taxes, any underpayment for the prior calendar year. The obligations of Tenant under this Section 4(b) shall survive the expiration or sooner termination of the Term.

- (iii) Audit.

- (A) Provided that Tenant is not in default under this Lease, as of the date of Tenant's exercise of its audit rights, within thirty (30) days after receipt of a Reconciliation Statement ("Audit Period"), Tenant shall be entitled, upon at least ten (10) days prior written notice to Landlord and during normal business hours at Landlord's office, or such other place as

Landlord shall designate, to cause a certified public accountant ("CPA") to copy (at Tenant's expense), inspect, examine and audit those books and records of Landlord relating to the determination of Operating Expenses and Property Taxes for the calendar year for which such statement was prepared. The initial inspection of Landlord's records may be conducted by a current employee of Tenant, a recognized regional or national accounting firm (but not a tenant of the Property) or such other person designated by Tenant and reasonably acceptable to Landlord. In connection therewith, Tenant acknowledges that it shall be reasonable for Landlord to object to the proposed use by Tenant of any persons engaged in the business of auditing Landlord's books and records on a contingent fee basis.

- (B) If, after inspection and examination of such books and records during the Audit Period, Tenant disputes the amount of Operating Expenses or Property Taxes charged by Landlord, Tenant shall have ten (10) days following the date of completion of Tenant's audit ("Request Period") to request an independent audit of such books and records, such request to be made by written notice to Landlord ("Audit Request"), which notice shall specify with particularity all disputed items and shall contain a true, correct and complete copy of any report or summary prepared by Tenant's initial auditor. The independent audit of the books and records shall be conducted by a CPA acceptable to both Landlord and Tenant. If, within ten (10) days after Landlord's receipt of Tenant's notice requesting an audit, Landlord and Tenant are unable to agree on the CPA to conduct such audit, then Landlord shall designate a nationally recognized accounting firm (other than Landlord's then current accounting firm) to conduct such audit. The audit shall be limited to the determination of the proper amount of Operating Expenses and Property Taxes payable by Tenant specified by Tenant as disputed items in

Tenant's Audit Request.

- (C) If the audit discloses that the amount of such disputed Operating Expenses and/or Property Taxes billed to Tenant was incorrect, the appropriate party shall, within thirty (30) days following the date of such determination, pay to the other party the deficiency or overpayment, as applicable. All costs and expenses of any audit shall be paid by Tenant unless the audit shows that Landlord overstated Operating Expenses and Property Taxes for the subject calendar year by more than five percent (5%), in which case Landlord shall pay all costs and expenses of the audit.
- (D) Tenant shall keep any information gained from any such audit (including Tenant's initial review of Landlord's books and records) confidential and shall not disclose, or allow the disclosure of, any such information to any other party except where Tenant is legally required to do so (or in the case of litigation or where such disclosure occurs as part of litigation between Landlord and Tenant), and shall indemnify, defend, protect and hold Landlord harmless from and against any and all loss, cost, damage or liability incurred by Landlord arising out of Tenant's (or Tenant's accountants', consultants' or employees') failure to maintain such confidentiality.
- (E) The exercise by Tenant of any audit rights hereunder shall not relieve Tenant of its obligation to pay, prior to the request for an inspection and examination of Landlord's books and records or any audit, all sums due hereunder, including, without limitation, any disputed Operating Expenses and/or Property Taxes. If Tenant does not elect to exercise its rights to audit during the Audit Period, or does not elect to cause an independent audit of the books and records during the Request Period, then Landlord's Reconciliation Statement shall conclusively be deemed to be correct, and Tenant shall be bound by Landlord's determination.

(c) Operating Expenses Defined. "Operating Expenses" means all costs and ----- expenses incurred in each calendar year in connection with the operation, ownership, management, maintenance and repair of the Building and the Property, including, but not limited to:

- (i) Labor costs, including, wages, salaries, social security and employment taxes, medical and other types of insurance, uniforms, training, and retirement and pension plans.
- (ii) Management fees payable either to Landlord (if Landlord manages the Building and Property) or to a third party (such management fees not to exceed three percent (3%) of gross Building revenue during the initial five (5) years of the Term, and four percent (4%) of gross Building revenue thereafter provided that the management fee shall only increase to four percent (4%) if such level of management fee is, at the time, customary for buildings in the Chicago, Illinois vicinity), as well as the cost, including rent or imputed rent of equipping and maintaining a management office (if applicable), accounting and bookkeeping services, legal fees not attributable to leasing or collection activity, and other administrative costs.
- (iii) The cost of services, including amounts paid to service providers and the rental and purchase cost of parts, supplies, tools and equipment.
- (iv) Premiums and commercially reasonable deductibles (ie, customary for Buildings in the Chicago, Illinois vicinity) paid by Landlord for insurance, including workers compensation, fire and extended coverage, earthquake (if the owners of similar buildings in the Chicago, Illinois vicinity at the time customarily carry earthquake insurance on their buildings; and provided that Tenant's Pro Rata Share of any individual deductible payment under such earthquake insurance shall not exceed \$10,000.00), general liability, rental loss, elevator, boiler and other insurance customarily carried from time to time by owners of comparable buildings.
- (v) Costs of electricity and charges for water, gas, steam and sewer and other utilities, but excluding (a) those charges for which Landlord is reimbursed by tenants and (b) the cost of electricity provided to any tenant who is billed directly by the applicable utility provider for the cost of such tenant's electricity consumption.

(vi) The amortized cost of capital improvements made to the Property which are: (A) performed primarily to reduce operating expense costs or otherwise improve the operating efficiency of the Property, (B) required to comply with any Laws that are enacted, or first interpreted to apply to the Property, after the date of this Lease, or (C) replacements of existing capital improvements or equipment. The cost of capital improvements, together with interest, shall be amortized by Landlord over such reasonable period as Landlord may determine.

(d) Exclusions to Operating Expenses. Operating Expenses do not include:

- (i) the cost of capital improvements (except as set forth above);
- (ii) depreciation;
- (iii) interest (except as provided above for the amortization of capital improvements);
- (iv) principal and interest payments of mortgage and other non-operating debts of Landlord;
- (v) the cost of repairs or other work to the extent Landlord is reimbursed by insurance or condemnation proceeds or is reimbursed directly by any other tenant of the Building (ie, not as an Operating Expense);
- (vi) the cost of leasing space in the Building, including attorneys' fees incurred in the negotiation of leases and the cost of constructing improvements for tenants, as well as brokerage commissions;
- (vii) costs incurred in connection with the sale, financing or refinancing of the Building;
- (viii) organizational expenses associated with the creation and operation of the entity which constitutes Landlord;
- (ix) the cost of any services which are provided to other tenants in the Building or the Property which are not also provided to Tenant;
- (x) executive salaries or salaries of service personnel to the extent that such executives or service personnel perform services other than in connection with the management, operation, repair or maintenance of the Building or the Property ;
- (xi) any cost or expense incurred by reason of the remediation or clean-up of any contamination of the Building or the Property or the soils or ground water underlying the Building or the Property by Hazardous Materials (defined in Article 32 below), except to the extent such contamination results from Tenant's (or Tenant's agents', contractors', invitees', or employees') activities; and
- (xii) overhead costs and profit increments paid to subsidiaries or affiliates of Landlord for services (other than management fees which are limited pursuant to Section 4(c)(ii) above) on or for the Building or the Property, to the extent only that the cost of such service materially exceeds competitive costs of such services were not so rendered by a subsidiary or affiliate.

(e) Property Taxes Defined. "Property Taxes" shall mean: (1) all real

estate taxes and other assessments on the Building and/or Property, including, but not limited to, assessments for special improvement districts and building improvement districts, taxes and assessments levied in substitution or supplementation in whole or in part of any such taxes and assessments and the Property's share of any real estate taxes and assessments under any reciprocal easement agreement, common area agreement or similar agreement as to the Property; (2) all personal property taxes for property that is owned by Landlord and used in connection with the operation, maintenance and repair of the Property; and (3) all costs and fees incurred in connection with seeking reductions in any tax liabilities described in (1) and (2), including, without limitation, any costs incurred by Landlord for compliance, review and appeal of tax liabilities. Notwithstanding the foregoing, Property Taxes shall not include any income, capital levy, capital stock, gift, estate or inheritance tax, unless imposed as a replacement for, or in lieu of Property Taxes.

(f) Gross Up. If the Building is not at least one hundred percent (100%)

occupied or fully tax assessed during any calendar year, Operating Expenses and Property Taxes shall be determined as if the Building had been one hundred percent (100%) occupied and fully taxed assessed during that calendar year. In addition, if any particular work or service otherwise included in Operating Expenses is not furnished to a tenant or occupant of the Building who is undertaking to perform such work or service itself, Operating Expenses shall be deemed to be increased by an amount equal to the additional Operating Expenses which would have incurred if Landlord had furnished such work to such tenant or occupant.

5. Compliance with Laws; Use.

(a) Generally. The Premises shall be used only for the Permitted Use and -----

for no other use whatsoever. The Equipment Space shall be used only for the uses described in Article 6 below. Tenant shall not use or permit the use of the Premises or Equipment Space for any purpose which is illegal, dangerous to persons or property or which, in Landlord's reasonable opinion, unreasonably disturbs or interferes with the operations of any other tenants of the Building or in any way interferes with the operation of the Building. Any equipment to be installed within the Building, Premises or Equipment Space by Tenant that, in Landlord's reasonable determination, may cause unsafe (in Landlord's reasonable determination) vibrations which may be transmitted to the structure of the Building or unreasonable levels of noise shall be installed and maintained by Tenant, at Tenant's sole cost and expense, in such a manner as Landlord may determine to be necessary in order to eliminate such vibration or noise. Tenant shall comply with all Laws, including the Americans with Disabilities Act, regarding the operation of Tenant's business and the use, condition, configuration and occupancy of the Premises and Equipment Space. Tenant shall comply with the rules and regulations of the Building attached as Exhibit C and such other reasonable rules and regulations adopted by Landlord from time to time promptly following notice by Landlord of the adoption of such rules and regulations. Tenant shall also cause its agents, contractors, subcontractors, employees, customers, and subtenants to comply with all rules and regulations. Notwithstanding the foregoing to the contrary, Tenant shall not be responsible for (a) making any alterations to the Building (excluding any Leasehold Improvements [defined in Section 8(b) below]), except to the extent such alterations are required due to

Tenant's particular use of the Premises or Equipment Space or alterations made by or on behalf of Tenant to the Premises or Equipment Space, or (b) any remediation of Hazardous Materials which exist in the Premises prior to the Commencement Date.

(b) Labor Relations. Tenant shall not take any action which would violate -----

Landlord's labor contracts or which would cause a work stoppage, picketing, labor disruption or dispute, or interfere with Landlord's or any other tenant's or occupant's business or with the rights and privileges of any person lawfully in the Building ("Labor Disruption"). Tenant shall take the actions necessary to resolve the Labor Disruption, and shall have pickets removed and, at the request of Landlord, immediately terminate any work in the Premises that gave rise to the Labor Disruption, until Landlord gives its written consent for the work to resume. Tenant shall have no claim for damages against Landlord or any of the Landlord Related Parties, nor shall the Commencement Date be extended as a result of the above actions.

(c) Riser Use. Tenant, at Tenant's sole cost and expense, shall have -----

the right in common with other tenants in the Building to install Tenant's conduit (said conduits and the contents thereof being referred to herein as "Cable") in the Building's horizontal and vertical pathways, risers and ducts ("Risers") in an amount not to exceed the following:

- (i) for the purposes of installing and maintaining Tenant's fiber to the Premises, up to eight (8) 4" conduits originating from two diverse fiber entrances (for a total of sixteen (16) 4" conduits to the Premises);
- (ii) for the purposes of routing Tenant's Rooftop Equipment to the Premises, up to four (4) 16" outside diameter conduits; and
- (iii) for the purposes of routing Tenant's Electrical Equipment to the Premises, a quantity reasonably required by Tenant and approved by Landlord to accommodate the reasonable needs of such Electrical Equipment.

All such work of installation will be carried out in compliance with Article 8; provided that all work within the Risers shall be performed by a contractor specified by Landlord or chosen from Landlord's list of approved contractors or otherwise reasonably approved by Landlord; subject to the compliance of Tenant's contractor, Carlson Associates, Inc. ("Carlson"), with the provisions of Section 5(b) above and Article 8 below, Landlord hereby approves Tenant's selection of Carlson to perform work within the Risers pursuant to this Section 5(c).

6. Equipment Space. Tenant shall have the right to use the Equipment Space as follows:

- (a) Equipment Space Generally. Tenant, at Tenant's sole cost and expense, may:
 - (i) utilize up to a total of [*] Rentable Square Feet on the Building roof and Building penthouse (made up of approximately [*] Rentable Square Feet on the Building roof and approximately [*] Rentable Square Feet in the Building penthouse) in the areas generally identified in Exhibit B ("Rooftop Equipment Space") to install, maintain and operate Tenant's supplemental air conditioning equipment and/or transmission equipment which Tenant uses for purposes of providing telecommunication and data services used in the operation of Tenant's internal business activities ("Rooftop Equipment");
 - (ii) use:
 - (A) up to [*] Rentable Square Feet of space on the first floor of the Building in the areas identified in Exhibit B for the purpose of installing, maintaining and operating up to twelve (12) generators; and

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

- (B) an area to be located underground outside of the Building (such location to be mutually agreed upon by Landlord and Tenant, provided that Tenant's consent to Landlord's proposed location will not be unreasonably withheld) to accommodate up to a 15,000 gallon fuel storage tank (as of the date of this Lease, Landlord is currently in the process of procuring a variance to allow, in part, Tenant to place underground fuel storage tanks in Landlord's desired location outside of the Building; Landlord will use diligent efforts to promptly procure such variance and shall keep Tenant apprised of the anticipated schedule of such procurement process, including any material delays or changes. If Landlord fails to procure such variance on or before December 31, 1999, and such failure will materially delay the time period for Tenant to commence its business operations in the Premises, Landlord will allow Tenant to place such fuel storage in the lower level of the Building); and
- (iii) use reasonable quantity of space required by Tenant's equipment ("Tenant's Equipment") in the lower level of the Building ("Electrical Space") in a location to be mutually agreed upon by Landlord and Tenant for Tenant's Electrical service as provided for in Section 7(a) (iv).

The items in subsection (ii) (A) and (ii) (B) above shall be collectively referred to as the "Generator". The areas utilized by the Generator are referred to herein as "Generator Space". The Rooftop Equipment, Generator and Electrical Equipment are collectively herein referred to as "Site Equipment". As described in Article 1, the area of the Equipment Space shall be determined by Landlord upon the final designation of the location of the Equipment Space, and the area of the Equipment Space (as well as the Equipment Space Rent payable hereunder) will be confirmed by the parties in the Commencement Letter issued by Landlord. Tenant shall be required to install generators which are not smaller than 1,500 KW each. Tenant shall have the right, at Tenant's expense, to install up to two (2) 2" pipes from Tenant's fuel storage tank to each individual generator actually installed by Tenant. Tenant shall be required to route all electrical distribution from each generator to the Electrical Space. Within sixty (60) days after the Commencement Date, Tenant may elect, by irrevocable written notice to Landlord, to reduce the amount of the Equipment Space; Tenant's notice will specify the amount and location of such reduced Equipment Space. The area of such reduction shall be mutually agreed upon by Landlord and Tenant and shall leave Landlord areas which, in Landlord's reasonable opinion, may be used by Landlord or other tenants of the Building. Additionally, at any time after the 24/th/ month following the Commencement Date, Landlord may, by written notice to Tenant, reduce the Equipment Space by removing therefrom any Equipment Space which Tenant has not, as of the date of

Landlord's notice, used (for example, if Tenant has as of the date of such notice, installed ten (10) 1,500 KW generators, Landlord may reduce the Generator Space as necessary to accommodate two generators); if Landlord so elects to reduce the Equipment Space, the Equipment Space Rent shall be adjusted accordingly. The exact location and configuration of Tenant's Site Equipment is subject to Landlord's approval, in accordance with Article 8, and the Site Equipment shall be installed in locations which, in Landlord's reasonable opinion, may be used by Landlord or other tenants if Landlord elected to reduce the Equipment Space as provided for above.

(b) [INTENTIONALLY OMITTED]

(c) Equipment Space Interference. If, any electrical, electromagnetic, -----
radio frequency or other interference of equipment existing prior to Tenant's installation shall result from the operation of any Site Equipment located in the Equipment Space, Landlord will notify Tenant, and if such interference is not cured within one (1) business day following delivery of such notice, Tenant agrees that Landlord may, at Landlord's option, shut down Tenant's equipment upon eight (8) hours prior notice to Tenant; provided, however, if an emergency situation exists, which Landlord reasonably determines in its sole discretion to be attributable to Tenant's Site Equipment, Landlord shall immediately notify Tenant verbally, who shall act immediately to remedy the emergency situation. Should Tenant fail to so remedy said emergency situation, Landlord may then act to shut down Tenant's equipment. Tenant shall indemnify Landlord and hold it harmless from all expenses, costs, damages, losses, claims or other liabilities arising out of said shutdown. Tenant agrees to cease operations (except for intermittent testing on a schedule approved by Landlord) until the interference has been corrected to the satisfaction of Landlord. If such interference has not been corrected within thirty (30) days, Landlord may, at its option, either terminate Tenant's right to use the Equipment Space forthwith, or require that Tenant immediately remove the specific item of Equipment Space causing such interference.

(d) Generator Use. Tenant agrees that will only run the Generator during -----
emergency circumstances and during customary testing hours as determined by Landlord in its reasonable discretion.

(e) Subleasing/Use by Third Parties. Subject to Tenant's Co-location -----
rights pursuant to Section 11(a) below, Tenant shall not be permitted to sublicense, license or share its Equipment Space with third parties without the prior written consent of Landlord, which consent Landlord may withhold in its sole discretion. In addition, Tenant shall not use the Rooftop Equipment Space to enable other providers of Communications Services (defined below) to provide Communications Services to any tenant, occupant or licensee of the Building or to any tenant, occupant or licensee of any other building. Tenant may not allow any other provider of telecommunications, video, data or related services ("Communications Services") to locate any equipment in the Rooftop Equipment Space for any purpose whatsoever.

7. Services.

(a) Landlord's Obligation. Landlord will provide the following services:

- (i) Water to restrooms in Common Areas;
- (ii) Janitorial service to the Common Areas on Business Days. Tenant shall provide, and pay directly for, janitorial services to the Premises pursuant to a janitorial contract with a provider approved by Landlord (such approval not to be unreasonably withheld);
- (iii) Elevator service;
- (iv) Electricity as follows: Following the Rent Commencement Date, dedicated commercial utility power consisting of the availability of two (2) 4,000 amp services, one out of each utility vault in the lower level of the Building (Tenant, at Tenant's expense, may provide for additional power). Tenant shall be responsible for all costs and expenses required to utilize such power including but not limited to bringing power from service entrances, transient voltage surge suppressors, meter cabinets and distribution to the Premises and Equipment Space. Meter cabinets and paralleling switchgear for Tenant's use will be placed by Tenant, at Tenant's expense, in the lower level of the Building. Landlord's obligation to furnish electrical and other utility services shall be subject to the rules and regulations of the supplier of such electricity of

other utility services and the rules and regulations of any municipal or other governmental authority regulating the business of providing electricity and other utility services. Notwithstanding the foregoing, and subject to the provisions of Section 7(c)(ii) below, Landlord shall at all times be able to shut down the utility services to the Premises or to the Equipment Space in connection with any maintenance operation conducted for the Building. Landlord agrees to use reasonable efforts to cooperate with Tenant in obtaining temporary alternative power during scheduled maintenance operations, but shall have no obligation hereunder to provide alternative power from emergency power sources. Prior to shutting down any electrical power servicing Tenant's Site Equipment, Landlord agrees to give Tenant reasonable prior written notice, except in emergency situations.

- (v) Security Service as follows: manned security 24-hours per day, 365 days per year. Landlord shall not be deemed to have warranted the efficiency or efficacy of any security personnel, services, procedures or equipment and Landlord shall not be liable in any manner for the failure of such security personnel, services, procedures or equipment to prevent or control, or apprehend anyone suspected of personal injury, property damage or any criminal conduct in, on or about the Property.
- (vi) Heating, ventilation and air conditioning in reasonable quantities to Common Areas.
- (vii) Upon Tenant's request, if available at Landlord's sole discretion, hot or cold water for Tenant's heating and air-conditioning use within the Premises.
- (viii) Access. Tenant access to the Building and the Premises 24 hours per day 365 days per year.
- (ix) Fiber Optic Access. Access to the Building, to Tenant's fiber access providers. All costs associated with such installation shall be born by Tenant or Tenant's fiber access providers.

(b) Utilities Generally. Tenant, at Tenant's sole cost, shall cause

electricity and other utilities serving the Premises and Equipment Space to be separately metered (where possible) and Tenant will pay the cost of all consumption and excess utility charges in the Premises and/or the Equipment Space directly to the utility provider. If, at any time, it is no longer feasible for Tenant to contract directly with the utility provider for any services, Tenant shall reimburse Landlord, within thirty (30) days on invoice therefore, for the actual cost of the consumption of any such service and excess utility charges in the Premises and/or the Equipment Space, as directly billed by the utility provider as reasonably determined by Landlord.

(c) Interruptions; Failures.

- (i) No failure to furnish, or any stoppage of, any services herein resulting from any cause (including, without limitation, any interruption in electrical service or other utilities to the Premises and/or Equipment Space) shall make Landlord liable in any respect for damages to any person, property or business, to be construed as an eviction of Tenant, or entitle Tenant to any abatement of Rent or other relief from any of Tenant's obligations under this Lease. Additionally, Tenant expressly acknowledges that Landlord reserves the right from time to time upon reasonable advance notice to Tenant (except in the case of emergency) to discontinue some or all of the services provided by Landlord hereunder if necessary in Landlord's judgment to effect any repair or maintenance obligations. Should any malfunction of any systems or facilities occur within the Property or should maintenance or alterations of such systems or facilities become necessary, Landlord shall repair the same promptly and with reasonable diligence, and Tenant shall in no event have any claim for rebate, abatement of Rent, or damages because of any malfunctions in or any interruptions of any service to be provided however, regardless of the case. Tenant hereby waives the provisions of any applicable existing or future law, ordinance or governmental regulation permitting the termination of this Lease due to an interruption, failure or inability to provide any services. Notwithstanding the foregoing, if: (a) Landlord ceases to furnish any service to the Premises for a period in excess of five (5) consecutive days after Tenant notifies Landlord (and any Mortgagee, provided Tenant has been notified of the name and address of such Mortgagee) of such cessation; (b) such cessation arises

out of the act or omission of Landlord and does not arise as a result of an act or omission of Tenant; (c) such cessation is not caused by a fire or other casualty (in which case Article 16 shall control) or by Force Majeure; (d) the restoration of such service is reasonably within the control of Landlord; and (e) as a result of such cessation, the Premises, or a material portion thereof, is rendered untenable (meaning that Tenant is unable to use the Premises in the normal course of its business) and Tenant in fact ceases to use the Premises, or material portion thereof, then Tenant, as its sole remedy, shall be entitled to receive an abatement of Base Rent payable hereunder during the period beginning on the sixth (6th) consecutive day of such cessation and ending on the day when the service in question has been restored. In the event the entire Premises has not been rendered untenable by the cessation in service, the amount of abatement that Tenant is entitled to receive shall be prorated based upon the percentage of the Premises so rendered untenable and not used by Tenant. The requirements set forth in clauses (b) and (d) above, as well as the requirement that the cessation not be due to Force Majeure as set forth in clause (c) above, shall not apply to the extent Landlord receives rental interruption insurance proceeds.

- (ii) Notwithstanding any other provisions of this Lease to the contrary, neither Landlord nor any of Landlord's agents, employees or contractors shall unreasonably interfere with the Site Equipment or Leasehold Improvements. Landlord agrees that, except in the case of emergency (in which event Landlord will use diligent efforts to provide advance written facsimile or telephonic notice) prior to carrying out any construction, maintenance or repair activities which are reasonably anticipated to affect the Premises or the Site Equipment, Landlord shall provide reasonable written or telephonic notice to Tenant of the intent to carry out such work. Tenant shall have the right, at Tenant's sole cost and expense and at Tenant's own risk, to monitor and inspect such work, provided that such actions do not unreasonably interfere with the performance of such work on behalf of Landlord. Landlord and Landlord's contractors, employees and agents shall exercise due care in carrying out any such work so as to minimize disturbance to Tenant. If any such work performed by Landlord materially interferes with Tenant's ability to use the Premises or Site Equipment for a period of three (3) consecutive Business Days, Tenant may send notice to Landlord (and to any Mortgagee,

provided Tenant has been notified of the name and address of such Mortgagee) ("Interference Notice") specifying the nature of the interference and the cause of such interference. If Landlord does not commence to cure such interference within two (2) Business Days following delivery of Tenant's Interference Notice and use its best efforts to continue such cure, Tenant may send a second Interference Notice to Landlord (and to any Mortgagee, provided Tenant has been notified of the name and address of such Mortgagee) stating that if Landlord does not commence to cure such interference within two (2) additional Business Days (and thereafter use its best efforts to continue such cure), Tenant intends to use its self-help rights set forth below. If Landlord (or Landlord's Mortgagee) fails to commence the cure of such interference within three (3) additional Business Days following delivery of such second (2nd) Interference Notice, Tenant may effect the cure of such interference, and Landlord shall reimburse Tenant for the reasonable cost actually incurred by Tenant in performing such work. To the fullest extent permitted under applicable law, Tenant will indemnify, defend, protect and hold Landlord harmless from and against any and all loss, cost, damage or liability arising in any manner out of any damage to the Project or to the equipment of other Building occupants or interruption to the operation of the Project or other Building occupants as a consequence of the performance of such work performed by Tenant or Tenant's contractors, agents, representatives or employees. The foregoing shall not be deemed to prohibit Tenant from seeking injunctive relief to prevent or remedy such interference.

8. Alterations.

- (a) Initial Tenant Improvements. Prior to the Rent Commencement Date,

Landlord shall substantially complete the Landlord Work. Tenant, upon the full and final execution and delivery of this Lease and all prepaid Rent and the Security Deposit required hereunder, shall have

the right to perform initial alterations and improvements in the Premises and the Equipment Space, as well as the installation of Site Equipment and the installation of Cable in the Risers (the "Initial Tenant Improvements").

- (b) Notice and Plans Regarding Subsequent Alterations. Tenant shall not -----
make alterations, additions or improvements in the Premises, Equipment Space or Risers following the completion of the Initial Tenant Improvements (collectively referred to as "Alterations") (all improvements to the Premises or Equipment Space, as well as Tenant's Cable placed in the Risers, including without limitation, the Initial Tenant Improvements and any Alterations, are referred to herein as "Leasehold Improvements") without first obtaining the written consent of Landlord in each instance, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria: 1) costs less than \$25,000.00; 2) is of a cosmetic nature such as painting, wallpapering, hanging pictures and installing carpeting; and 3) will not affect the systems or structure of the Building and does not require work to be performed inside the walls or above the ceiling of the Premises; provided that even if consent is not required, Tenant shall still comply with all the other provisions of this Article 8 (including, without limitation, the obligation to provide Landlord with advance notice of any such work). Landlord will approve or disapprove any proposed Alteration within three (3) weeks following Tenant's submission to Landlord of all information required hereunder, together with a request for Landlord's consent.

- (c) Procedures. Prior to installing any Leasehold Improvements, Tenant -----
shall submit to Landlord for Landlord's approval, detailed plans and specifications of the planned installation, the contractors to be retained by Tenant to perform any Leasehold Improvements or Risers. In no event will Landlord's approval of Tenant's plans be deemed a representation that they comply with applicable laws, ordinances, rules or regulations or that they will not cause interference with other communications operations, such responsibility being solely Tenant's. Landlord's approval of the general contractor to perform any Leasehold Improvements shall not be unreasonably withheld, but will not be considered to be unreasonably withheld if any such general contractor (i) does not have trade references reasonably acceptable to Landlord, (ii) does not maintain insurance (including, without limitation, builder's risk insurance) as reasonably required by Landlord, (iii) does not have the ability to be bonded for the work in an amount of no less than one million dollars (\$1,000,000.00), (iv) does not provide current financial statements reasonably acceptable to Landlord, (v) would violate Section 5(b) above or (vi) is not licensed as a contractor in the State in which the Building is located. The foregoing is not intended to be an exclusive list of the reasons why Landlord may reasonably withhold its consent to a general contractor. Landlord will have the right to require that Tenant procure

payment and performance bonds equal to one hundred ten percent (110%) of the contract price in each instance. Prior to starting work, Tenant shall furnish Landlord with copies of contracts; necessary permits and approvals; evidence of contractor's and subcontractor's insurance in amounts reasonably required by Landlord; and any security for performance that is reasonably required by Landlord. Tenant will be responsible to pay for all utilities consumed during construction. No such work will commence unless and until Tenant has given Landlord all necessary permits and approvals and sufficient notice and opportunity to post appropriate notices of non-responsibility. All work shall be constructed in a good and workmanlike manner using materials of a quality that is at least equal to the quality reasonably designated by Landlord as the minimum standard for the Building and shall not interfere with any work being performed by Landlord or other tenants in the Building. Upon completion of any Leasehold Improvements, Tenant shall furnish Landlord with: (1) general contractor and architect's completion affidavits, (2) full and final waivers of lien (other than the lien of any Lender (as defined in Article 12 below), (3) receipted bills covering all labor and materials expended and used, (4) as-built plans of the Leasehold Improvements, and (5) the certification of Tenant and its architect that the Leasehold Improvements have been installed in a good and workmanlike manner in accordance with the approved plans, and in accordance with applicable laws, codes and ordinances. Landlord may designate reasonable rules, regulations and procedures for the performance of work in the Building and, to the extent reasonably necessary to avoid disruption to the occupants of the Building, shall have the right to designate the time when any such work may be performed. Tenant shall reimburse Landlord within thirty (30) days after receipt of an invoice for reasonable sums paid by Landlord for third party examination of Tenant's plans for any such work. In addition, within thirty (30) days after receipt of an invoice from Landlord, Tenant shall pay Landlord a fee for Landlord's

oversight and coordination of any Leasehold Improvements equal to Landlord's reasonable cost of review of plans and construction supervision. If Landlord determines that the Building has been damaged during installation of the Leasehold Improvements, Landlord shall notify Tenant and Tenant immediately shall repair the damage. If Tenant fails to immediately repair the damage, Tenant shall pay to Landlord upon demand the cost, as reasonably determined by Landlord, of repairing any damage to the Building caused by such installation.

9. Maintenance.

(a) Tenant's Maintenance and Repair Obligations. Tenant, at Tenant's own

expense, will keep the interior of the Premises, including but not limited to all Tenant's Property, and any Equipment Space and Site Equipment, including, without limitation, including all light fixtures, all mechanical, electrical and plumbing facilities and equipment, lamps, fans and any exhaust, fire suppression or air conditioning equipment and systems, electrical motors and all other appliances and equipment of every kind and nature located in the Premises and/or Equipment Space in good order, repair and condition at all times during the Term. In addition, Tenant, at Tenant's sole cost and expense subject to the prior approval of Landlord, and within any reasonable period of time specified by Landlord, will promptly and adequately repair all damage to the Premises and/or Equipment Space and replace or repair all damaged or broken fixtures and appurtenances; provided however, that, at Landlord's option, if Tenant fails to make such repairs within a reasonable time after written request by Landlord, Landlord may, but need not, make such repairs and replacements, and Tenant shall pay Landlord the cost thereof upon being billed for same. Tenant shall also be responsible for all pest control within the Premises and for all trash removal for the Premises.

(b) Landlord's Maintenance Obligations. Landlord shall keep in good order

repair and condition (i) the Common Areas, (ii) the foundation and subflooring of the Building and the structural condition of the roof, and the exterior walls of the Building (but excluding the interior surfaces of exterior walls and the interior and exterior of all windows, doors, ceiling and plateglass, which shall be maintained and repaired by Tenant), and (iii) the Building's elevators.

10. Entry by Landlord Landlord, its agents, contractors and representatives may

enter the Premises to inspect or show the Premises (during the final nine (9) months of the Term), make repairs, alterations or additions to the Premises, and to conduct or facilitate repairs, alterations or additions to any portion of the Building, including other tenants' premises. Except in emergencies, Landlord shall provide Tenant with reasonable prior notice of entry into the Premises, which may be given orally, will use reasonable efforts to schedule any such entry so as to cooperate with Tenant's schedule, and will allow Tenant to accompany Landlord during any such entry. Entry by Landlord shall not constitute constructive eviction or entitle Tenant to an abatement or reduction of Rent.

11. Assignment and Subletting.

(a) Generally. Except in connection with a Permitted Transfer (defined

below), Tenant shall not assign, sublease, transfer or encumber any interest in this Lease or allow any third party to use any portion of the Premises (collectively or individually, a "Transfer") without the prior written consent of Landlord, which consent shall not be unreasonably withheld if Landlord does not elect to exercise its termination rights below. It is agreed that Landlord's consent shall not be considered unreasonably withheld if: (1) the proposed use is not the Permitted Use; (2) the proposed transferee's financial condition does not meet the criteria Landlord uses to select Building tenants having similar leasehold obligations; (3) the proposed transferee's business is not suitable for the Building considering the business of the other tenants, or would result in a violation of another tenant's rights; (4) the proposed transferee is a governmental agency or a present or prospective occupant of the Building; (5) Tenant is in default after the expiration of the notice and cure periods in this Lease; or (6) any portion of the Building or Premises would likely become subject to additional or different Laws as a consequence of the proposed Transfer. Notwithstanding the foregoing, Landlord will not withhold its consent solely because the proposed subtenant or assignee is a present or prospective occupant of the Building if (i) Landlord does not have space available for lease in the Building that is sufficient to meet the space requirements of the proposed subtenant or assignee, as reasonably determined by Landlord

or if (ii) the assignee or subtenant is a prospective occupant of the Building who proposes to occupy less than [*] rentable square feet of space. Notwithstanding the foregoing, so-called "co-location" (ie, the leasing or licensing of a portion of the Premises or on an equipment, equipment rack or services basis to third parties (as used herein, "Co-location")) will not be considered a Transfer hereunder; provided, that in the event greater than fifty percent (50%) of the Premises is used for Co-location for a single third party (or for third parties who are affiliated with each other and thus are, in effect, a single third party, as reasonably determined by Landlord), then it will be considered a Transfer and subject to the provisions of this Article. Tenant shall not be entitled to receive monetary damages based upon a claim that Landlord unreasonably withheld its consent to a proposed Transfer and Tenant's sole remedy shall be an action to enforce any such provision through specific performance or declaratory judgment. Any attempted Transfer in violation of this Article shall, at Landlord's option, be void. Consent by Landlord to one or more Transfer(s) shall not operate as a waiver of Landlord's rights to approve any subsequent Transfers. In no event shall any Transfer or Permitted Transfer release or relieve Tenant from any obligation under this Lease.

- (b) Request; Landlord's Options. As part of its request for Landlord's consent to a Transfer, Tenant shall provide Landlord with financial statements (audited if available) for the proposed transferee, a complete copy of the proposed assignment, sublease and other contractual documents and such other information as Landlord may reasonably request. Landlord shall, by written notice to Tenant within twenty (20) days of its receipt of the required information and documentation, either: (1) consent to the Transfer by the execution of a consent agreement in a form reasonably designated by Landlord or reasonably refuse to consent to the Transfer in writing; or (2) if the proposed Transfer is an assignment of Tenant's interest in this Lease (other than a Permitted Transfer) or is a sublease (other than a Permitted Transfer) for a term (including any option or renewal terms or any subsequently negotiated option or renewal terms) in excess of five (5) years or which runs through substantially the remainder of the Term, exercise the right to terminate this Lease with respect to the portion of the Premises that Tenant is proposing to assign or sublet, together with a pro rata share of the Equipment Space. Any such termination described in clause (2) above, shall be effective on the proposed effective date of the Transfer for which Tenant requested consent. Tenant shall pay to Landlord, Landlord's actual costs (including reasonable attorney's fees) incurred in Landlord's review of any Permitted Transfer (defined below) or requested Transfer. Notwithstanding the foregoing, if Landlord would be entitled, pursuant to clause (2) above to terminate this Lease with respect to all or any portion of the Premises (and the applicable pro rata share of the Equipment Space), Tenant, prior to entering into such a Transfer, shall have the right to advise Landlord (the "Prior Notice") of its intention to enter into such Transfer. Such Prior Notice shall describe the space Tenant intends to sublet or assign and the effective date thereof. Landlord, within twenty (20) days after receipt of the Prior Notice, shall have the right to terminate this Lease with respect to the space that Tenant intends to sublet or assign (inclusive of a pro rata share of the Equipment Space) as of the effective date set forth in the Prior Notice. If Landlord fails to

* CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

exercise its right to terminate within twenty (20) days after the Prior Notice, for the next six (6) months thereafter Landlord may not elect to terminate in connection with a proposed subletting or assignment of the space described in the Prior Notice.

- (c) Excess Consideration. Tenant shall pay Landlord fifty percent (50%) of -----
all rent and other consideration which Tenant receives as a result of a Transfer that is in excess of the Rent payable to Landlord for the portion of the Premises and Term covered by the Transfer, following the recovery by Tenant of Tenant's reasonable costs of the following costs incurred by Tenant in connection with the Transfer:
- (i) commercially reasonable brokerage commissions;
 - (ii) reasonable attorneys' fees; and
 - (iii) tenant improvement costs incurred by Tenant in constructing space to be occupied by the assignee or subtenant, as opposed to improvements to be constructed in space in which Tenant shall retain occupancy.

Tenant shall pay Landlord for Landlord's share of any excess within thirty (30) days after Tenant's receipt of such excess consideration.

If Tenant is in Monetary Default (defined below), Landlord may require that all sublease payments be made directly to Landlord, in which case Tenant shall receive a credit against Rent in the amount of any payments received (less Landlord's share of any excess).

(d) Transfer of Shares/Rights; Permitted Transfers. Except as provided

below with respect to a Permitted Transfer, if Tenant is a corporation, limited liability company, partnership, or similar entity, and if the ownership of a majority of the voting shares/rights of Tenant at any time changes for any reason (including but not limited to a merger, consolidation or reorganization), such change of ownership or control, shall constitute a Transfer. The foregoing shall not apply so long as Tenant is an entity whose outstanding stock is listed on a recognized security exchange, or if at least eighty percent (80%) of its voting stock is owned by another entity, the voting stock of which is so listed. Notwithstanding the foregoing to the contrary, Tenant may assign its entire interest under this Lease or sublet the Premises to a wholly owned corporation, partnership or other legal entity or affiliate, subsidiary or parent of Tenant or to any successor to Tenant by purchase, merger, consolidation or reorganization (hereinafter, collectively, referred to as "Permitted Transfer") without the consent of Landlord, provided: (i) Tenant is not in default under this Lease; (ii) if such proposed transferee is a successor to Tenant by purchase, merger, consolidation or reorganization, (A) if Tenant does not survive such transaction as an ongoing enterprise, the continuing or surviving entity shall own all or substantially all of the assets of Tenant and shall have a net worth which is at least equal to the greater of Tenant's net worth at the date of this Lease or Tenant's net worth at the date of the Transfer; and (B) if Tenant survives such transaction as an ongoing enterprise, the continuing or surviving entity shall own all or substantially all of the assets of Tenant at the Premises and the surviving Tenant and the assignee or sublessee, in the aggregate, shall have a net worth which is at least equal to the greater of Tenant's net worth at the date of this Lease or Tenant's net worth at the date of the Transfer; (iii) such proposed transferee operates the business in the Premises for the Permitted Use and no other purpose; and (iv) in no event shall any Permitted Transfer release or relieve Tenant from any of its obligations under this Lease. Tenant shall give Landlord written notice at least ten (10) days prior to the effective date of such Permitted Transfer. As used herein: (a) "parent" shall mean a company which owns a majority of Tenant's voting equity; (b) "subsidiary" shall mean an entity wholly owned by Tenant or at least fifty-one percent (51%) of whose voting equity is owned by Tenant; and (c) "affiliate" shall mean an entity controlled, controlling or under common control with Tenant. Notwithstanding the foregoing, sale of a controlling interest in shares of equity of any affiliate or subsidiary to which this Lease has been assigned or transferred other than to another parent, subsidiary or affiliate of the original Tenant named hereunder shall be deemed to be an assignment requiring the consent of Landlord hereunder. Additionally, no public offering of Tenant's stock or private placement of Tenant's stock shall be considered a Transfer or included when aggregating a transfer of voting shares or rights under this Section.

12. Liens.

(a) Generally. Tenant shall not permit mechanic's or other liens to be

placed upon the Property, Premises or Tenant's leasehold interest in connection with any work or service done or purportedly done by or for benefit of Tenant. If a lien is so placed, Tenant shall, within ten (10) days of notice from Landlord of the filing of the lien, fully discharge the lien by settling the claim which resulted in the lien or by bonding or insuring over the lien in the manner prescribed by the applicable lien Law. If Tenant fails to discharge the lien, then, in addition to any other right or remedy of Landlord, Landlord may bond or insure over the lien or otherwise discharge the lien. Tenant shall reimburse Landlord for any amount paid by Landlord to bond or insure over the lien or discharge the lien, including, without limitation, reasonable attorneys' fees within thirty (30) days after receipt of an invoice from Landlord.

(b) Subordination. Notwithstanding the provisions of Section 12(a) above,

provided Tenant is not in default hereunder, Landlord agrees to subordinate any statutory or other lien for Rent to Tenant's lenders ("Lender"), if any, requiring a priority position under the following circumstances:

- (i) Lender is financing Tenant's purchase of the trade fixtures, equipment or inventory in which Landlord is subordinating its lien rights (the "Equipment");

- (ii) Tenant shall furnish Landlord, for Landlord's prior written consent and approval, with a complete schedule of the Equipment financed pursuant to the terms hereof and a copy of any UCC-1 or other financing statement which Lender and Tenant intend to file with respect to such Equipment, which shall be updated, subject to Landlord's prior written approval, in the event of any changes;
- (iii) Tenant shall be prohibited from financing any non-moveable fixture or permanent improvement to the leasehold or Building (provided that Landlord acknowledges that Tenant intends to include, as part of the Equipment to be financed, some or all of the following: supplemental HVAC units, generators, chillers, cages and racks);
- (iv) Tenant shall cause any and all Lenders to give Landlord notice of any public or private sale by such Lender of Tenant's Equipment;
- (v) no public or private sale by any Lender shall be held on the Premises or Property; and
- (vi) Lender can enter the Premises or Property for purpose of removal of the Equipment only if:
 - (A) permitted by the agreement between Lender and Tenant; and
 - (B) Lender agrees to restore or repair all damage to the Premises, Equipment Space and Property caused by such removal; and
 - (C) Lender gives Landlord notice in the event that any of Tenant's moveable trade fixtures or Equipment are removed from the Premises, Equipment Space and Property; and
 - (D) Lender indemnifies Landlord for any claim, liability or expense (including reasonable attorney's fees) arising out of or in connection with Lender's removal of the Equipment and Lender's entry and activities upon the Premises, Equipment Space and Property.
- (vii) Landlord's subordination shall not be effective unless and until a separate agreement is entered into between Lender and Landlord respecting the foregoing items; Landlord agrees to enter into an agreement in the form of Exhibit G attached hereto.

13. Indemnity and Waiver of Claims.

- (a) Tenant's Indemnity. Except to the extent caused by the negligence or willful misconduct of Landlord or any Landlord Related Parties (defined below), Tenant shall indemnify, defend and hold Landlord, its trustees, members, principals, beneficiaries, partners, officers, directors, employees, Mortgagee(s) (defined in Article 26) and agents ("Landlord Related Parties") harmless against and from all liabilities, obligations, damages, penalties, claims, actions, costs, charges and expenses, including, without limitation, reasonable attorneys' fees and other professional fees, which may be imposed upon, incurred by or asserted against Landlord or any of the Landlord Related Parties and arising out of or in connection with any damage or injury occurring in the Premises, Equipment Space, or Risers (provided such damage or injury to Risers is the result of any act or omission of Tenant or Tenant Related Parties) or any acts or omissions (including violations of Law) of Tenant, its trustees, members, principals, beneficiaries, partners, officers, directors, employees and agents ("Tenant Related Parties") or any of Tenant's transferees, contractors or licensees.
- (b) Exculpation. Landlord and the Landlord Related Parties shall not be liable for, and Tenant waives, all claims for loss or damage to Tenant's business or loss, theft or damage to Leasehold Improvements or Tenant's Property or the property of any person claiming by, through or under Tenant resulting from: (1) wind or weather; (2) the failure of any sprinkler, heating or air-conditioning equipment, any electric wiring or any gas, water or steam pipes; (3) the backing up of any sewer pipe or downspout; (4) the bursting, leaking or running of any tank, water closet, drain or other pipe; (5) water, snow or ice upon or coming through the roof, skylight, stairs, doorways, windows, walks or any other place upon or near the Building; (6) any act or omission of any party other than Landlord or Landlord Related Parties;

and (7) any causes not reasonably within the control of Landlord.
Tenant shall insure itself against such losses under Article 14 below.

14. Insurance. Tenant shall carry and maintain the following insurance

("Tenant's Insurance"), at its sole cost and expense: (1) Commercial General Liability Insurance applicable to the Premises, the Equipment Space, the portion of any Risers containing Tenant's Cable and their respective appurtenances providing, on an occurrence basis, a minimum combined single limit of \$5,000,000.00; (2) All Risk Property Insurance, including flood, written at replacement cost value and with a replacement cost endorsement covering all of Tenant's trade fixtures, equipment, furniture and other personal property within or serving the Premises, any Leasehold Improvements, and Site Equipment as well as all Cable ("Tenant's Property"); (3) Workers' Compensation Insurance as required by the state in which the Premises is located and in amounts as may be required by applicable statute; and (4) Employers Liability Coverage of at least \$1,000,000.00 per occurrence; and (5) such other amounts, types or levels of insurance as Landlord may reasonable prescribe, including, without limitation, increases in the levels of coverage described above. Any company writing any of Tenant's Insurance shall have an A.M. Best rating of not less than A-VIII. All Commercial General Liability Insurance policies shall name Tenant as a named insured and Landlord (or any successor), any property manager retained by Landlord to manage the Building, and their respective members, principals, beneficiaries, partners, officers, directors, employees, and agents, and other designees of Landlord as the interest of such designees shall appear, as additional insureds. All policies of Tenant's Insurance shall contain endorsements that the insurer(s) shall give Landlord and its designees at least thirty (30) days' advance written notice of any change, cancellation, termination or lapse of insurance. Tenant shall provide Landlord with a certificate of insurance evidencing Tenant's Insurance prior to the earlier to occur of the Commencement Date or the date Tenant is provided with possession of the Premises for any reason, and upon renewals at least fifteen (15) days prior to the expiration of the insurance coverage. So long as the same is available at commercially reasonable rates, Landlord shall maintain so called All Risk property insurance on the Building at replacement cost value, as reasonably estimated by Landlord, as well as commercially reasonable levels of liability insurance coverage. Except as specifically provided to the contrary, the limits of either party's insurance shall not limit such party's liability under this Lease.

15. Subrogation. Notwithstanding anything in this Lease to the contrary,

Landlord and Tenant shall cause their respective insurance carriers to waive any and all rights of recovery, claim, action or causes of action against the other and their respective trustees, principals, beneficiaries, partners, officers, directors, agents, and employees, for any loss or damage that may occur to Landlord or Tenant or any party claiming by, through or under Landlord or Tenant, as the case may be, with respect to Tenant's Property, the Building, the Premises and the Equipment Space, any additions or improvements to the foregoing, or any contents thereof, including all rights of recovery, claims, actions or causes of action arising out of the negligence of Landlord or any Landlord Related Parties or the negligence of Tenant or any Tenant Related Parties, which loss or damage is (or would have been, had the insurance required by this Lease been carried) covered by insurance.

16. Casualty Damage.

(a) Landlord's Options. If all or any part of the Premises is damaged by

fire or other casualty, Tenant shall immediately notify Landlord in writing. During any period of time that all or a material portion of the Premises is rendered untenable as a result of a fire or other casualty, the Rent shall abate for the portion of the Premises that is untenable and not used by Tenant. Landlord shall have the right to terminate this Lease if: (1) the Building shall be damaged so that, in Landlord's reasonable judgment, substantial alteration (ie, work which will take in excess of one hundred eighty (180) days) or reconstruction of the Building shall be required (whether or not the Premises has been damaged); (2) Landlord is not permitted by Law to rebuild the Building in substantially the same form as existed before the fire or casualty; (3) the Premises have been materially damaged and there is less than one (1) year of the Term remaining on the date of the casualty; or (4) a material uninsured loss to the Building occurs (provided that Landlord has complied with Article 14 above regarding insurance to be maintained by Landlord). Landlord may exercise its right to terminate this Lease by notifying Tenant in writing within one hundred twenty (120) days after the date of the casualty. If Landlord does not terminate this Lease, Landlord shall commence and proceed with reasonable diligence to repair and restore the Building (excluding any Tenant's Property, which Tenant shall repair). In no event shall Landlord be required to spend more than the

insurance proceeds received by Landlord. Landlord shall not be liable for any loss or damage to Tenant's Property or to the business of Tenant resulting in any way from the fire or other casualty or from the repair and restoration of the damage. Landlord and Tenant hereby waive the provisions of any Law relating to the matters addressed in this Article, and agree that their respective rights for damage to or destruction of the Premises shall be those specifically provided in this Lease.

(b) Tenant's Option. If all or any portion of the Premises shall be made

untenantable by fire or other casualty, Landlord shall, with reasonable promptness, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises tenantable again, using standard working methods ("Completion Estimate"). If the Completion Estimate indicates that the Premises cannot be made tenantable within two hundred ten (210) days from the date the repair and restoration is started, then regardless of anything in Section 16(a) above to the contrary, either party shall have the right to terminate this Lease by giving written notice to the other of such election within ten (10) days after receipt of the Completion Estimate. Tenant, however, shall not have the right to terminate this Lease if the fire or casualty was caused by the negligence or intentional misconduct of Tenant, any Tenant Related Parties or any of Tenant's transferees, contractors or licensees.

17. Condemnation. Either party may terminate this Lease if the whole or any

material part of the Premises shall be taken or condemned for any public or quasi-public use under Law, by eminent domain or private purchase in lieu thereof (a "Taking"). Landlord shall also have the right to terminate this Lease if there is a Taking of any portion of the Building or Property which would leave the remainder of the Building unsuitable for use in a manner comparable to the Building's use prior to the Taking. In order to exercise its right to terminate the Lease, Landlord or Tenant, as the case may be, must provide written notice of termination to the other within forty-five (45) days after the terminating party first receives notice of the Taking. Any such termination shall be effective as of the date the physical taking of the Premises or the portion of the Building or Property occurs. If this Lease is not terminated, the Rentable Square Footage of the Building, the Rentable Square Footage of the Premises and Tenant's Pro Rata Share shall, if applicable, be appropriately adjusted. In addition, Rent for any portion of the Premises taken or condemned shall be abated during the unexpired Term of this Lease effective when the physical taking of the portion of the Premises occurs. All compensation awarded for a Taking, or sale proceeds, shall be the property of Landlord, any right to receive compensation or proceeds being expressly waived by Tenant. However, Tenant may file a separate claim at its sole cost and expense for Tenant's Property and Tenant's reasonable relocation expenses, provided the filing of the claim does not diminish the award which would otherwise be receivable by Landlord.

18. Security Deposit.

(a) Tenant's Security Deposit, which shall be delivered by Tenant to Landlord, together with the first (1st) month's payment of Base Rent and Equipment Space Rent concurrently with Tenant's delivery to Landlord of this Lease as executed by Tenant, shall be held by Landlord, without liability for interest, as security for the performance of Tenant's obligations under this Lease. Landlord shall not be required to keep the Security Deposit segregated from other funds of Landlord. Tenant shall not assign or in any way encumber the Security Deposit. Upon the occurrence of any default by Tenant (beyond the giving of acceptable notice and

the passage of applicable grace periods), Landlord shall have the right, without prejudice to any other remedy, to use the Security Deposit, or portions thereof, to the extent necessary to pay any arrearages in Rent, and any other damage, injury or expense. Following any such application of all or any portion of the Security Deposit, Tenant shall pay to Landlord, on demand, the amount so applied in order to restore the Security Deposit to its original amount (or if the Security Deposit is a Letter of Credit, Tenant may either deliver cash, a replacement Letter of Credit, or an additional Letter of Credit). Provided Tenant is not in default hereunder, Landlord will return any unapplied portion of the Security Deposit to Tenant within thirty (30) days following the later to occur of (i) the expiration of the Term, and (ii) Tenant's vacancy of the Premises and Building in accordance with the provisions of this Lease.

(b) If the Security Deposit is in the form of a Letter of Credit, the Letter of Credit shall

- (i) be in form and substance satisfactory to Landlord;
- (ii) name Landlord as its beneficiary;
- (iii) be drawn on an FDIC insured financial institution satisfactory to the Landlord;
- (iv) expressly allow Landlord to draw upon it:
 - (A) in the event that the Tenant is in default under the Lease by delivering to the issuer of the Letter of Credit written notice that Landlord is entitled to draw thereunder pursuant to the terms of this Lease; or
 - (B) if Tenant, within sixty (60) days prior to expiration of the Letter of Credit then held by Landlord, fails to provide Landlord with a replacement Letter of Credit meeting the requirements herein;
- (v) expressly state that it will be honored by the issuer without inquiry into the accuracy of any such notice or statement made by Landlord;
- (vi) expressly permit multiple or partial draws up to the stated amount of the Letter of Credit;
- (vii) expressly provide that it is transferable to any successor of Landlord; and
- (viii) expire no earlier than sixty (60) days after the Expiration Date (alternatively, the Letter of Credit [and any renewals or replacements thereof] may be for a term of not less than one (1) year; in such event Tenant agrees that it shall from time to time, as necessary, [whether as a result of a draw on the Letter of Credit by Landlord pursuant to the terms hereof or as a result of the expiration of the Letter of Credit then in effect], renew or replace the original and any subsequent Letter of Credit so that a Letter of Credit, in the amount required hereunder, is in effect until a date which is at least sixty (60) days after the Expiration Date. If Tenant fails to furnish such renewal or replacement at least thirty (30) days prior to the stated expiration date of the Letter of Credit then held by Landlord, Landlord may draw upon such Letter of Credit and hold the proceeds thereof [and such proceeds need not be segregated] as a Security Deposit pursuant to the terms of this Article 18).

(c) Any renewal of or replacement for the original or any subsequent Letter of Credit shall meet the requirements for the original Letter of Credit as set forth above, except that such replacement or renewal shall be issued by a national bank satisfactory to Landlord at the time of the issuance thereof. Landlord agrees that in the event of any event which would give Landlord the right to draw upon the Letter of Credit, Landlord shall only draw down such amount as Landlord reasonably believes to be necessary to cure or remedy any default on the part of Tenant and to reimburse Landlord for any costs, expenses or liability incurred in connection with such default; notwithstanding the foregoing, if the amount of any draw upon the Letter of Credit exceeds the amount necessary to reimburse Landlord for such costs, expenses or liability, any excess proceeds of any draw on the Letter of Credit shall be held by Landlord as a Security Deposit pursuant to the provisions of this Article 18.

19. Events of Default. Tenant shall be considered to be in default of this

 Lease upon the occurrence of any of the following events of default:

- (a) Monetary Default. Tenant's failure to pay when due all or any portion

 of the Rent ("Monetary Default"), five (5) days after written notice to Tenant; provided, that Landlord shall be required to deliver any such notice only twice during any twelve (12) month period, and any subsequent failure to pay any Rent when due in any twelve (12) month period following Landlord's delivery of written notice of Monetary Default shall automatically be a default, without the necessity of written notice from Landlord or a five (5) day grace period.
- (b) Non-Monetary Default. Tenant's failure (other than a Monetary Default)

 to comply with any term, provision or covenant of this Lease, if the failure is not cured within fifteen (15) days after written notice to Tenant. However, if Tenant's failure to comply cannot reasonably be cured within fifteen (15) days, Tenant shall be allowed additional time (not to exceed sixty (60) days) as is reasonably necessary to

cure the failure so long as: (1) Tenant commences to cure the failure within fifteen (15) days, and (2) Tenant diligently pursues a course of action that will cure the failure and bring Tenant back into compliance with the Lease. However, if Tenant's failure to comply creates a hazardous condition, the failure must be cured immediately upon notice to Tenant. In addition, if Landlord provides Tenant with notice of Tenant's failure to comply with any particular term, provision or covenant of the Lease on three (3) occasions during any twelve (12) month period, Tenant's subsequent violation of such term, provision or covenant shall, at Landlord's option, be an incurable event of default by Tenant.

- (c) Insolvency Matters. Tenant becomes insolvent, makes a transfer in -----
fraud of creditors, or files a petition in bankruptcy, or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts when due.
- (d) Taking of Leasehold Estate. The leasehold estate is taken by process -----
or operation of Law.

20. Remedies.

- (a) Generally. Upon any default, Landlord shall have the right without -----
notice or demand (except as provided in Article 19) to pursue any of its rights and remedies at Law or in equity, including any one or more of the following remedies:
 - (i) Terminate this Lease, in which case Tenant shall immediately surrender the Premises and Equipment Space to Landlord. If Tenant fails to surrender the Premises and/or Equipment Space, Landlord may, in compliance with applicable Law and without prejudice to any other right or remedy, enter upon and take possession of the Premises and/or Equipment Space and expel and remove Tenant, Tenant's Property and any party occupying all or any part of the Premises and/or Equipment Space. Tenant shall pay Landlord on demand the amount of all past due Rent and other losses and damages which Landlord may suffer as a result of Tenant's default, whether by Landlord's inability to relet the Premises and/or Equipment Space on satisfactory terms or otherwise, including, without limitation, all Costs of Reletting (defined below) and any deficiency that may arise from reletting or the failure to relet the Premises and/or Equipment Space. "Costs of Reletting" shall include all costs and expenses incurred by Landlord in reletting or attempting to relet the Premises and/or Equipment Space, including, without limitation, reasonable legal fees, brokerage commissions, the cost of alterations and the value of other concessions or allowances granted to a new tenant.
 - (ii) Terminate Tenant's right to possession of the Premises and/or Equipment Space and, in compliance with applicable Law, expel and remove Tenant, Tenant's Property and any parties occupying all or any part of the Premises and/or Equipment Space. Landlord may (but shall not be obligated to) relet all or any part of the Premises and/or Equipment Space, without notice to Tenant, for a term that may be greater or less than the balance of the Term and on such conditions (which may include concessions, free rent and alterations of the Premises and/or Equipment Space) and for such uses as Landlord in its absolute discretion shall determine. Landlord may collect and receive all rents and other income from the reletting. Tenant shall pay Landlord on demand all past

due Rent, all Costs of Reletting and any deficiency arising from the reletting or failure to relet the Premises and/or Equipment Space. Landlord shall not be responsible or liable for the failure to relet all or any part of the Premises and/or Equipment Space or for the failure to collect any Rent. The re-entry or taking of possession of the Premises and/or Equipment Space shall not be construed as an election by Landlord to terminate this Lease unless a written notice of termination is given to Tenant.
 - (iii) In lieu of calculating damages under Sections 20(a) (i) or 20(a) (ii) above, Landlord may elect to receive as damages the sum of (a) all Rent accrued through the date of termination of this Lease or Tenant's right to possession, and (b) an amount equal to the total Rent that Tenant would have been required to pay for the remainder of the Term discounted to present value at the Prime Rate (defined in Section 20(b) below) then in effect, minus the then present fair rental value of the Premises for the

remainder of the Term, similarly discounted, after deducting all anticipated Costs of Reletting.

(b) Remedies; Cumulative Interest. Unless expressly provided in this

Lease, the repossession or re-entering of all or any part of the Premises and/or Equipment Space shall not relieve Tenant of its liabilities and obligations under the Lease. No right or remedy of Landlord shall be exclusive of any other right or remedy. Each right and remedy shall be cumulative and in addition to any other right and remedy now or subsequently available to Landlord at Law or in equity. If Landlord declares Tenant to be in default, Landlord shall be entitled to receive interest on any unpaid item of Rent at an annual rate equal to the Prime Rate plus four percent (4%). For purposes hereof, the "Prime Rate" shall be the per annum interest rate publicly announced as its prime or base rate by a federally insured bank selected by Landlord in the state in which the Building is located. Forbearance by Landlord to enforce one or more remedies shall not constitute a waiver of any default.

(c) Mitigation. Landlord agrees to use reasonable efforts to mitigate

damages, provided that such reasonable efforts shall not require Landlord to relet the Premises or Equipment Space in preference to any other space in the Building or to relet the Premises or Equipment Space to any party that Landlord could reasonably reject as a transferee pursuant to Article 11 hereof.

21. Limitation of Liability; Landlord's Transfer. Notwithstanding anything to

the contrary contained in this Lease, the liability of Landlord (and of any successor Landlord) to Tenant shall be limited to the equity interest of Landlord in the Building. Tenant shall look solely to Landlord's equity interest in the Building for the recovery of any judgment or award against Landlord. Neither Landlord nor any Landlord Related Party shall be personally liable for any judgment or deficiency. Before filing suit for an alleged default by Landlord, Tenant shall give Landlord and the Mortgagee(s) (defined in Article 26 below) whom Tenant has been notified hold Mortgages (defined in Article 26 below) on the Property, Building, Premises or Equipment Space, notice and reasonable time to cure the alleged default. Landlord shall have the right to transfer and assign all of its rights and obligations under this Lease and in the Building and/or Property referred to herein, and upon such transfer Landlord shall be released from any further obligations hereunder, and Tenant agrees to look solely to the successor in interest of Landlord for the performance of such obligations.

22. No Waiver. Either party's failure to declare a default immediately upon

its occurrence, or delay in taking action for a default shall not constitute a waiver of the default. Either party's failure to enforce its rights for a default shall not constitute a waiver of its rights regarding any subsequent default. Receipt by Landlord of Tenant's keys to the Premises shall not constitute an acceptance or surrender of the Premises.

23. Quiet Enjoyment. Tenant shall, and may peacefully have, hold and enjoy the

Premises and Equipment Space, subject to the terms of this Lease, provided Tenant pays the Rent and fully performs all of its covenants and agreements. This covenant and all other covenants of Landlord shall be binding upon Landlord and its successors only during its or their respective periods of ownership of the Building, and shall not be a personal covenant of Landlord or the Landlord Related Parties.

24. Relocation. [INTENTIONALLY OMITTED]

25. Holding Over. If Tenant fails to surrender the Premises and Equipment

Space at the expiration or earlier termination of this Lease, occupancy of the Premises and/or Equipment Space after the termination or expiration shall be that of a tenancy at sufferance. Tenant's occupancy of the Premises and/or Equipment Space during the holdover shall be subject to all the terms and provisions of this Lease and Tenant shall pay an amount (on a per month basis without reduction for partial months during the holdover) equal to one hundred fifty percent (150%) of the Rent due for the period immediately preceding the holdover. No holdover by Tenant or payment by Tenant after the expiration or early termination of this Lease shall be construed to extend the Term or prevent Landlord from immediate recovery of possession of the Premises and/or Equipment Space by summary proceedings or otherwise. In addition to the payment of the amounts provided above, Tenant shall be liable to Landlord for all damages, including, without limitation, consequential damages, that Landlord suffers from the holdover.

26. Subordination to Mortgages; Estoppel Certificate. Tenant accepts this

Lease subject and subordinate to any mortgage(s), deed(s) of trust, ground lease(s) or other lien(s) now or subsequently arising upon the Building or the Property, and to renewals, modifications, refinancings and extensions thereof (collectively referred to as a "Mortgage"). The party having the benefit of a Mortgage shall be referred to as a "Mortgagee". Upon request from a Mortgagee, Tenant shall execute a commercially reasonable subordination agreement in favor of the Mortgagee. In lieu of having the Mortgage be superior to this Lease, a Mortgagee shall have the right at any time to subordinate its Mortgage to this Lease. If requested by a successor-in-interest to all or a part of Landlord's interest in the Lease, Tenant shall, without charge, attorn to the successor-in-interest. Landlord and Tenant shall each, within ten (10) days after receipt of a written request from the other, execute and deliver an estoppel certificate to those parties as are reasonably requested by the other (including a Mortgagee or prospective purchaser). The estoppel certificate shall include a statement certifying that this Lease is unmodified (except as identified in the estoppel certificate) and in full force and effect, describing the dates to which Rent and other charges have been paid, representing that, to such party's actual knowledge, there is no default (or stating the nature of the alleged default) and indicating other matters with respect to the Lease that may reasonably be requested. Tenant agrees to modify this Lease as reasonably requested by any Mortgagee, provided such modifications do not materially impair Tenant's rights or increase Tenant's obligations under the Lease. Notwithstanding the foregoing, upon written request by Tenant, Landlord will use reasonable efforts to obtain a non-disturbance, subordination and attornment agreement from Landlord's then current-Mortgagee on such Mortgagee's then current standard form of agreement. "Reasonable efforts" of Landlord shall not require Landlord to incur any cost, expense or liability to obtain such agreement, it being agreed that Tenant shall be responsible for any fee or review costs charged by Mortgagee. Upon request of Landlord, Tenant will execute the Mortgagee's form of non-disturbance, subordination and attornment agreement (subject to Tenant's approval, which will not be unreasonably withheld, conditioned or delayed) and return the same to Landlord for execution by the Mortgagee. Landlord's failure to obtain a non-disturbance, subordination and attornment agreement for Tenant shall have no effect on the rights, obligations and liabilities of Landlord and Tenant or be considered to be a default by Landlord hereunder but in the event that Landlord fails to procure such agreement from Landlord's Mortgagee, Tenant will not be obligated to subordinate its interest in this Lease to the lien of the Mortgagee in question. As of the date of this Lease, Landlord represents to Tenant that there is no Mortgage encumbering the Building or the Property.

27. Attorneys' Fees. If either party institutes a suit against the other for

violation of or to enforce any covenant or condition of this Lease, or if either party intervenes in any suit in which the other is a party to enforce or protect its interest or rights, the prevailing party shall be entitled to all of its costs and expenses, including, without limitation, reasonable attorneys' fees.
28. Notices. If a demand, request, approval, consent or notice (collectively

referred to as a "Notice") shall or may be given to either party by the other, the Notice shall be in writing and delivered by hand or sent by registered or certified mail with return receipt requested, or sent by overnight or same day courier service at the party's respective Notice Address(es) set forth in Article 1, except that if Tenant has vacated the Premises (or if the Notice Address for Tenant is other than the Premises, and Tenant has vacated such address) without providing Landlord a new Notice Address, Landlord may serve Notice in any manner described in this Article or in any other manner permitted by Law. Notice shall be deemed to have been received or given on the earlier to occur of (i) actual delivery, or the date on which delivery is refused, or (ii) if Tenant has vacated the Premises or the other Notice Address of Tenant without providing a new Notice Address, three (3) days after Notice is deposited in the U.S. mail or with a courier service in the manner described above. Either party may, at any time, change its Notice Address by giving the other party written Notice of the new address in the manner described in this Article.
29. Excepted Rights. This Lease does not grant any rights to light or air over

or about the Building. Except as expressly set forth in this Lease, Landlord excepts and reserves exclusive to itself the use of: (1) roofs, (2) telephone, electrical and janitorial closets, (3) equipment rooms, (4) rights to the land and improvements below the floor of the Premises, (5) the improvements and air rights above the Premises, (6) the improvements and air rights outside the demising walls of the Premises, and (7) the areas within the Premises used for the installation of utility lines and other installations serving all occupants of the Building. Landlord has the right to change the Building's name or (if required by governmental authority) address. Landlord also has the right to make such other changes to the Property and Building as Landlord deems appropriate (including the right to add additional floors to the Building or to reduce the size of the Building), provided the changes do not materially affect Tenant's ability

to use the Premises or the Equipment Space. Landlord shall also have the right (but not the obligation) to temporarily close the Building if Landlord reasonably determines that there is an imminent danger of significant damage to the Building or of personal injury to Landlord's employees or the occupants of the Building. The circumstances under which Landlord may temporarily close the Building shall include, without limitation, electrical interruptions, hurricanes and civil disturbances. A closure of the Building under such circumstances shall not constitute a constructive eviction nor entitle Tenant to an abatement or reduction of Rent. Landlord reserves the right to temporarily reduce Tenant's allocation of parking spaces as required during modifications to the Property.

30. Surrender of Premises. At the expiration or earlier termination of this

Lease or Tenant's right of possession, Tenant shall remove Tenant's Property from the Premises, Equipment Space and Risers, and quit and surrender the Premises, Equipment Space and the Risers (using Landlord's specified contractor to perform any such work affecting the Risers) to Landlord, broom clean, and in good order, condition and repair and in compliance with all applicable laws, ordinary wear and tear excepted; any such work will be performed in accordance with Article 8 above. If Tenant fails to so remove any of Tenant's Property prior to the termination of this Lease or of Tenant's right to possession, Landlord, at Tenant's sole cost and expense, shall be entitled (but not obligated) to remove and store Tenant's Property, Tenant shall pay Landlord, upon demand, the expenses and storage charges incurred for Tenant's Property. Landlord shall not be responsible for the value, preservation or safekeeping of Tenant's Property. In addition, if Tenant fails to remove Tenant's Property from the Premises or storage, as the case may be, within thirty (30) days after written Notice, Landlord may deem all or any part of Tenant's Property to be abandoned, and title to Tenant's Property shall be deemed to be immediately vested in Landlord.

31. Parking. Tenant shall be allowed in common with all other Building

occupants to use the parking area associated with the Building for Tenant's parking requirements up to fifteen (15) spaces. Tenant shall pay Landlord as Additional Rent hereunder, the monthly parking rates as established by Landlord. Tenant shall not exceed its allocation of parking spaces as described herein.

32. Environmental Matters/Hazardous Materials:

(a) Hazardous Materials Disclosure Certificate: Prior to executing this

Lease, Tenant has completed, executed and delivered to Landlord Tenant's initial Hazardous Materials Disclosure Certificate (the "Initial HazMat Certificate"), a copy of which is attached hereto as Exhibit E and incorporated herein by this reference. Tenant covenants, represents and warrants to Landlord that, to the best of Tenant's knowledge after due inquiry, the information on the Initial HazMat Certificate is true and correct and accurately describes the use(s) of Hazardous Materials which will be made and/or used on the Premises or the Equipment Space by Tenant. Commencing with the date which is one year from the Commencement Date, and continuing every year thereafter after Landlord's written request, Tenant will complete, execute, and deliver to Landlord, a Hazardous Materials Disclosure Certificate (the "HazMat Certificate") describing Tenant's present use of Hazardous Materials on the Premises or the Equipment Space, and any other reasonably necessary documents as requested by Landlord. The HazMat Certificate required hereunder shall be in substantially the form as that which is attached hereto as Exhibit E.

(b) Definition of Hazardous Materials: As used in this Lease, the term

Hazardous Materials shall mean and include (i) any hazardous or toxic wastes, materials or substances, and other pollutants or contaminants, which are or become regulated by any Environmental Laws; (ii) petroleum, petroleum by products, gasoline, diesel fuel, crude oil or any fraction thereof; (iii) asbestos and asbestos containing material, in any form, whether friable or non-friable; (iv) polychlorinated biphenyls; (v) radioactive materials; (vi) lead and lead-containing materials; (vii) any other material, waste or substance displaying toxic, reactive, ignitable or corrosive characteristics, as all such terms are used in their broadest sense, and are defined or become

defined by any Environmental Law (defined below); or (h) any materials which cause or threatens to cause a nuisance upon or waste to any portion of the Premises, Equipment Space, the Building, the Property or any surrounding property; or poses or threatens to pose a hazard to the health and safety of persons on the Premises, Equipment Space, Building, the Property or any surrounding property.

(c) Prohibition; Environmental Laws: Except for, and to the extent of, the

Hazardous Materials specified in the Initial HazMat Certificate, Tenant shall not be entitled to use nor store any Hazardous Materials on, in, or about the Premises, Equipment Space, the Building, the Property, or any portion of the foregoing, without, in each instance, obtaining Landlord's prior written consent thereto. If Landlord consents to any such usage or storage, then Tenant shall be permitted to use and/or store only those Hazardous Materials that are necessary for Tenant's business and to the extent disclosed in the HazMat Certificate and as expressly approved by Landlord in writing, provided that such usage and storage is only to the extent of the quantities of Hazardous Materials as specified in the then applicable HazMat Certificate as expressly approved by Landlord and provided further that such usage and storage is in full compliance with any and all local, state and federal environmental, health and/or safety-related laws, statutes, orders, standards, courts' decisions, ordinances, rules and regulations (as interpreted by judicial and administrative decisions), decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant or all or any portion of the Premises (collectively, the "Environmental Laws"). Tenant agrees that any changes to the type and/or quantities of Hazardous Materials specified in the most recent HazMat Certificate may be implemented only with the prior written consent of Landlord, which consent may be given or withheld in Landlord's reasonable discretion. Landlord shall have the right at all times during the Term, upon reasonable advance notice to Tenant (except in the case of emergency) to (i) inspect the Premises and Equipment Space, (ii) conduct tests and investigations to determine whether Tenant is in compliance with the provisions of this Article 32, and (iii) request lists of all Hazardous Materials used, stored or otherwise located on, under or about the Building, Premises, Equipment Space, and the Property. The cost of all such inspections, tests and investigations shall be proportionately borne by Tenant commensurate with the extent of Hazardous Materials revealed by any such inspection, test or investigation to be present in, on or about the Premises, Equipment Space, Building or Property arising from or related to the intentional or negligent acts or omissions of Tenant or any of Tenant's employees, agents, contractors or representatives and all other costs and expenses shall be borne by parties other than Tenant. However, in the event any such inspection, test or investigation reveals that there are not any Hazardous Materials present in, on or about the Premises, Building, Equipment Space or Property arising from or related to the intentional or negligent acts or omissions of Tenant or Tenant's employees, agents, contractors or representatives then Tenant shall not be responsible for any of the cost of such inspections, tests and investigations. The aforementioned rights granted herein to Landlord and its representatives shall not create (a) a duty on Landlord's part to inspect, test, investigate, monitor or otherwise observe the Premises, Building, Equipment Space, Property or the activities of Tenant and Tenant's employees, agents, contractors or representatives or invitees with respect to Hazardous Materials, including without limitation, Tenant's operation, use and any remediation related thereto, or (b) liability on the part of Landlord and its representatives for Tenant's use, storage, disposal or remediation of Hazardous Materials, it being understood that Tenant shall be solely responsible for all liability in connection therewith.

- (d) Tenant's Environmental Obligations: Tenant shall give to Landlord

immediate verbal and follow-up written Notice of any spills, releases, discharges, disposals, emissions, migrations, removals or transportation of Hazardous Materials on, under or about the Premises, Equipment Space, Building or Property. Tenant, at its sole cost and expense, covenants and warrants to promptly investigate, clean up, remove, restore and otherwise remediate (including, without limitation, preparation of any feasibility studies or reports and the performance of any and all closures) any spill, release, discharge, disposal, emission, migration or transportation of Hazardous Materials arising from or related to the intentional or negligent acts or omissions of Tenant or Tenant's employees, agents, contractors or representatives such that the affected portions of the Premises, Equipment Space, Building, Property and any adjacent property are returned to the condition existing prior to the appearance of such Hazardous Materials. Any such investigation, clean up, removal, restoration and other remediation shall only be performed after Tenant has obtained Landlord's prior written consent, which consent shall not be unreasonably withheld so long as such actions would not potentially have a material adverse long-term or short-term effect on any portion of the Premises, Equipment Space, the Building, or the Property. Notwithstanding the foregoing, Tenant shall be entitled to respond immediately to an emergency without first obtaining Landlord's prior written consent. Tenant, at its sole cost and

expense, shall conduct and perform, or cause to be conducted and

performed, all closures as required by any Environmental Laws or any agencies or other governmental authorities having jurisdiction thereof. If Tenant fails to so promptly investigate, clean up, remove, restore, provide closure or otherwise so remediate, Landlord may, but without obligation to do so, take any and all steps necessary to rectify the same and Tenant shall promptly reimburse Landlord, upon demand, for all costs and expenses to Landlord of performing investigation, clean up, removal, restoration, closure and remediation work. All such work undertaken by Tenant, as required herein, shall be performed in such a manner so as to enable Landlord to make full economic use of the Premises, Equipment Space, the Building and Property, and after the satisfactory completion of such work.

(e) Environmental Indemnity: In addition to Tenant's obligations as set -----
forth hereinabove, to the fullest extent permitted under applicable law, Tenant agrees to, and shall, protect, indemnify, defend (with counsel reasonably acceptable to Landlord) and hold Landlord and Landlord's Related Parties harmless from and against any and all claims, judgments, damages, penalties, fines, liabilities, losses (including, without limitation, diminution in value of any portion of the Premises, Equipment Space, the Building, the Property, damages for the loss of or restriction on the use of rentable or usable space, and from any adverse impact of Landlord's marketing of any space within the Premises, Equipment Space, Building and/or Property), suits, administrative proceedings and costs (including, but not limited to, attorneys' and consultant fees and court costs) arising at any time during or after the Term of this Lease in connection with or related to, directly or indirectly, the use, presence, transportation, storage, disposal, migration, removal, spill, release or discharge of Hazardous Materials on, in or about any portion of the Premises, Equipment Space, the Building, or the Property as a result (directly or indirectly) and to the extent of the acts or omissions of Tenant or any of Tenant's employees, agents, invitees, contractors or representatives. Neither the written consent of Landlord to the presence, use or storage of Hazardous Materials in, on, under or about any portion of the Premises, Equipment Space, the Building, and/or the Property, nor the strict compliance by Tenant with all Environmental Laws shall excuse Tenant and Tenant's officers and directors from its obligations of indemnification pursuant hereto. Tenant shall not be relieved of its indemnification obligations under the provisions of this Section 32(e) due to Landlord's status as either an "owner" or "operator" under any Environmental Laws.

(f) Survival: Tenant's obligations and liabilities pursuant to the -----
provisions of this Article 32 shall survive the expiration or earlier termination of this Lease. If it is determined by Landlord that the condition of all or any portion of the Premises, Equipment Space, the Building, and/or the Property is not in compliance with the provisions of this Lease with respect to Hazardous Materials, including without limitation all Environmental Laws at the expiration or earlier termination of this Lease, then in Landlord's sole discretion, Landlord may require Tenant to hold over possession of the Premises and/or Equipment Space until Tenant can surrender the Premises and/or Equipment Space to Landlord in the condition in which the Premises and/or Equipment Space existed as of the Commencement Date and prior to the appearance of such Hazardous Materials except for reasonable wear and tear, including without limitation, the conduct or performance of any closures as required by any Environmental Laws. For purposes hereof, the term "reasonable wear and tear" shall not include any deterioration in the condition or diminution of the value of any portion of the Premises, Equipment Space, the Building, and/or the Property in any manner whatsoever related to directly, or indirectly, Hazardous Materials. Any such holdover by Tenant will be with Landlord's consent, will not be terminable by Tenant in any event or circumstance and will otherwise be subject to the provisions of this Lease.

33. Miscellaneous.

(a) Governing Law. This Lease and the rights and obligations of the -----
parties shall be interpreted, construed and enforced in accordance with the Laws of the state in which the Building is located and Landlord and Tenant hereby irrevocably consent to the jurisdiction and proper venue of such state. If any term or provision of this Lease shall to any extent be invalid or unenforceable, the remainder of this Lease shall not be affected, and each provision of this Lease shall be valid and enforced to the fullest extent permitted by Law. The headings and titles to the Articles and Sections of this Lease are for convenience only and shall have no effect on the interpretation of any part of the Lease.

- (b) Memorandum of Lease. Following the mutual execution and delivery of

this Lease, Tenant, upon written request to Landlord, should have the right to record a Memorandum of Lease reflecting Tenant's leasehold interest as created hereby; provided, that such Memorandum is in form and substance satisfactory to Landlord, in Landlord's reasonable determination, and that Landlord shall have the right to require Tenant to simultaneously deliver to Landlord a quitclaim deed of Tenant's leasehold interest in form and substance reasonably satisfactory to Landlord for recording by Landlord upon the expiration or sooner termination of this Lease.
- (c) Waiver of Jury Trial. Landlord and Tenant hereby waive any right to

trial by jury in any proceeding based upon a breach of this Lease.
- (d) Force Majeure. Whenever a period of time is prescribed for the taking

of an action by Landlord or Tenant, the period of time for the performance of such action shall be extended by the number of days that the performance is actually delayed due to fire, windstorm, flood, explosion, collapse of structures, governmental preemption or prescription, unavailability of utilities, strikes, acts of God, shortages of labor or materials, war, civil disturbances and other causes beyond the reasonable control of the performing party ("Force Majeure"). However, events of Force Majeure shall not extend or delay any date or period of time for the payment of Rent or other sums payable by either party or any period of time for the written exercise of an option or right by either party.
- (e) Brokers. Tenant represents that it has dealt directly with and only

with the Broker(s) described in Article 1 as a broker in connection with this Lease. Tenant shall indemnify and hold Landlord and the Landlord Related Parties harmless from all claims of any other brokers claiming to have represented Tenant in connection with this Lease. Landlord agrees to indemnify and hold Tenant and the Tenant Related Parties harmless from all claims of any brokers claiming to have represented Landlord in connection with this Lease.
- (f) Authorizations, Etc.. Tenant covenants, warrants and represents that:

(1) each individual executing, attesting and/or delivering this Lease on behalf of Tenant is authorized to do so on behalf of Tenant; (2) this Lease is binding upon Tenant; and (3) Tenant is duly organized and legally existing in the state of its organization and is qualified to do business in the state in which the Premises are located. If there is more than one Tenant, or if Tenant is comprised of more than one party or entity, the obligations imposed upon Tenant shall be joint and several obligations of all the parties and entities. Notices, payments and agreements given or made by, with or to any one person or entity shall be deemed to have been given or made by, with and to all of them.
- (g) Time of Essence. Time is of the essence with respect to Tenant's

exercise of any expansion, renewal or extension rights granted to Tenant (if any). This Lease shall create only the relationship of landlord and tenant between the parties, and not a partnership, joint venture or any other relationship. This Lease and the covenants and conditions in this Lease shall inure only to the benefit of and be binding only upon Landlord and Tenant and their permitted successors and assigns.
- (h) Survival. The expiration of the Term, whether by lapse of time or

otherwise, shall not relieve either party of any obligations which accrued prior to or which may continue to accrue after the expiration or early termination of this Lease.
- (i) No Offer. Landlord has delivered a copy of this Lease to Tenant for

Tenant's review only, and the delivery of it does not constitute an offer to Tenant or an option. This Lease shall not be effective against any party hereto until an original copy of this Lease has been signed and delivered by such party.
- (j) Integration. All understandings and agreements previously made between

the parties are superseded by this Lease, and neither party is relying upon any warranty, statement or representation not contained in this Lease. This Lease may be modified only by a written agreement signed by Landlord and Tenant.
- (k) Graphics. Tenant shall have the right to (i) one listing in the

Building's directory on the ground floor lobby, to be provided by
Landlord using the Building's standard lettering and (ii) one
Building-standard entry sign on or adjacent to the entrance to the
Premises, to be provided at Tenant's expense.

(l) [INTENTIONALLY OMITTED]

(m) Confidentiality.

(i) Landlord shall use reasonable efforts to keep all Confidential
Information of Tenant (defined below) confidential; as used
herein "Confidential Information of Tenant" shall mean any data
or information pertaining to Tenant or Tenant's business,
regardless of medium that is provided by Tenant to Landlord,
including Tenant's plans and specifications or electrical power
requirements, site plans, or copies of any such information but
shall exclude any information (a) approved in writing by Tenant
for release to third parties, (b) that Landlord possess
independently of Tenant, (c) that Tenant places in the public
domain or (d) except as may be approved in writing by Tenant for
release to third parties or as may be required by applicable law
or as Landlord may, in Landlord's good faith business judgment,
disclose in confidence to Landlord's counsel, lenders, or
investors, contractors, engineers, architects, project managers
in the course of the operation of the Building and Property.

(ii) Tenant agrees to use reasonable efforts to keep confidential the
terms and conditions of this Lease, and not to disclose the terms
and conditions of this Lease to any third parties except as may
be approved in writing by Landlord for release to third parties
or as may be required by applicable law or as Tenant may, in
Tenant's good faith business judgment, disclose in confidence to
Tenant's counsel, lenders, or investors.

(n) Financial Information. Tenant, within 15 days after request (but no

more often than once per calendar quarter), shall provide Landlord
with a current financial statement and such other information as
Landlord may reasonably request. Landlord shall use reasonable efforts
to maintain such information as confidential.

34. Entire Agreement.

This Lease and the following exhibits and attachments constitute the entire
agreement between the parties and supersede all prior agreements and
understandings related to the Premises, including all lease proposals, letters
of intent and other documents:

- Exhibit A (Outline and Location of Premises)
- Exhibit B (Outline and Location of Equipment Space)
- Exhibit C (Rules and Regulations)
- Exhibit D (Commencement Letter)
- Exhibit E (Haz Mat Certificate)
- Exhibit F (Tenant Options)
- Exhibit G (Form Agreement Regarding Lender's Security Interest)

LANDLORD: CARLYLE-CORE CHICAGO LLC,
a Delaware limited liability company

By: /s/ Fred Ezra

Name: Fred Ezra

Title: Manager

TENANT: EQUINIX, INC.,
a Delaware corporation

By: /s/ Albert M. Avery, IV

Name: Albert M. Avery, IV

Title: President

By: /s/ Jay S. Adelson

Name: Jay S. Adelson

Title: Vice President

EXHIBIT A

PREMISES

[GRAPHIC OF FLOOR PLAN OF PREMISES]

EXHIBIT A - Page 1

EXHIBIT B

EQUIPMENT SPACE

[GRAPHIC OF FLOOR PLAN OF EQUIPMENT SPACE]

EXHIBIT B - Page 1

EXHIBIT C

BUILDING RULES AND REGULATIONS

The following rules and regulations shall apply, where applicable, to the Premises, the Building, the parking garage (if any), the Property and the appurtenances. Capitalized terms have the same meaning as defined in the Lease.

1. Sidewalks, doorways, vestibules, halls, stairways and other similar areas shall not be obstructed by Tenant or used by Tenant for any purpose other than ingress and egress to and from the Premises. No rubbish, litter, trash, or material shall be placed, emptied, or thrown in those areas. At no time shall Tenant permit Tenant's employees to loiter in Common Areas or elsewhere about the Building or Property.
2. Plumbing fixtures and appliances shall be used only for the purposes for which designed, and no sweepings, rubbish, rags or other unsuitable material shall be thrown or placed in the fixtures or appliances. Damage resulting to fixtures or appliances by Tenant, its agents, employees or invitees, shall be paid for by Tenant, and Landlord shall not be responsible for the damage.
3. No signs, advertisements or notices shall be painted or affixed to windows, doors or other parts of the Building, except those of such color, size, style and in such places as are first approved in writing by Landlord as specifically provided for in the Lease.
5. Landlord will be provided with keys to the Premises.
6. All contractors, contractor's representatives and installation technicians performing work in the Building shall be subject to Landlord's prior approval and shall be required to comply with Landlord's standard rules, regulations, policies and procedures, which may be revised from time to time.
7. Tenant shall not: (1) make or permit any improper, objectionable or unpleasant noises or odors in the Building, or otherwise interfere in any way with other tenants or persons having business with them; (2) solicit business or distribute, or cause to be distributed, in any portion of the Building, handbills, promotional materials or other advertising; or (3) conduct or permit other activities in the Building that might, in Landlord's sole opinion, constitute a nuisance.
8. No animals, except those assisting handicapped persons, shall be brought into the Building or kept in or about the Premises.
9. Tenant shall not use or occupy the Premises in any manner or for any purpose which might injure the reputation or impair the present or future value of the Premises or the Building. Tenant shall not use, or permit any part of the Premises to be used, for lodging, sleeping or for any illegal purpose.
10. Tenant shall not install, operate or maintain in the Premises or in any other area of the Building, electrical equipment that would overload the electrical system beyond its capacity for proper, efficient and safe operation as determined solely by Landlord.
11. Tenant shall not operate or permit to be operated a coin or token operated vending machine or similar device (including, without limitation, telephones, lockers, toilets, scales, amusement devices and machines for sale of beverages, foods, candy, cigarettes and other goods), except for

machines for the exclusive use of Tenant's employees.

- 12. Bicycles and other vehicles are not permitted inside the Building or on the walkways outside the Building, except in areas designated by Landlord.
- 13. Landlord may from time to time adopt systems and procedures for the security and safety of the Building, its occupants, entry, use and contents. Tenant, its agents, employees, contractors, guests and invitees shall comply with Landlord's systems and procedures.

EXHIBIT C - Page 1

- 14. Landlord shall have the right to prohibit the use of the name of the Building or any other publicity by Tenant that in Landlord's sole opinion may impair the reputation of the Building or its desirability. Upon written notice from Landlord, Tenant shall refrain from and discontinue such publicity immediately.
- 15. Tenant shall not canvass, solicit or peddle in or about the Building or the Property.
- 16. Neither Tenant nor its agents, employees, contractors, guests or invitees shall smoke or permit smoking anywhere in the Building.

EXHIBIT C - Page 2

EXHIBIT D

COMMENCEMENT LETTER

(EXAMPLE)

Date:

Tenant:

Address: _____

Re: Commencement Letter with respect to that certain Lease dated as of _____, _____ by and between CARLYLE-CORE CHICAGO LLC, a Delaware limited liability company, as Landlord, and _____, as Tenant, for _____ square feet of Rentable Area on the _____ floor of the Building located at [*], Chicago, Illinois.

Dear :

In accordance with the terms and conditions of the above referenced Lease, Tenant accepts possession of the Premises and agrees:

- 1. The Commencement Date is _____;
- 2. The Rent Commencement Date is _____;
- 3. The Rentable Area of the Building is _____ Rentable Square Feet;
- 4. The Rentable Area of the Premises is _____ Rentable Square Feet;
- 5. Tenant's Pro Rata Share is _____%;
- 6. The Rentable Area of the Equipment Space is _____ Rentable Square Feet;
- 7. The schedule of Base Rent payable during the Term is as follows:
- 8. The schedule of Equipment Space Rent payable during the term is as follows:
- 9. The Expiration Date is _____.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

EXHIBIT D - Page 1

Please acknowledge your acceptance of possession and agreement to the terms set forth above by signing all 3 counterparts of this Commencement Letter in the space provided and returning 2 fully executed counterparts to my attention.

Sincerely,

Agreed and Accepted:

Tenant: _____
By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT D - Page 2

EXHIBIT E

HAZARDOUS MATERIALS DISCLOSURE CERTIFICATE

Your cooperation in this matter is appreciated. Initially, the information provided by you in this Hazardous Materials Disclosure Certificate is necessary for the Landlord (identified below) to evaluate and finalize a lease agreement with you as tenant. After a lease agreement is signed by you and the Landlord (the "Lease"), on an annual basis in accordance with the provisions of the Lease, you are to provide an update to the information initially provided by you in this certificate. The information contained in the initial Hazardous Materials Disclosure Certificate and each annual certificate provided by you thereafter will be maintained in confidentiality by Landlord subject to release and disclosure as required by (i) any lenders and owners and their respective environmental consultants, (ii) any prospective purchaser(s) of all or any portion of the property on which the Premises are located, (iii) Landlord to defend itself or its lenders, partners or representatives against any claim or demand, and (iv) any laws, rules, regulations, orders, decrees, or ordinances, including, without limitation, court orders or subpoenas. Any and all capitalized terms used herein, which are not otherwise defined herein, shall have the same meaning ascribed to such term in the signed Lease. Any questions regarding this certificate should be directed to, and when completed, the certificate should be delivered to:

Landlord: CARLYLE-CORE CHICAGO LLC
c/o Core Location Realty Associates of Chicago LLC
4520 East-West Highway, Suite 650
Bethesda, Maryland 20814

Name of Tenant: _____

Mailing Address: _____

Contact Person, Title and Telephone Number(s): _____

Contact Person for Hazardous Waste Materials Management and Manifests and Telephone Number(s): _____

Address of Premises: [*], Chicago, Illinois

1. GENERAL INFORMATION:

Describe the initial proposed operations to take place in, on, or about the Premises or Equipment Space, including, without limitation, principal products processed, manufactured or assembled services and activities to be provided or otherwise conducted. Existing tenants should describe any proposed changes to on-going operations.

2. USE, STORAGE AND DISPOSAL OF HAZARDOUS MATERIALS

2.1 Will any Hazardous Materials be used, generated, stored or disposed of in, on or about the Premises or Equipment Space? Existing tenants should describe any Hazardous Materials which continue to be used, generated, stored or disposed of in, on or about the Premises or Equipment Space.

Wastes	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Chemical Products	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Other	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If Yes is marked, please explain: _____

2.2 If Yes is marked in Section 2.1, attach a list of any Hazardous Materials to be used, generated, stored or disposed of in, on or about the Premises or Equipment Space, including the applicable hazard class and an estimate of the quantities of such Hazardous Materials at any given time; estimated annual throughput; the proposed location(s) and method of storage (excluding nominal amounts of ordinary household cleaners and janitorial supplies which are not regulated by any Environmental Laws); and the proposed location(s) and method of disposal for each Hazardous Material, including, the estimated frequency, and the proposed contractors or subcontractors. Existing tenants should attach a list setting forth the information requested above and such list should include actual data from on-going operations and the identification of any variations in such information from the prior year's certificate.

3. STORAGE TANKS AND SUMPS

3.1 Is any above or below ground storage of gasoline, diesel, petroleum, or other Hazardous Materials in tanks or sumps proposed in, on or about the Premises or Equipment Space? Existing tenants should describe any such actual or proposed activities.

Yes No

If yes, please explain: _____

4. WASTE MANAGEMENT

4.1 Has your company been issued an EPA Hazardous Waste Generator I.D. Number? Existing tenants should describe any additional identification numbers issued since the previous certificate.

Yes No

4.2 Has your company filed a biennial or quarterly reports as a hazardous waste generator? Existing tenants should describe any new reports filed.

Yes No

If yes, attach a copy of the most recent report filed.

5. WASTEWATER TREATMENT AND DISCHARGE

5.1 Will your company discharge wastewater or other wastes to:

_____ storm drain? _____ sewer?
_____ surface water? _____ no wastewater or other wastes discharged

Existing tenants should indicate any actual discharges. If so, describe the nature of any proposed or actual discharge(s).

5.2 Will any such wastewater or waste be treated before discharge?

Yes No

If yes, describe the type of treatment proposed to be conducted. Existing tenants should describe the actual treatment conducted.

6. AIR DISCHARGES

6.1 Do you plan for any air filtration systems or stacks to be used in your company's operations in, on or about the Premises or Equipment Space that will discharge into the air; and will such air emissions be monitored? Existing tenants should indicate whether or not there are any such air filtration systems or stacks in use in, on or about the Premises or Equipment Space which discharge into the air and whether such air emissions are being monitored.

Yes No

If yes, please describe: _____

6.2 Do you propose to operate any of the following types of equipment, or any other equipment requiring an air emissions permit? Existing tenants should specify any such equipment being operated in, on or about the Premises or Equipment Space.

_____ Spray booth(s) _____ Incinerator(s)
_____ Dip tank(s) _____ Other (Please describe)
_____ Drying oven(s) _____ No Equipment Requiring Air Permits

If yes, please describe: _____

7. HAZARDOUS MATERIALS DISCLOSURES

7.1 Has your company prepared or will it be required to prepare a Hazardous Materials management plan ("Management Plan") pursuant to Fire Department or other governmental or regulatory agencies' requirements? Existing tenants should indicate whether or not a Management Plan is required and has been prepared.

Yes No

If yes, attach a copy of the Management Plan. Existing tenants should attach a copy of any required updates to the Management Plan.

EXHIBIT E - Page 2

8. ENFORCEMENT ACTIONS AND COMPLAINTS

8.1 With respect to Hazardous Materials or Environmental Laws, has your company ever been subject to any agency enforcement actions, administrative orders, or consent decrees or has your company received requests for information, notice or demand letters, or any other inquiries regarding its operations? Existing tenants should indicate whether or not any such actions, orders or decrees have been, or are in the process of being, undertaken or if any such requests have been received.

Yes No

If yes, describe the actions, orders or decrees and any continuing compliance obligations imposed as a result of these actions, orders or decrees and also describe any requests, notices or demands, and attach a copy of all such documents. Existing tenants should describe and attach a copy of any new actions, orders, decrees, requests, notices or demands not already delivered to Landlord pursuant to the provisions of Article 32 of the signed Lease.

8.2 Have there ever been, or are there now pending, any lawsuits against your company regarding any environmental or health and safety concerns?

Yes No

If yes, describe any such lawsuits and attach copies of the complaint(s), cross-complaint(s), pleadings and all other documents related thereto as requested by Landlord. Existing tenants should describe and attach a copy of any new complaint(s), cross-complaint(s), pleadings and other related documents not already delivered to Landlord pursuant to the provisions of Article 32 of the Lease.

9. PERMITS AND LICENSES

9.1 Attach copies of all Hazardous Materials permits and licenses including a Transporter Permit number issued to your company with respect to its proposed operations in, on or about the Premises or Equipment Space, including, without limitation, any wastewater discharge permits, air emissions permits, and use permits or approvals. Existing tenants should attach copies of any new permits and licenses as well as any renewals of permits or licenses previously issued.

The undersigned hereby acknowledges and agrees that this Hazardous Materials Disclosure Certificate is being delivered in connection with, and as required

by, Landlord in connection with the evaluation and finalization of a Lease and will be attached thereto as an exhibit; that this Hazardous Materials Disclosure Certificate is being delivered in accordance with, and as required by, the provisions of Article 32 of the Lease; and that Tenant shall have and retain full and complete responsibility and liability with respect to any of the Hazardous Materials disclosed in the HazMat Certificate notwithstanding Landlord's receipt and/or approval of such certificate.

Tenant further agrees that none of the following described acts or events shall be construed or otherwise interpreted as either (a) excusing, diminishing or otherwise limiting Tenant from the requirement to fully and faithfully perform its obligations under the Lease with respect to Hazardous Materials, including, without limitation, Tenant's indemnification of the Landlord and all Landlord Related Parties and compliance with all Environmental Laws, or (b) imposing upon Landlord, directly or indirectly, any duty or liability with respect to any such Hazardous Materials, including, without limitation, any duty on Landlord to investigate or otherwise verify the accuracy of the representations and statements made therein or to ensure that Tenant is in compliance with all Environmental Laws: (i) the delivery of such certificate to Landlord and/or Landlord's acceptance of such certificate, (ii) Landlord's review and approval of such certificate, (iii) Landlord's failure to obtain such certificate from Tenant at any time, or (iv) Landlord's actual or constructive knowledge of the types and quantities of Hazardous Materials being used, stored, generated, disposed of or transported on or about the Premises or Equipment Space by Tenant or Tenant's employees, agents, contractors or representatives. Notwithstanding the foregoing or anything to the contrary contained herein, the undersigned acknowledges and agrees that Landlord and its partners, lenders and representatives may, and will,

EXHIBIT E - Page 3

rely upon the statements, representations, warranties, and certifications made herein and the truthfulness thereof in entering into the Lease and the continuance thereof throughout the term, and any renewals thereof, of the Lease.

I (print name) _____, acting with full authority to bind the (proposed) Tenant and on behalf of the (proposed) Tenant, certify, represent and warrant that the information contained in this certificate is true and correct.

TENANT:

By: _____

Title: _____

Date: _____

EXHIBIT E - Page 4

EXHIBIT F

TENANT OPTIONS

1. RENEWAL OPTION

- A. Tenant shall have one right to extend the Term (the "Renewal Option") for an additional period of five (5) years (the "Renewal Term") commencing on the day following the Expiration Date of the Term, if:
1. Landlord receives notice of exercise of the Renewal Option ("Initial Renewal Notice") nine (9) full calendar months prior to the expiration of the initial Term and not more than twelve (12) full calendar months prior to the expiration of the initial Term; and
 2. Tenant is not in default under the Lease and no event which, with notice, the passage of time, or both, would constitute a default hereunder on the part of Tenant exists at the time that Tenant delivers its Initial Renewal Notice or at the time Tenant delivers its Binding Notice (as defined below); and
 3. No portion of the Premises in excess of twenty percent (20%) of the Rentable Area of the Premises is sublet at the time that Tenant delivers its Initial Renewal Notice or at the time Tenant delivers its Binding Notice, other than in connection with a Permitted Transfer; and
 4. The Lease has not been assigned prior to the date that Tenant delivers its Initial Renewal Notice or prior to the date Tenant

delivers its Binding Notice other than in connection with a Permitted Transfer; and

5. Tenant executes and returns the Renewal Amendment (hereinafter defined) within thirty (30) days after submission to Tenant of an accurate Renewal Amendment.

- B. The initial Base Rent rate and Equipment Space Rent rate during the Renewal Term shall equal the Prevailing Market (hereinafter defined) rate per Rentable Square Foot, determined in the manner set forth below.

- C. Tenant shall pay Additional Rent (i.e. Operating Expenses and Property Taxes) for the Premises during any Renewal Term in accordance with the Lease.

- D. Within thirty (30) days after receipt of Tenant's Initial Renewal Notice, Landlord shall advise Tenant of the applicable Base Rent rate for the Premises and Equipment Space Rent rate for the Renewal Term. Tenant, within thirty (30) days after the date on which Landlord advises Tenant of the Base Rent rate and Equipment Space Rent rate for the Renewal Term, shall either (i) give Landlord final binding written notice ("Binding Notice") of Tenant's exercise of its option, or (ii) if Tenant disagrees with Landlord's determination, provide Landlord with written notice of rejection (the "Rejection Notice"). If Tenant fails to provide Landlord with either a Binding Notice or Rejection Notice within such thirty (30) day period, Tenant's Renewal Option shall be null and void and of no further force and effect. If Tenant provides Landlord with a Binding Notice, Landlord and Tenant shall enter into the Renewal Amendment (as defined below) upon the terms and conditions set forth herein. If Tenant provides Landlord with a Rejection Notice, Landlord and Tenant shall work together in good faith to agree upon the Prevailing Market Base Rent rate and Equipment Space Rent rate during the Renewal Term. Upon agreement, Landlord and Tenant shall enter into the Renewal Amendment in accordance with the terms and conditions hereof. Notwithstanding the foregoing, if Landlord and Tenant are unable to agree upon the Prevailing Market Base Rent rate and Equipment Space Rent rate for the Premises within thirty (30) days after the date on which Tenant provides Landlord with a Rejection Notice, then Tenant may, on or before the thirty-fifth (35th) day following Tenant's delivery of the Rejection Notice, either rescind Tenant's exercise of the Renewal Option or elect to submit the matter to arbitration; if Tenant fails to timely make an election, Tenant will be deemed to have submitted the matter to arbitration. If the matter is submitted to arbitration, the Prevailing Market Base Rent rate and Equipment Space Rent rate payable as of commencement of the Renewal Term shall be determined as follows:

EXHIBIT F - Page 1

1. Within ten (10) days after the thirty-fifth (35th) day described above, Tenant, at its sole expense, shall obtain and deliver in writing to Landlord a determination of the Prevailing Market Base Rent rate and Equipment Space Rent rate for the Premises and Equipment Space, for a term equal to the Renewal Term, from a real estate broker ("Tenant's Broker") licensed in the State of Illinois and engaged in the leasing of commercial real estate in the Chicago, Illinois vicinity for at least the immediately preceding five (5) years; such determination shall be stated in a single "per square foot per annum (or month)" figure, for ease of comparison. If Landlord accepts such determination, the Prevailing Market Base Rent rate and Equipment Space Rent rate payable by Tenant during the Renewal Term shall be equal to the amount determined by Tenant's Broker. If Tenant fails to timely deliver such determination, the Prevailing Market Base Rent rate and Equipment Space Rent rate as quoted by Landlord shall control.

2. If Landlord does not accept such determination, within fifteen (15) days after receipt of the determination of Tenant's Broker, Landlord shall designate a similarly qualified broker ("Landlord's Broker"). If the two Brokers are appointed by the parties as set forth above, such Brokers shall promptly meet and attempt to agree upon the applicable Prevailing Market Base Rent rate and Equipment Space Rent rate. If such Brokers are unable to agree within fifteen (15) days following the appointment of Landlord's Broker, the Brokers shall select a third broker meeting the qualifications set forth above within ten (10) days after the last date the two Brokers are given to agree upon the applicable Prevailing Market Base Rent rate and Equipment Space Rent rate. The Third Broker shall be a person who has not previously acted and is not currently acting in any capacity for either party.

3. The Third Broker shall conduct its own independent investigation

of the applicable Prevailing Market Base Rent rate and Equipment Space Rent rate, and shall be instructed not to advise either party of its determination, except as follows: when the Third Broker has made its determination (which shall be completed within fifteen (15) days after the appointment of the Third Broker), it shall advise Landlord and Tenant and establish a date, at least five (5) days after the giving of notice by such Third Broker to Landlord and Tenant, on which it will disclose its determination. Such meeting shall take place in Landlord's office unless otherwise mutually agreed by the parties. After having initialed the paper on which its determination is set forth, the Third Broker shall place its determination in a sealed envelope. Landlord's Broker and Tenant's Broker shall each set forth their determination (each stated in a single "per rentable square foot per annum (or month)" figure) on a separate piece of paper, initial the same, and place them in sealed envelopes. Each of the three envelopes shall be marked with the name of the party whose determination is inside the envelope. In the presence of the Third Broker, the determination of the Prevailing Market Base Rent rate and Equipment Space Rent rate by Landlord's Broker and Tenant's Broker shall be opened and examined. If the higher of the two determinations submitted by Landlord's Broker and Tenant's Broker is one hundred and five percent (105%) or less of the amount set forth in the lower determination, the average of the two determinations shall be the Prevailing Market Base Rent rate and Equipment Space Rent rate, the envelope containing the determination by the Third Broker shall be destroyed and the Third Broker shall be instructed not to disclose its determination. If either party's envelope is blank, or does not set forth a determination, the determination of the other party shall prevail and be treated as the Prevailing Market Base Rent rate and Equipment Space Rent rate. If the higher of the two determinations is more than one hundred and five percent (105%) of the amount of the other determination, the envelope containing the Third Broker's determination shall be opened, the Prevailing Market Base Rent rate and Equipment Space Rent rate shall, in such event, be the rent proposed by either Landlord's Broker or Tenant's Broker which is closest to the determination of Prevailing Market Base Rent rate and Equipment Space Rent rate by the Third Broker; if the two are equidistant, the Prevailing Market Base Rent rate and Equipment Space Rent rate shall be equal to the Third Broker's determination.

4. Landlord shall pay the costs and fees of Landlord's Broker in connection with any determination hereunder, and Tenant shall pay the costs and fees of Tenant's Broker in connection with such determination. The costs and fees of any Third Broker shall be paid one-half by Landlord and one-half by Tenant. Tenant expressly acknowledges that any costs, fees and commissions arising in

EXHIBIT F - Page 2

favor of any broker or other party hired by Tenant to represent Tenant in the negotiation of the extension of the term of the Lease shall be borne solely by Tenant.

5. If the amount of the Prevailing Market Base Rent rate and Equipment Space Rent rate is not known as of the commencement of the Renewal Term, then Tenant shall continue to pay the Prevailing Base Rent rate and Equipment Space Rent rate in effect immediately prior to the expiration of the initial Term until the amount of the Prevailing Market Base Rent rate and Equipment Space Rent rate are determined. When such determination is made, Tenant shall pay Landlord any deficiency to Landlord upon demand or Landlord will credit any overpayment against rent next due and payable under the Lease.

E. If Tenant is entitled to and properly exercises its Renewal Option, Landlord shall prepare an amendment (the "Renewal Amendment") to reflect changes in the Base Rent, Equipment Space Rent, Term, Expiration Date and other appropriate terms. The Renewal Amendment shall be:

1. sent to Tenant within a reasonable time after receipt of the Binding Notice; and
2. executed by Tenant and returned to Landlord in accordance with Section 1.A.5 above.

An otherwise valid exercise of the Renewal Option shall, at Landlord's option, be fully effective whether or not the Renewal Amendment is executed.

F. For purpose hereof, "Prevailing Market" shall mean the arms length

fair market annual rent rate per rentable square foot under renewal leases and amendments in the Building entered into on or about the date on which the Prevailing Market is being determined hereunder for space comparable to the Premises and Equipment Space in the Building.

EXHIBIT F - Page 3

EXHIBIT G

SAMPLE LETTER OF CREDIT

[Name of Financial Institution]

Irrevocable Standby
Letter of Credit
No. _____
Issuance Date: _____
Expiration Date: _____
Applicant: _____

Beneficiary
- -----

[Insert Owner Name]

Ladies/Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit in your favor for the account of the above referenced Applicant in the amount of _____ U.S. Dollars (\$ _____) available for payment at sight by your draft drawn on us when accompanied by the following documents:

1. An original copy of this Irrevocable Standby Letter of Credit.
2. Beneficiary's dated statement purportedly signed by one of its officers reading: "This draw in the amount of _____ U.S. Dollars (\$ _____) under your Irrevocable Standby Letter of Credit No. _____ represents funds due and owing to us as a result of the Applicant's failure to comply with one or more of the terms of that certain lease by and between _____, as landlord, and _____, as tenant."

It is a condition of this Irrevocable Standby Letter of Credit that it will be considered automatically renewed for a one year period upon the expiration date set forth above and upon each anniversary of such date, unless at least thirty (30) days prior to such expiration date or applicable anniversary thereof, we notify you in writing by certified mail, return receipt requested, that we elect not to so renew this Irrevocable Standby Letter of Credit. A copy of any such notice shall also be sent to: CARLYLE-CORE CHICAGO LLC, c/o Core Location Realty Associates of Chicago LLC, 4520 East-West Highway, Suite 650, Bethesda, Maryland 20814, Attention: Management Agent.

In addition to the foregoing, we understand and agree that you shall be entitled to draw upon this Irrevocable Standby Letter of Credit in accordance with 1. and 2. above in the event that we elect not to renew this Irrevocable Standby Letter of Credit and, in addition, you provide us with a dated statement purportedly signed by one of Beneficiary's officers stating that the Applicant has failed to provide you with an acceptable substitute irrevocable standby letter of credit in accordance with the terms of the above referenced lease. We further acknowledge and agree that: (a) upon receipt of the documentation required herein, we will honor your draws against this Irrevocable Standby Letter of Credit without inquiry into the accuracy of Beneficiary's signed statement and regardless of whether Applicant disputes the content of such statement; (b) this Irrevocable Standby Letter of Credit shall permit partial draws and, in the event you elect to draw upon less than the full stated amount hereof, the stated amount of this Irrevocable Standby Letter of Credit shall be automatically reduced by the amount of such partial draw; and (c) you shall be entitled to assign your interest in this Irrevocable Standby Letter of Credit from time to time to an entity or individual who is succeeding to your position as the landlord under the Lease without our approval and without charge. In the event of an assignment, we reserve the right to require reasonable evidence of such assignment as a condition to any draw hereunder.

EXHIBIT G - Page 1

This Irrevocable Standby Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 revision) ICC Publication No. 500.

We hereby engage with you to honor drafts and documents drawn under and in

compliance with the terms of this Irrevocable Standby Letter of Credit.

All communications to us with respect to this Irrevocable Standby Letter of Credit must be addressed to our office located at _____ to the attention of _____.

Very truly yours,

[name]

[title]

EXHIBIT G - Page 2

EXHIBIT H

AGREEMENT REGARDING LENDER'S SECURITY INTEREST
IN TENANT'S PERSONAL PROPERTY

THIS AGREEMENT is entered into as of the ____ day of _____, 19__, by and between _____, a(n) _____ ("Landlord"), _____, a(n) _____ ("Tenant") and _____, a(n) _____ ("Lender"), with reference to the following facts:

- A. Landlord and Tenant have heretofore entered into a written lease dated _____, 19__, as same may be amended from time to time (the "Lease") for certain premises (the "Premises") and equipment space (the "Equipment Space") located in that certain office building known as the Lakeside Technology Center (the "Building") located at [*], Chicago, Illinois.
- B. Tenant desires to borrow money from Lender in the principal sum of _____ Dollars (\$_____) (the "Loan").
- C. Lender desires to obtain a security interest in the Tenant's personal property located within the Premises and/or Equipment Space described in Exhibit A attached hereto (the "Collateral") until such Loan is repaid.
- D. Landlord is willing to subordinate its rights in the Collateral to the rights of Lender's security interest upon the terms and conditions hereinafter set forth.

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

- 1. The only property affected by this Agreement is that Collateral specifically listed on Exhibit A attached hereto. Any property not described in Exhibit A shall not be subject to the terms of this Agreement and Landlord shall be entitled, to the extent provided by the Lease and by law, to exercise any lien, right or remedy against such other property.
- 2. Lender acknowledges that it has no security interest in any property located in, or about, the Premises or Equipment Space other than the Collateral listed on Exhibit A.
- 3. Notwithstanding anything to the contrary contained in the Lease, until such time as Tenant repays in full to Lender the Loan which is secured by the Collateral, the Collateral shall remain the personal property of Tenant subject to the security interest of Lender. Lender shall notify Landlord when the obligations of Tenant to repay the Loan have been satisfied and discharged.
- 4. Landlord does hereby subordinate any and all claims or rights in and to the Collateral to the security interest of Lender in the Collateral; provided, however, that this subordination nor shall not prevent Landlord from exercising any lien on any property of Tenant, including the Collateral, or enforcing any judgment by levying upon any property of Tenant, including the Collateral, so long as Landlord recognizes Lender's prior right to the Collateral. Except as expressly provided herein, the provisions of any security and other agreements between Tenant and Lender shall at all times be subject and subordinate to all covenants, terms and conditions of the Lease and all of Landlord's rights thereunder.
- 5. Lender can enter the Premises or Equipment Space for purpose of

removal of the Collateral only if:

- (a) permitted by the Loan Agreement between Lender and Tenant;
- (b) Lender gives Landlord ten (10) days prior written notice;

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

EXHIBIT H - Page 1

- (c) Lender enters the Premises or Equipment Space for purpose of removal of the Collateral at such time and in such manner as Landlord reasonably may determine so as to minimize disruption to the operation of the Building;
 - (d) Lender and Tenant agree, jointly and severally, promptly to repair any damage to the Premises or to the Building caused by the removal of the Collateral or, if Landlord shall, in its sole discretion, elect to make such repairs, to pay to Landlord upon demand the costs and expenses incurred in connection therewith;
 - (e) Tenant and Lender agree, jointly and severally, to restore the Premises or Equipment Space to the condition the Premises were in prior to the installation of the Collateral;
 - (f) there shall be no display nor public nor private sale of the Collateral in or on the Building; and
 - (g) Lender hereby indemnifies Landlord for any claim, liability or expense (including reasonable attorneys' fees) arising out of or in connection with Lender's removal of the Collateral and Lender's entry and activities upon the Premises or Equipment Space and the Building.
6. If Landlord shall fail to demand strict compliance with any provision hereof, such failure shall not constitute a waiver of any right or remedy to which Landlord may be entitled.
7. If Tenant should be in default under the terms of the Lease, and such default results in (a) the termination of the Lease or (b) claims by Landlord for rent due, Lender shall submit to Landlord within ten (10) days after Landlord's demand, a certified statement showing:
- (i) the original amount of funds supplied by Lender to Tenant;
 - (ii) the amount paid by Tenant to date; and
 - (iii) the amount due from Tenant to Lender.

In the event Lender sells the Collateral to satisfy claims against Tenant, all funds derived from the sale of the Collateral, to the extent that such funds are in excess of the amount owed to the Lender, shall belong to Landlord, subject to the terms of the Lease, to satisfy any claim which Landlord may have.

8. Landlord shall have the right, but not the obligation, to cure any default by Tenant under any agreement between Lender and Tenant concerning the Collateral. Lender agrees to notify Landlord in writing of any default on the part of Tenant under its agreement with Tenant concerning the Collateral and further agrees that Lender shall not exercise any of its rights with respect to the Collateral unless Landlord has received the aforesaid notice and has not, within thirty (30) days after the date thereof, cured such default or if the default cannot be cured within thirty (30) days, has not commenced curing and is not diligently prosecuting the cure of Tenant's default; provided, however, that nothing contained in this Agreement shall require Landlord to cure any such default or otherwise to perform the obligations of Tenant to Lender.
9. A default by Tenant under its agreement with Lender concerning the Collateral shall be deemed a default by Tenant under the Lease.
10. This Agreement contains the entire understanding between the parties hereto. Any modification shall be effective only if in writing and signed by the parties hereto.

EXHIBIT H - Page 1

11. Landlord's address for notices is:

CARLYLE-CORE CHICAGO LLC
c/o Core Location Realty Associates of Chicago LLC
4520 East-West Highway, Suite 650

Bethesda, Maryland 20814
Attention: Mark Ezra

With a copy to:

Shartsis, Friese & Ginsburg LLP
One Maritime Plaza, 18th Floor
San Francisco, California 94111
Attention: Jonathan M. Kennedy, Esq.

and

The Carlyle Group
1001 Pennsylvania Avenue
Suite 220 South
Washington, DC 20004
Attention: Gary Block

Tenant's address for notices is:

Equinix, Inc.
901 Marshall Street, 2nd Floor
Redwood City, California 94063
Attention: Mr. Art Chinn

Lender's address for notices is:

Attention: _____

- 12. This Agreement shall be governed by and construed in accordance with the laws of the state in which the Building is located.
- 13. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto.

EXHIBIT H - Page 2

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date set forth above.

LANDLORD: CARLYLE-CORE CHICAGO LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

TENANT: _____
a(n) _____

By: _____
Name: _____
Title: _____

LENDER: _____,
a(n) _____

By: _____
Name: _____
Title: _____

EXHIBIT H - Page 3

EXHIBIT A

LIST OF COLLATERAL

EXHIBIT H - Page 4

*CONFIDENTIAL TREATMENT REQUESTED.
CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY
WITH THE SECURITIES AND EXCHANGE COMMISSION

Lease Agreement

Dated as of May 3, 1999

by and between

MARKET HALSEY URBAN RENEWAL, LLC, as Landlord

--and--

EQUINIX, INC., as Tenant

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LEASE AGREEMENT

This Lease Agreement is made as of May 3, 1999 between MARKET HALSEY URBAN RENEWAL, LLC, a New York limited liability company having an office at 723 Seventh Avenue, 7th Floor, New York, NY 10019-6886 in the County of New York and State of New York, hereinafter designated and referred to as "Landlord" (or "the Landlord"), and EQUINIX-NY, INC., a Delaware corporation having a principal office at 901 Marshall Avenue, 2nd floor, Redwood City, CA 94063, hereinafter designated and referred to as "Tenant" (or "the Tenant");

WITNESSETH

WHEREAS, Landlord and Tenant hereby covenant and agree as follows:

A. Premises

Landlord hereby leases to Tenant and Tenant does hereby rent from Landlord a portion of the eighth (8th) floor, consisting of approximately [*] ([*]) rentable square feet as more particularly shown in the diagram annexed hereto as

Exhibit A (hereinafter, the "demised premises" or the "premises" or the

"Premises") in the building known as and located at [*] (the former [*] building), Newark, New Jersey (hereinafter the "Building" or "building"). The Building is situated on a parcel of land which is legally described on Exhibit B

annexed hereto and made a part hereof.

B. Term

The term of this lease shall be fifteen (15) Lease Years, plus one (1) five-year renewal option, to commence four (4) months after Landlord's Work (as defined in Article 7 of this lease) is substantially complete (hereinafter, the "Commencement Date"), and to end and expire fifteen (15) Lease Years from said date. For the purposes of this Lease, a "Lease Year" shall be defined as that twelve (12) month period during the lease term, commencing on the Commencement Date or the annual anniversary thereof, as may be applicable, provided, however, that if the Commencement Date is a date other than the first day of a calendar month, then the first Lease Year shall be the twelve (12) month period beginning on the first day of such month. All of the terms, provisions and obligations of this lease shall be fully binding and enforceable upon execution and delivery of this lease notwithstanding the fact that the term of this lease shall not commence on such date.

C. Use

The demised premises shall be used and occupied for the installation, operation and repair of telecommunications equipment for Tenant's telecommunications business, as well as general and executive offices. Tenant agrees at all times during the term of this lease (and any renewal thereof) to comply with all applicable laws affecting the use of the Premises.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION

1. Rent

(a) Tenant covenants to pay to Landlord as a minimum annual rent (the "base rent" or "fixed rent") commencing on the Commencement Date and throughout the term of this lease, in accordance with the following schedule:

Lease Year -----	Annual base rent -----
1	\$[*] (\$[*]/rent. sq ft)
2	\$[*] (\$[*]/rent. sq ft)
3	\$[*] (\$[*]/rent. sq ft)
4	\$[*] (\$[*]/rent. sq ft)
5	\$[*] (\$[*]/rent. sq ft)

6	\$[*] (\$[*]/rent. sq ft)
7	\$[*] (\$[*]/rent. sq ft)
8	\$[*] (\$[*]/rent. sq ft)
9	\$[*] (\$[*]/rent. sq ft)
10	\$[*] (\$[*]/rent. sq ft)
11	\$[*] (\$[*]/rent. sq ft)
12	\$[*] (\$[*]/rent. sq ft)
13	\$[*] (\$[*]/rent. sq ft)
14	\$[*] (\$[*]/rent. sq ft)
15	\$[*] (\$[*]/rent. sq ft)

First renewal option period

Lease Year -----	Annual base rent -----
16	\$[*] (\$[*]/rent. sq ft)
17	\$[*] (\$[*]/rent. sq ft)
18	\$[*] (\$[*]/rent. sq ft)
19	\$[*] (\$[*]/rent. sq ft)
20	\$[*] (\$[*]/rent. sq ft)

(b) Tenant and/or Tenant's architects have measured the demised premises prior to occupancy and Landlord and Tenant agree that the demised premises shall be deemed to contain [*] rentable square feet.

(c) The base rent shall be payable in advance in equal monthly installments on the first day of each calendar month. If the term of this lease does not commence on the first day of a month, the base rent for the month in which the term of this lease commences shall be appropriately apportioned. Tenant shall pre-pay the first months' rent upon execution hereof.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION

(d) Tenant also covenants to pay, from time to time as provided in this lease, as additional rent, all other amounts and obligations which Tenant assumes or agrees to pay under this lease and, without prejudice to any other rights, powers or remedies of Landlord, interest at the rate of fifteen percent (15%) per annum on any item of rent or additional rent not paid within five (5) business from said due date, until payment thereof. In the event of any failure on the part of Tenant to pay any additional rent, Landlord shall have all the rights, powers and remedies provided for in this lease, at law, in equity or otherwise, in the case of nonpayment of fixed rent. Nothing herein shall be construed to extend the due dates of Tenant's payments under this lease, or to waive any rights or remedies of Landlord in the event of Tenant's late payment. Tenant's obligations to pay fixed rent and additional rent shall survive the expiration of the lease term or earlier termination of this lease.

(e) All fixed rent and additional rent (collectively hereinafter referred to as "rent") shall be paid in such coin or currency (or, subject to collection, by good check payable in such coin or currency) of the United States of America as at the time shall be legal tender for the payment of public and private debts, at the office of Landlord as set forth above, or at such place and to such person as Landlord from time to time may designate.

(f) All rent shall be paid to Landlord without notice, demand, counterclaim, setoff, deduction or defense, and nothing shall suspend, defer, diminish, abate or reduce any rent, except as expressly provided in this lease.

(g) The obligations and liabilities of Tenant hereunder in no way shall be released, discharged or otherwise affected (except as expressly provided herein) by reason of: any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other similar proceeding relating to Landlord, or any action taken with respect to this lease by any trustee or receiver of Landlord, or by any court, in any such proceeding; any claim which Tenant has or might have against Landlord; any failure on the part of Landlord to comply with or perform any provision hereof or of any other agreement with Tenant; or any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not Tenant shall have notice or knowledge of any of the foregoing. Except as expressly provided herein, Tenant waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this lease or the demised premises or any part thereof, or to receive any abatement, suspension, deferment, diminution or reduction of any rent payable by Tenant hereunder, except those rights expressly provided in this lease.

1A. Option to Extend Term

(a) Tenant shall have one (1) renewal option to extend the term of this lease for a period of five (5) years, subject to all of the terms, covenants and

conditions of this lease, except that during said renewal periods, Tenant shall pay annual fixed rent as set forth in Article 1.

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(b) To be effective, Tenant must give Landlord written notice of Tenant's election to exercise each of the renewal option periods of this lease not less than two hundred and seventy (270) days prior to the expiration of the then existing term of this lease. Tenant's right to extend the term of this lease pursuant to this Article shall be conditioned upon there being no default by Tenant in the performance or observance of any of the terms, covenants and conditions of this lease either at the time of the exercise of the option or on the expiration of the then existing term of this lease.

2. Operating Expense Escalation.

(a) Tenant shall pay, during the term of this lease (and any renewals thereof), the additional rent provided for in this Article. As used in this lease, the following terms shall have the meanings set forth below:

"Operating Expenses" shall mean all costs and expenses paid or incurred by or on behalf of Landlord with respect to the operation, cleaning, maintenance, repair, safety, security or management of the building, the equipment of Landlord therein, the sidewalks or other areas adjacent thereto, or the services provided to tenants thereof, including without limitation: (i) salaries, wages and bonuses paid to, and the cost of any hospitalization, medical, surgical, union and general welfare benefits, pension, retirement or life insurance plans, and other benefits or similar expenses relating to, employees of Landlord engaged in the operation, cleaning, maintenance, repair, safety, security or management of the building, or said equipment or areas, or in providing said services to tenants; (ii) social security, unemployment and other payroll taxes, and the cost of disability and workmen's compensation coverage required by any applicable law, rule, regulation or union contract, or otherwise paid with respect to said employees; (iii) the cost of electricity, gas, steam, water, air conditioning and other fuel and utilities; (iv) the cost of casualty, rent, liability, fidelity, plate glass and any other insurance; (v) the cost of repairs, maintenance and painting; (vi) the cost or rental of all building and cleaning supplies, tools, materials and equipment; (vii) the cost of uniforms, work clothes and dry cleaning; (viii) window cleaning, concierge, guard, watchman or other security personnel, services and systems, if any; (ix) management fees, or if no managing agent is employed by Landlord, a sum in lieu thereof which is not in excess of then prevailing rates for management fees payable in Essex County, NJ, for first class office buildings; (x) charges of independent contractors performing any of the aforesaid work for Landlord; (xi) legal, accounting and other professional fees and disbursements incurred in connection with the operation or management of the building; (xii) association fees and dues; (xiii) decorations and exterior and interior landscaping; (xiv) depreciation of hand tools and other movable equipment used in connection with the operation, cleaning, maintenance, repair, safety, security and management of the building; and (xv) such other items or cost or expense as are normally included in operating expenses of similar buildings. Where work is performed by a contractor, the amount charged Landlord for such work shall constitute the cost of such work for purposes hereof, but if the contractor is related to, or is associated or affiliated with Landlord, then such cost shall not exceed what an independent contractor reasonably would charge for similar services. Operating Expenses, however, shall exclude: (a) executives' salaries above the

grade of building manager; (b) expenditures for capital improvements, other than those which under generally applied real estate practices are expensed or regarded as deferred expenses, except as hereinafter provided; (c) amounts received by Landlord through proceeds of insurance to the extent they are

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compensation for sums previously included in Operating Expenses; (d) cost of repairs or replacements incurred by reason of fire or other casualty or condemnation to the extent Landlord is compensated therefor; (e) advertising and promotional expenditures; (f) costs of painting and decorating any tenant's space, and costs incurred in performing work or furnishing services to any tenant to the extent that such work or service is in excess of any work or service that Landlord is obligated to furnish at Landlord's expense; (g) depreciation, except as provided above; (h) brokerage commissions and rental fees; (i) the cost of electricity (other than for air conditioning) furnished to the demised premises or any other space leased to tenants, as estimated by Landlord; (j) real taxes and income taxes; and (k) and amortization estate taxes, franchise refinancing costs and mortgage interest payments. If Landlord shall purchase any item of capital equipment or make any capital expenditure which has the effect of reducing the expenses which otherwise would be included in Operating Expenses, or is required by reason of laws, rules or regulations of any governmental authority or insurance requirements, then the costs of such capital equipment or capital expenditure are to be included in Operating Expenses for the Escalation Year in which the costs are incurred and subsequent Escalation Years, on a straight-line basis, to the extent that such items are amortized over an appropriate and reasonable period, not in excess of ten years, with an interest factor equal to eight percent per annum at the time of

Landlord's having made such expenditure. If Landlord shall lease any items of capital equipment designed to result in savings or reductions in expenses which would otherwise be included in Operating Expenses, then the rentals and other costs paid pursuant to such leasing shall be included in Operating Expenses in the Escalation Year in which they were incurred. If during all or part of any Escalation Year, Landlord shall not furnish any particular items of work or service (which otherwise would constitute an Operating Expenses hereunder) to portions of the building due to the fact that (i) such portions are not occupied or leased, (ii) such item of work or service is not required or desired by the tenant of such portion, (iii) such tenant is itself obtaining and providing such item of work or service, or (iv) for other reasons; then, for the purpose of computing Operating Expenses, the amount for such item and for such period shall be deemed to be increased by an amount equal to the additional costs and expenses which reasonably would have been incurred by Landlord during such period if Landlord had at its own expense furnished such item of work or services to such portion of the building or such tenant.

"Escalation Year" shall mean each twelve month period or portion thereof, ending on December 31, occurring after December 31, 2000 and within the term of this lease.

"Base Year" shall mean the amount of Operating Expenses for the Building for the calendar year ending on December 31, 2000, prorated to 95% occupancy.

"Tenant's Share" shall mean 4.56%.

(b) Tenant shall pay to Landlord, as additional rent, an amount equal to Tenant's Share of the amount by which Operating Expenses for any Escalation Year during the term of this lease exceed the amount for the Base Year.

(c) As soon as reasonably practicable after the close of any Escalation Year for which Operating Expenses exceed the Base Year, Landlord shall submit to Tenant a statement setting forth the computation of the amount of such excess and Tenant's Share thereof. Tenant shall pay Tenant's Share of such excess amount within ten (10) days after the rendition of such statement.

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(d) Commencing as of the first day of the month immediately following the rendition of such statement and on the first day of each month thereafter until a new statement is rendered, Tenant also shall pay to Landlord an amount equal to one-twelfth of the total additional rent payable under this Article for the preceding Escalation Year. Said monthly payments shall be adjusted to reflect, if Landlord can reasonably so estimate, known increases in rates for the current Escalation Year. Said monthly payments shall be credited toward the additional rent payable under this Article for the current Escalation Year, subject to adjustment when the statement for such Escalation Year is rendered by Landlord. Tenant shall make payments for the additional rent payable under this Article for the first Escalation Year on the basis of reasonable estimates prepared by Landlord, which payments shall be made monthly on the first day of each month during such first Escalation Year. The payments based on such estimates shall be adjusted after the expiration of the first Escalation Year on the basis of Landlord's actual costs for the first Escalation Year.

(e) If the payments made by Tenant pursuant to the preceding paragraph of this Article exceed the amount of additional rent payable to Landlord pursuant to this Article for such Escalation Year, such excess, at Landlord's option, either shall be paid to Tenant or credited without interest against the next payments provided for hereunder. If the amount payable by Tenant as additional rent pursuant to this Article for any Escalation Year exceeds the payments made by Tenant pursuant to the preceding paragraph of this Article, Tenant shall pay the difference within ten days after Landlord furnishes to Tenant a statement of the Operating Expenses for such Escalation Year.

(f) If Tenant shall have paid additional rent for any increase in Operating Expenses for any Escalation Year and thereafter there is a reduction in the Operating Expenses in a subsequent Escalation Year during the term of this lease below the Base Year, then Tenant, if not in default hereunder, shall be entitled to an amount equal to Tenant's Share of the reduction below the Base Year for the particular Escalation Year in question. All such payments to Tenant shall not total more than the aggregate of the payments of increases in Operating Expenses theretofore paid by Tenant, and in no event shall Tenant be entitled to any payment that would result in the reduction of the fixed rent originally reserved herein, regardless of any reduction in Operating Expenses. If Tenant has paid any increase in Operating Expenses, then Landlord thereafter shall, as soon as practicable after the end of each subsequent Escalation Year, submit a statement of Operating Expenses for each such subsequent Escalation Year, as long as Tenant may be entitled to share in any reduction in Operating Expenses as provided above. If Tenant shall be entitled to share in any reduction in Operating Expenses, the amount of Tenant's Share thereof shall accompany such statement. Tenant's right to credit, or, if at the end of the lease term, a reimbursement, for overpayment of Operating Expenses shall survive the expiration date of this Lease and shall not result in a waiver of such right to the extent permitted by applicable statute or case law.

(g) In no event shall the annual fixed rent under this lease be reduced by virtue of this Article. The additional rent provided herein shall be apportioned as of the commencement and the expiration of the lease term or earlier termination of this lease. If the commencement of the term of this lease is not the first day of the first Escalation Year, then the rent due hereunder for such first Escalation Year shall be a proportionate share of the additional rent that would have been payable for the entire first Escalation Year. Upon the date of the expiration of the lease

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term or earlier termination of this lease, a proportionate share of the additional rent payable under this Article for the Escalation Year during which such expiration or termination occurs shall immediately become due and payable by Tenant to Landlord. Said proportionate share shall be based on the length of time that the term of this lease shall be within such Escalation Year. Promptly after such expiration or termination, Landlord shall compute the additional rent due from Tenant, as aforesaid, which computation shall be an estimate based upon the most recent annual statements theretofore furnished by Landlord to Tenant. Promptly after the end of the aforesaid Escalation Year, Landlord shall cause a final statement showing the computation of the actual additional rent due from Tenant for that Escalation Year to be prepared and furnished to Tenant, whereupon any appropriate adjustments of amount owed to Landlord shall be made. The obligations of Tenant to pay additional rent as provided for herein shall survive the expiration of the lease term or earlier termination of this lease. If Tenant continues in possession of the demised premises after the expiration of the lease term or earlier termination of this lease, as a month to month tenant or otherwise, the provisions of this Article shall continue in full force and effect for so long as Tenant remains in possession of the demised premises.

(h) No delay or failure by Landlord in preparing or delivering any statement or demand for any additional rent shall constitute a waiver of, or impair Landlord's rights to collect, such additional rent.

(i) The statements provided by Landlord pursuant to this Article shall constitute a final determination as between Landlord and Tenant of the additional rent for the periods represented thereby, unless Tenant within sixty (60) days after they have been furnished shall give a notice to Landlord that Tenant disputes their accuracy or appropriateness, which notice shall specify the particular respects in which the statement is inaccurate or inappropriate. Pending the resolution of such dispute, Tenant shall pay the additional rent to Landlord in accordance with the statements furnished by Landlord. After payment of said additional rent, Tenant shall have the right, during reasonable business hours and upon not less than three (3) business days prior written notice to Landlord, to examine Landlord's books and records with respect to the foregoing, provided such examination is commenced within thirty days and is concluded within sixty days following the rendition of the statement in question. In the event that the examination reasonably determines that Tenant has overpaid and Landlord agrees with such determination, then Landlord shall promptly refund or credit to Tenant such amount. If the examination shows a discrepancy of more than five (5%) percent of the aggregate amount paid by Tenant for its Proportionate Share of increases in Operating Expenses, Landlord shall reimburse Tenant for the reasonable costs of such examination.

3. Real Estate Tax Escalation.

Tenant shall pay, during the term of this lease, the additional rent provided for in this Article. As used herein, the following terms shall have the meanings set forth below:

"Real Estate Taxes" shall mean all real estate taxes, assessments, water charges and sewer rents, and other taxes and charges of every nature and kind whatsoever, whether general or special, ordinary or extraordinary, foreseen or unforeseen, including without limitation any Business Improvement District tax, of every character, which at any time may be assessed, levied, charged, confirmed or imposed on or in respect of or be a lien upon the building. "Real

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Estate Taxes" shall exclude income, franchise, inheritance or similar taxes; provided, however, that if the method of taxation or assessment shall be changed so that the whole or any part of the Real Estate Taxes theretofore payable with respect to the building instead shall be levied, charged, assessed or imposed in whole or in part on the income or rents received by Landlord from the building or shall otherwise be imposed against Landlord in the form of a franchise tax or otherwise, then the same shall be deemed Real Estate Taxes for purposes of this Article.

"Escalation Year" shall mean each twelve month period or portion thereof, ending on December 31, occurring after December 31, 2000.

"Tax Base Year" shall mean the calendar year ending December 31, 2000.

"Tenant's Share" shall mean 4.56%.

Tenant shall pay to Landlord, as additional rent, an amount equal to Tenant's Share of the amount by which the Real Estate Taxes payable during any Escalation Year shall exceed the Tax Base Year, irrespective of whether such excess is due to higher tax rates, increases in assessed valuation or other cause. Such additional rent may be billed by Landlord at or about the dates on which installments of Real Estate Taxes are due and payable by Landlord, or at any time thereafter, and such additional rent shall be payable by Tenant to Landlord within ten days after being billed therefor. An ordinary tax bill shall be sufficient evidence of the amount of Real Estate Taxes for purposes of computing the amount to be paid by Tenant.

The Real Estate Taxes actually payable by Landlord shall be used in computing the additional rent hereunder. If Landlord receives a refund of any Real Estate Taxes paid during any Escalation Year on which additional rent shall have been based, as a result of a reduction of Real Estate Taxes by final determination of legal proceedings, settlement or otherwise, the additional rent shall be recomputed based on the net refund, after deducting Landlord's expenses, and Tenant shall receive a credit for or refund of any overpayment of additional rent.

Landlord shall not be obligated to contest the levy or assessment of any Real Estate Taxes, and it shall be at Landlord's sole discretion whether any such contest shall be undertaken. Landlord hereby reserves the exclusive right to take and prosecute all such proceedings, including any such proceedings for the Tax Base Year, and if so taken, Landlord may proceed without notice to Tenant and may prosecute the proceeding, including settlement and discontinuance, in such manner as Landlord may determine in its sole discretion.

In no event shall the annual fixed rent under this lease be reduced by virtue of this Article.

The additional rent provided herein shall be apportioned as of the expiration of the lease term or earlier termination of this lease. The obligations of Tenant to pay additional rent as provided for herein shall survive the expiration of the lease term or earlier termination of this lease. If Tenant continues in possession of the demised premises after the expiration of the lease term or earlier termination of this lease, as a month to month tenant or otherwise, the provisions of this Article shall continue in full force and effect for so long as Tenant remains in possession of the demised premises.

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The additional rent provided for herein may, at Landlord's option, be collectible by Landlord in the same manner as the regular installments of fixed rent due under this lease. No delay or failure by Landlord in preparing or delivering any statement or demand for any additional rent shall constitute a waiver of, or impair Landlord's rights to collect, such additional rent.

4. Repairs

(a) Except as otherwise expressly provided in this Article, Tenant assumes full and sole responsibility for the condition, operation, repair, maintenance and management of the demised premises throughout the term of this lease (and any renewal period), except that Tenant shall not be required to make repairs resulting from fire, flood, or other casualty provided Tenant maintains the insurance required under the terms of the lease and Tenant pays over to Landlord all insurance proceeds received therefrom. Landlord shall not be required to make any repairs, alterations, replacements, changes, additions or improvements in or to the demised premises at any time during the term of this lease (and any renewal period), unless such repairs are structural in nature and provided the repair thereof is not necessitated by (i) the negligent acts or omissions of Tenant or Tenant's contractors, employees, agents, subtenants, licensees or anyone acting on Tenant's behalf or (ii) whether or not caused by Tenant's negligence, if same was caused directly or indirectly by Tenant's Work (as hereinafter defined) or Tenant's Specialty Equipment.

(b) Tenant, at its own cost and expense, shall take good care of and shall maintain the demised premises, all equipment, fixtures and appurtenances, and all water and sewer equipment and connections, gas pipes, wires and conduits for electricity and other utilities, in good and safe order and condition, and shall make all non-structural repairs thereto and replacements thereof, interior and exterior, ordinary and extraordinary, foreseen or unforeseen, and whether or not necessitated by wear, tear, obsolescence or defects, latent or otherwise, and all structural repairs if such repairs are caused or necessitated the negligent acts or omissions of Tenant or Tenant's contractors, employees, agents, subtenants, licensees or anyone acting on Tenant's behalf. If Landlord at any time shall give notice to Tenant that Tenant has failed to comply in any respect with the provisions of this Article, Tenant shall promptly perform all repairs and other work specified in such notice.

(c) At the end or other expiration of the term hereof, shall deliver up the rented premises in good order and condition, wear and tear from a reasonable use thereof, and damage by the elements not resulting from the neglect of fault of the Tenant, excepted. The Tenant shall neither encumber nor obstruct the sidewalks, driveways, yards, entrances, hallways and stairs, but shall keep and

maintain the same in a clean condition, free from debris, trash and refuse.

(d) Landlord shall not be required to provide any facilities, utilities or services of any kind whatsoever to or at the demised premises during the term of this lease (and any renewal period), and Tenant shall provide and pay for all of the same, except that Landlord shall (i) provide Tenant with 24-hour per day, 7-days per week, 365-days per year access to the demised premises, (ii) clean the common areas of the building, and (iii) maintain security and other building personnel.

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5. Compliance with Laws

Tenant shall promptly comply with all laws, ordinances, rules, regulations, requirements and directives of the Federal, State and Municipal Governments or Public Authorities and of all their departments, bureaus and subdivisions, applicable to and affecting the premises, including, without limitation, the use and occupancy thereof and any Specialty Equipment (as defined in Article 7) installed therein, and shall at all times correct, prevent and abate any nuisances, violations or other grievances in, upon or connected with the said premises, and shall promptly comply with all orders, regulations, requirements and directives of the Board of Fire Underwriters or similar authority and of any insurance companies which have issued or are about the issue policies of insurance covering the said premises and its contents, for the prevention of fire or other casualty, damage or injury, at the Tenant's own cost and expense.

6. Assignment

(a) Except as otherwise provided herein, Tenant expressly covenants that Tenant shall not voluntarily or involuntarily assign, encumber, mortgage, hypothecate, or otherwise transfer this lease, or sublet the demised premises or any part thereof, or suffer or permit the demised premises or any part thereof to be used or occupied by others, by operation of law or otherwise, without the prior written consent of Landlord in each instance. Absent such consent, any act or instrument purporting to do any of the foregoing shall be null and void.

(b) The transfer of a majority of the capital stock of any corporate tenant, or of a majority of the total interests in any partnership tenant, however accomplished and whether in a single transaction or a series of transactions, shall be deemed an assignment of this lease, except that a transfer of stock for purposes hereof shall not include sales of stock through the "over-the-counter market" or a recognized stock exchange.

(c) With respect to any assignment or sublet which requires Landlord consent, Landlord shall not unreasonably withhold or delay Landlord's consent.

(d) If Tenant desires to assign this lease or sublet all or any portion of the demised premises, Tenant shall submit to Landlord in writing: the name and address of the proposed assignee or subtenant; a counterpart of the proposed agreement of assignment or sublease and all other instruments or agreements pertaining thereto; such information as to the nature and character of the business of the proposed assignee or subtenant, and the proposed use of the space, as Landlord reasonably may request; banking, financial or other credit information relating to the proposed assignee or subtenant sufficient to enable Landlord to determine the financial responsibility and character of the proposed assignee or subtenant; and a statement of all sums or other consideration paid or to be paid to or by Tenant by or for the account of the assignee or subtenant in connection with such assignment or sublease, including without limitation sums paid or to be paid for the sale or rental of Tenant's fixtures, leasehold improvements, equipment, furniture, furnishings or other personal property. All costs incurred with respect to providing appropriate ingress to and egress from sublet space shall be borne by Tenant and shall be subject to the provisions of this lease regarding alterations.

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(e) No assignment or transfer, irrespective of any consent by Landlord, shall be effective unless the assignee shall execute, acknowledge and deliver to Landlord a recordable agreement, in form and substance satisfactory to Landlord, whereby the assignee shall assume the obligations and performance of this lease and shall agree to be bound by all of the terms, covenants and conditions of this lease, including restrictions on use, to be observed, performed or complied with by Tenant, and whereby the assignee shall agree that the provisions of this Article shall continue to be binding upon it in the future notwithstanding such assignment or transfer. No sublease shall be effective, irrespective of any consent of Landlord, unless the subtenant shall execute and deliver to Landlord a recordable agreement, in form and substance satisfactory to Landlord, whereby the subtenant agrees to comply with all applicable terms, covenants and conditions of this lease, including restrictions on use, to be complied with by Tenant hereunder.

(f) Each assignment or sublease, as the case may be, shall specifically state that: (i) it is subject to all of the terms, covenants and conditions of this lease; (ii) the assignee or subtenant shall not have the right to a further

assignment thereof or subletting thereunder, or to allow the demised premises to be used by others, without the prior written consent of Landlord in each instance; (iii) a consent by Landlord thereto shall not be deemed to modify or amend the provisions of this lease or Tenant's obligations hereunder, which shall continue to apply to the premises involved and the occupants thereof as if the assignment or sublease had not been made; (iv) if Tenant defaults in the payment of any rent, Landlord is authorized to collect any rents due and accruing from any assignee, subtenant or other occupant of the demised premises and to apply the net amounts collected to the rents reserved in this lease; and (v) the receipt by Landlord of any amounts from any assignee, subtenant or other occupant of any part of the demised premises shall not be deemed or construed as releasing Tenant of Tenant's obligations hereunder or the acceptance of that party as a direct tenant.

(g) Without limiting the generality of any other provision of this lease, in the event of any subletting of the demised premises, Landlord shall be entitled to fifty (50.0%) percent of the amount paid by subtenant which is in excess of the fixed rent to be paid by Tenant under this lease during the term of such sublease, after taking into account all of Tenant's expenses relating to such subletting, including concessions, sums spent for subtenant improvements, brokerage commissions and free rent. If only a portion of the demised premises is sublet, the rent paid therefor by Tenant shall be deemed to be that fraction of the rent payable under this lease that the area of said sublet space bears to the entire demised premises. Landlord shall, together with any request for Landlord's consent to a proposed sublease, include in such request an itemized schedule of any income and expenses relating to such a sublease. All sums payable hereunder by Tenant shall be paid to Landlord as additional rent immediately upon receipt thereof by Tenant. Tenant, upon request, shall execute a writing confirming the fixed rent as increased as aforesaid.

(h) In no event shall Tenant be entitled to assign this lease or to sublet all or any portion of the demised premises to: any tenant or occupant of any other space in the building, or to any person or entity who has dealt with Landlord or Landlord's agents, directly or through a broker, with respect to space in the building during the twelve (12) months preceding the assignment or subletting; or any person or entity whose business or activities or intended use of the demised premises is not in keeping with the standards of the building. In no event shall Tenant be entitled to assign this lease or sublet the demised premises or any part thereof if there

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shall be any default by Tenant, beyond any applicable grace period, under any term, covenant or condition of this lease.

(i) Tenant shall not advertise, or authorize any broker to advertise, for a subtenant or assignee, without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld. No advertisement or public communication shall mention or refer to a rental rate or to any other matter which directly or indirectly might adversely reflect on the dignity and prestige of the building.

(j) Landlord's consent to an assignment, encumbering, transfer or subletting shall not be deemed or construed as a consent to any further assignment, encumbering, transfer or subletting, or a waiver of this provision of this Article. A modification, amendment or extension or a sublease shall be deemed a new subletting for purposes of the prohibitions contained in this Article. Any person or representative of Tenant to whom Tenant's interest under this lease passes by operation of law, or otherwise, shall be bound by the provisions of this Article.

(k) No assignment of this lease or acceptance of rent by Landlord from any assignee or other party shall discharge or release Tenant or any person, firm or corporation which previously assumed Tenant's obligations hereunder, and Tenant and such persons, firms and corporations shall remain liable for the payment of rent due and to become due under this lease and for the performance and observance of all of the terms, covenants and conditions of this lease on the part of Tenant to be observed or performed for the balance of the term of this lease as if no assignment has been effected. If this lease is assigned, whether or not in violation of this Article, Landlord may collect rent from the assignee. If the demised premises or any part thereof are sublet or occupied by anybody other than Tenant, Landlord, after any default by Tenant, may collect rent from the subtenant or occupant, and apply the net amount collected to the rent due hereunder. Such collection of rent by Landlord shall not be deemed or construed as a waiver of the provisions hereof, the acceptance of the assignee, subtenant or occupant as a tenant, or a release of Tenant from the further performance and observance by Tenant of the terms, covenants and conditions of this lease.

(l) Notwithstanding anything contained in this Article to the contrary, Tenant may assign this lease or sublet the demised premises to a parent or controlling entity of Tenant, a corporation into which or with which Tenant is merged or consolidated or to an entity to which substantially all of the assets of Tenant are transferred, and Tenant may sublet the demised premises to subsidiaries or affiliates of Tenant for so long as any such subsidiary or

affiliate shall retain the status of a subsidiary or affiliate of Tenant. For purposes hereof, a "subsidiary" or "affiliate" shall mean a corporation of which at least fifty-one percent (51%) of the common stock is directly or indirectly owned by Tenant.

(m) Without limiting the foregoing, the collocation of telecommunications equipment of customers or renters of Tenant in the demised premises shall not constitute a prohibited assignment or sublease or require the consent of Landlord provided however that any such collocation agreement entered into shall not grant to any such entity any possessory rights to the Premises nor shall such create a tenancy.

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(n) Whenever Tenant shall claim under this Article or any other provision of this lease that Landlord has unreasonably withheld or delayed its consent to any request of Tenant, Tenant shall have no claim for damages by reason of such alleged withholding or delay, and Tenant's sole remedy therefor shall be a right to obtain specific performance without recovery of damages.

(o) Nothing contained herein shall prevent Tenant from obtaining financing for its Operating Equipment (as defined in Article 7(A) of this lease) provided that a lien waiver agreement reasonably satisfactory in form and substance to Landlord is entered into between Landlord and the entity providing such equipment financing.

7. Alterations, Improvements

(A) Except as expressly provided for herein, no alterations, additions or improvements shall be made, and no climate regulating, air conditioning, cooling, heating or sprinkler systems, shall be installed in or attached to the premises, without the written consent of the Landlord. All such alterations (except television and radio antennas), additions or improvements and systems made to the Premises and Building, including any conduits, risers, tanks, ducts and HVAC, when made, installed in or attached to the said premises, shall belong to and become the property of the Landlord and shall be surrendered with the premises and as part thereof upon the expiration or sooner termination of this lease, without hindrance, molestation or injury. Notwithstanding the foregoing, those items of Tenant's Specialty Equipment which are movable or which are affixed to the premises or the Building in a non-permanent manner (e.g. batteries, customer equipment) (the "Operating Equipment") shall remain the personal property of Tenant and may be removed by Tenant, without damage to the Building or the premises, upon expiration of the term of this lease.

(B) Tenant Obligations.

(i) Space Plan and Specifications. Prior to the commencement of

any alterations, additions, construction, or modifications (collectively "alterations") to the premises or the Building, including, without limitation, Tenant's initial alterations to the Premises and the Building to prepare the premises for Tenant's occupancy (referred to hereinafter as "Tenant's Work"), Tenant shall deliver full and detailed plans and specifications (collectively "Tenant's Plans") to Landlord for its written approval, which approval shall not be unreasonably withheld, conditioned or delayed. Landlord shall respond to Tenant's request for approval of Tenant's Plans within fifteen (15) calendar days, and if Landlord fails to respond within fifteen (15) business days after submission same shall be deemed approved by Landlord. In the event Landlord shall not approve Tenant's Plans, Landlord shall notify Tenant of its objections thereto. Landlord and Tenant shall thereafter work cooperatively and in good faith to reach agreement upon mutually agreeable plans and specifications. Tenant shall engage its own general contractor, construction manager, subcontractor, architect and engineer, each of whom shall be subject to Landlord's approval (which approval shall not be unreasonably withheld, conditioned or delayed) to construct Tenant's Work. Tenant shall be responsible for Landlord's costs related to review of Tenant's Plans by Landlord's architects, engineers and consultants, but Landlord shall not charge any additional supervisory fees in connection with Tenant's Work or alterations generally, other than overtime charges for Landlord's personnel or freight. Landlord agrees to

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reasonably assist, at Tenant's cost and expense, Tenant in obtaining all necessary permits for Tenant's Work from appropriate governmental authorities.

(ii) Compliance. Tenant's Work shall comply in all respects with

the Building Code of the city and state in which the Building is located and state, county, city or other laws, codes, ordinances and regulations as each may apply according to the rulings of the controlling public official, agent or other such person.

(iii) Tenant's Work. Tenant's Work shall be commenced within a

reasonable time after Landlord approves Tenant's Plans and shall thereafter be diligently prosecuted to completion, subject to delays for reasons beyond Tenant's control. Tenant shall be required to obtain and pay for all necessary permits and/or fees with respect to Tenant's Work. Tenant's Work may be performed during normal business hours, which shall mean between from 7:00 A.M. to 5:00 P.M., Monday through Friday. Tenant shall have the right to perform its alterations outside of normal business hours provided it obtains Landlord's prior consent, which consent shall not be unreasonably withheld and provided Tenant pays for the reasonable overtime and other costs incurred by Landlord for such. Each contractor and subcontractor shall be required to obtain prior written approval from Landlord for any space outside the Premises within the Building, which such contractor or subcontractor desires to use for storage, handling and moving of his materials and equipment, as well as for the location of any facilities for its personnel. Upon completion of Tenant's Work, the contractors and subcontractors shall remove all surplus materials, debris and rubbish of whatever kind remaining within the Building which has been brought in or created by the contractors and subcontractors in the performance of the Work.

(iv) Tenant's Specialty Equipment. Landlord grants to Tenant the -----
right, at no additional charge or rent, to install, at Tenant's sole cost and expense and in compliance with all applicable laws, codes and ordinances, and without undue interference caused to other tenants in the building), and Landlord acknowledges that Tenant's use of the Premises will require, some or all of the following (the "Specialty Equipment"), each being subject to Landlord's final reasonable approval of the placement thereof as shown on Tenant's Plans:

(1) Conduits.

- (I) four (4) conduits (each conduit 30" x 6" in diameter) plus one (1) one inch (1") conduit to be located in common vertical risers (to be used on a non-exclusive basis by Tenant) for electrical power;
- (II) two (2) diverse conduit entrances to the Building for connection to Tenant's Specialty Equipment;
- (III) two (2) conduits (each conduit 4" in diameter) from the demised premises to the roof of the Building;
- (IV) two ground cables (4" in diameter) from the demised premises to outside grounding.

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- (V) four (4) conduits (each conduit 30" x 6" in diameter) plus eight (8) two inch (2") conduits from the demised premises to the generator located on the 8th floor roof.

(2) HVAC.

- (I) the right to place within the demised premises Liebert HVAC dry cooler "piggyback" units, in an area to be designated on Tenant's Plans, together with all necessary connections from such location to the Premises;
- (II) the right to remove or cap any existing heating system or to supply an air system to the premises;
- (III) the right to install drains for HVAC equipment and to reconnect or relocate primary air ductwork.

(3) Electrical.

- (I) the right to bring electrical power from a source in the basement of the building to the premises; Landlord shall assist Tenant (at Tenant's sole cost and expense) in applying to PSE&G for a reasonable amount of electrical power;
- (II) a 29' x 84' area on the 8th floor roof (at the corner formed by Market and Halsey Streets) of the Building for installation of four (4) 750-volt diesel generators and the right to test same one time per week at a time agreed upon by the parties, location to be determined by Landlord and Tenant;
- (III) the right to construct a battery room within the demised premises and the right to reinforce the floor load capacity in connection therewith;

(4) Fuel tank. Space on the 4th basement of the Building for -----

placement of two 3,500 gallon diesel field fabricated fuel tanks, together with associated transfer pumps, in an area to be designated on Tenant's

Plan, together with all necessary connections from such location to the Premises;

(5) Safety.

(I) an independent Tenant-controlled gas-based fire suppression system, in addition to or in lieu of any existing sprinkler system.

(II) the right to reinforce the floor load capacity; current capacity is at least 100 pounds per square foot.

(III) the right to install an electrical grounding system in accordance with Tenant's electrical requirements.

(IV) the right to block up the existing windows in the demised premises

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(6) Roof.

(I) the right to use and access approximately 1,000 square feet of the roof to install antennae for radio telecommunications reception and/or transmissions, including the necessary cabling to and from such antennae; the foregoing shall not unreasonably interfere with the equipment of Landlord or any other tenant in the Building;

(II) Tenant shall, at its own cost and expense (except as hereinafter provided), install a new roof on the 8th floor roof of the Building while performing Tenant's Work and remove and dispose of the existing saw-tooth roof skylight and other unused ancillary equipment currently on said 8th floor roof (collectively the "Roof Work"). Prior to performing the Roof Work Tenant shall submit to Landlord for Landlord's prior reasonable approval, at least two (2) estimates for the cost of performing such work from licensed and reputable roofing companies. Any estimate submitted to Landlord for approval shall contain an industry standard warranty that said roof shall be leak free for a period of at least ten (10) years from installation and Tenant shall assign any such warranty to Landlord upon completion. Landlord shall reimburse Tenant proportionately for the cost of the Roof Work for all areas of the roof upon which the existing tenant (i.e. "gateway.realty") has its generator equipment and all other 8th floor roof space over the premises that is not part of the 29' x 84' area referred to in sub-subparagraph (3) (II) above.

(7) Miscellaneous.

(I) the right to core drill the Premises to the lowest point in the Building, to be coordinated at Landlord's reasonable discretion.

All locations or areas within the Building or the surrounding grounds where the Specialty Equipment shall be placed shall be provided by Landlord without additional rent.

(v) Tenant, at its expense, during the term of this Lease may make such non-structural alterations to the interior of the Premises as it deems appropriate, provided that all such alterations shall be completed in a good and workmanlike manner and shall not impair the structural soundness of the Premises or the building systems. Tenant shall make no additions or alterations whatsoever to the exterior of the Premises and no structural changes whatsoever within the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed.

(vi) Prior to the Commencement Date, Tenant shall, at Tenant's expense, install a separate electric meter for Tenant's Specialty Equipment and the premises generally and shall arrange to be billed directly by the utility company for the electricity usage of the Specialty Equipment and the premises.

(C) Landlord's Base Building Work.

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(a) Landlord shall perform the following work in the demised premises within a reasonable time following mutual execution and delivery of this lease (the following work is referred to in this lease as the "Base Building Work"):

(i) the demised premises shall be demolished and broom cleaned, with all existing partitions removed.

(ii) construct one-hour rated demising partitions and common corridor in the location and in the configuration shown on Exhibit A;

(iii) any ACM removed or encapsulated in accordance with all applicable laws;

(b) In addition to the foregoing Base Building Work, Landlord shall renovate the bathrooms on the eighth (8th) floor of the Building consistent with Building standard and ADA compliant prior to Tenant's actual commencement of operations in the demised premises.

8. Fire and Other Casualty

In case of fire or other casualty, the Tenant shall give immediate notice to the Landlord. If the premises shall be partially damaged by fire, the elements or other casualty, the Landlord shall repair the same as speedily as practicable, but the Tenant's obligation to pay the rent hereunder shall not cease. If, in the opinion of the Landlord, the premises be so extensively and substantially damaged as to render them untenable, then the rent shall cease until such time as the premises shall be made tenantable by the Landlord; if Landlord fails to make the premises tenantable within six (6) months after such casualty, then Tenant may terminate this lease upon thirty (30) days written notice to Landlord. However, if, in the opinion of the Landlord, the premises be totally destroyed or so extensively and substantially damaged as to require practically a rebuilding thereof, then the rent shall be paid up to the time of such destruction and then and from thenceforth this lease shall come to an end. In no event however, shall the provisions of this clause become effective or be applicable, if the fire or other casualty and damage shall be the result of the carelessness, negligence or improper conduct of the Tenant or the Tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors. In such case, the Tenant's liability for the payment of the rent and the performance of all the covenants, conditions and terms hereof on the Tenant's part to be performed shall continue and the Tenant shall be liable to the Landlord for the damage and loss suffered by the Landlord. If the Tenant shall have been insured against any of the risks herein covered, then the proceeds of such insurance shall be paid over to the Landlord to the extent of the Landlord's costs and expenses to make the repairs hereunder, and such insurance carriers shall have no recourse against the Landlord for reimbursement.

9. Inspection and Repair

Tenant agrees that Landlord and Landlord's agents, employees or other representatives upon notice to Tenant and accompanied by Tenant's representatives, shall have the right to enter into and upon the said premises or any part thereof, at all reasonable hours, for the purpose of examining the same or making such repairs or alterations therein as may be necessary or the safety and preservation thereof. This clause shall not be deemed to be a covenant by the

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Landlord nor be construed to create an obligation on the part of the Landlord to make such inspection or repairs.

10. Right to Exhibit

Tenant agrees to permit Landlord and Landlord's agents, employees or other representatives to show the premises to persons wishing purchase, finance or re-finance the same upon at least 48 hours' prior notice to Tenant, and on and after six (6) months next preceding the expiration of the term hereof to persons wishing to rent same and the Landlord or the Landlord's agents, employees or other representatives shall have the right to advertise the premises or any part thereof, offering the premises for rent or for sale (on or after six (6) months next preceding the expiration of the term).

11. Glass, etc., Damage Repairs

In case of the destruction of or any damage to the glass in the leased premises, or the destruction of or damage of any kind whatsoever to the said premises, caused by the carelessness, negligence or improper conduct on the part of Tenant or Tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors, Tenant shall repair the said damage or replace or restore any destroyed parts of the premises, as speedily as possible, at the Tenant's own cost and expense.

12. Signs and Exterior Appearance

(a) Tenant agrees that all signs and other installations visible from the exterior of the demised premises shall be subject to Landlord's approval and such reasonable rules and restrictions as Landlord from time to time may impose. Tenant shall submit to Landlord drawings of the proposed signs and other installations, showing the size, color, illumination and general appearance thereof, together with a statement of the manner in which the same are to be affixed to the demised premises. Tenant shall not commence the installation of the proposed signs and other installations unless and until Landlord shall have

approved the same in writing. It is the agreement of the parties that Landlord shall have absolute control of the appearance of the outside of the demised premises. The aforesaid signs shall be used solely for the purpose of identifying Tenant's business. No changes shall be made in the signs and other installations without first obtaining Landlord's prior written consent thereto. Tenant shall maintain the signs and other installations in good working order and condition and in compliance with all applicable rules and regulations of governmental authorities. At Landlord's option, Tenant shall remove all such signs and other installations after the expiration of the term of this lease and restore the exterior of the demised premises to its original condition.

(b) At Tenant's written request, Landlord shall list on the Building's standard lobby directory sign the name of Tenant and the officers or employees of Tenant, provided that the number of names so listed is in the same proportion (relative to the total space on the lobby directory) as is reflected in Tenant's Share as defined in this lease.

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13. Non-Liability of Landlord

Landlord shall not be liable for any damage or injury which may be sustained by the Tenant or any other person, as a consequence of the failure, breakage, leakage or obstruction of the water, plumbing, steam, sewer, waste or soil pipes, roof, drains, leaders, gutters, valleys, downspouts or the like or of the electrical, gas, power, conveyor, refrigeration, sprinkler, air conditioning or heating systems, elevators or hoisting equipment; or by reason of the elements; or resulting from the carelessness, negligence or improper conduct on the part of any other tenant or any other tenant's agents, employees, guests, licensees, invitees, subtenants, assignees or successors; or attributable to any interference with, interruption of or failure, beyond the control of the Landlord, of any services to be furnished or supplied by the Landlord.

14. Mortgage Priority

This lease shall be subject and subordinate to any mortgages or ground leases that may now or hereafter be placed upon the Building. The recording of such mortgage or mortgages shall have preference and precedence and be superior and prior in lien to this lease, irrespective of the date of recording and Tenant agrees to execute any instruments, without cost, which may be deemed necessary or desirable, to further effect the subordination of this lease to any such mortgage or mortgages. A refusal by Tenant to execute such instruments shall entitle Landlord to the option of canceling this lease, and the term hereof is expressly limited accordingly. Notwithstanding the foregoing, Tenant's interest in this lease shall be subordinate to any lien or encumbrance which now or hereafter may be placed on, against or affects the Building only if, and on the condition that, Landlord shall deliver to Tenant, within fourteen (14) days after full execution of this lease, a non-disturbance agreement in favor of Tenant from the current mortgagee in a form substantially similar to the form annexed hereto as Exhibit C. With respect to any future mortgage which hereafter affects the Building, Landlord shall obtain a non-disturbance agreement from such future mortgagee, in the mortgagee's standard form, within thirty (30) days from the closing date of such future mortgage.

15. Security deposit

Upon execution of this Lease, Tenant shall deposit with Landlord the sum of \$[*] as security for the faithful performance and observance of the provisions of this Lease. If a default or breach of or under any of the terms, covenants, or conditions by Tenant occurs, Landlord may use, apply or retain the whole or any part of the security so deposited to any extent necessary for the payment of the rent or any additional rent or any other sum as to which Tenant is in default or any other sum which Landlord may expend or may be required to expend by reason of Tenant's default in respect of any of the provisions of this Lease, including, but not limited to, any damages or deficiency in the re-letting of the demised premises, whether such damages or deficiency accrued before or after summary proceedings or other re-entry by Landlord. In the event that Tenant shall fully and faithfully comply with the provisions of this Lease, the security shall be returned to Tenant after the date fixed as the end of the Lease and after delivery of entire possession of the demised premises to Landlord. In the event of a sale of the land and buildings or a leasing of the buildings, Landlord shall have the right to transfer the security to the vendee or lessee and Landlord shall thereupon be released by Tenant from all liability for the return of such security, and Tenant agrees to look solely to the new landlord for

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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the return of said security. Tenant shall not assignor or encumber (or attempt to assign or encumber) to monies deposited as security hereunder and Landlord shall not be bound by any such assignment or encumbrance.

16. Increase of Insurance Rates

If by reason of the use to which the premises are put by the Tenant's business is carried on, the insurance rates for fire and other hazards shall be increased, the Tenant shall upon demand, pay to the Landlord, as rent, the amounts by which the premiums for such insurance are increased. Such payment shall be paid with the next installment of rent but in no case later than one month after such demand, whichever occurs sooner.

17. Utilities

(a) Tenant shall pay all charges for all public or private utility services provided to the demised premises directly to the entity delivering and/or supplying same, and shall comply with all contracts relating to such services, and shall do all other things required for the maintenance and continuance of all such services.

(b) Tenant, at its sole cost and expense, shall make all arrangements with the public utility companies serving the demised premises for obtaining and paying for directly all utilities at the demised premises, including without limitation arrangements pertaining to the installation and use of meters, pans, risers, wiring, panel boards, feeders and other conductors and equipment. Landlord shall not be liable or responsible for charges for electricity at the demised premises, or any loss, damage or expense which Tenant may sustain or incur if either the quantity or character of electric service is changed or is no longer available or suitable for Tenant's requirements. At all times during the term of this lease, Tenant shall comply with all rules and regulations of governmental authorities and the public utility applicable to service, equipment, wiring and changes in requirements.

(c) Tenant covenants and agrees that its use of electric current shall never exceed the capacity of the then existing conductors, feeders, risers, wiring installations or other equipment servicing the building. Tenant shall not alter or make any addition to the electrical equipment without the prior written consent of Landlord. Landlord shall not unreasonably withhold its consent to the installation of new risers and equipment if, in Landlord's opinion, they are necessary and do not cause permanent damage or injury to the demised premises or building or create a dangerous or hazardous condition or entail excessive or unreasonable alterations. If Landlord grants such consent, all additional risers and other equipment shall be provided by Landlord, and the reasonable costs and expenses thereof shall be paid by Tenant to Landlord on demand, as additional rent, without setoff or deduction.

(d) Tenant, at Tenant's expense, may install air conditioning, provided that such installation is in compliance with all rules and regulations of governmental authorities.

(e) Landlord reserves the right to interrupt, suspend or cease any of the utility services or systems referred to herein at any time in the event of an emergency, and at other times and from time to time, upon at least 48-hours verbal notice when necessary by reason of accident, or repairs, alteration or improvements which in Landlord's opinion are necessary or

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desirable, or difficulty or inability in securing supplies or labor, or strikes, or any other cause beyond the reasonable control of Landlord whether similar or dissimilar to those hereinabove mentioned. Tenant shall not be entitled to any diminution or abatement of rent or other compensation, and Tenant's obligations under this lease shall not be affected or reduced, by reason of any interruption, suspension or cessation of services.

18. Condemnation, Eminent Domain

If the land and premises herein, or of which the leased premises are a part, or any portion thereof, shall be taken under eminent domain or condemnation proceedings, or if suit or other action shall be instituted for the taking or condemnation thereof, or if in lieu of any formal condemnation proceedings or actions, Landlord shall grant an option to purchase and or shall sell and convey the said premises or any portion thereof, to the governmental or other public authority, agency, body or public utility, seeking to take said land and premises or any portion thereof, then this lease, at the option of Landlord, shall terminate, and the term hereof shall end of such date as Landlord shall fix by notice in writing; and Tenant shall have no claim or right to claim or be entitled to any portion of any amount which may be awarded as damages or paid as the result of such condemnation proceedings or paid as the purchase price for such option, sale or conveyance in lieu of formal condemnation proceedings; and all rights of Tenant to damages, if any, are hereby assigned to the Landlord, however Tenant retains the right to seek its relocation costs directly from the condemning authority. Tenant covenants and agrees to execute and deliver any instruments, at the expense of Landlord, as may be deemed necessary or required to expedite any condemnation proceedings or to effectuate a proper transfer of title to such governmental or other public authority, agency, body or public utility seeking to take or acquire the said

lands and premises or any portion thereof. Tenant covenants and agrees to vacate the said premises, remove all Tenant's personal property therefrom and deliver up peaceable possession thereof to Landlord to such other party designated by Landlord in the aforementioned notice. Failure by Tenant to comply with any provisions in this clause shall subject Tenant to such costs, expenses, damages and losses as the Landlord may incur by reason of Tenant's breach thereof.

19. Remedies Upon Tenant Default

If there should occur any default on the part of the Tenant in the performance of any conditions and covenants herein contained, or if during the term hereof the premises or any part thereof shall be or become abandoned or deserted (and the rent and additional rent is not paid), or should the Tenant be evicted by summary proceedings or otherwise, the Landlord, in addition to any other remedies herein contained or as may be permitted by law, may either by force or otherwise, without being liable for prosecution therefor, or for damages, re-enter the said premises and the same have and again possess and enjoy; and as agent for the Tenant or otherwise, re-let the premises and receive the rents therefor and apply the same, first to the payment of such expenses, reasonable attorney fees and costs, as the Landlord may have been put to in re-entering and repossessing the same and in making such repairs and alterations as may be necessary; and second to the payment of the rents due hereunder. The Tenant shall remain liable for such rents as may be in arrears and also the rents, if any, received by the Landlord during the remainder of the unexpired term hereof, after deducting the aforementioned expenses, fees and costs; the same to be paid as such deficiencies arise and are ascertained each month.

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20. Termination on Default

Upon the occurrence of any of the contingencies set forth in Article 19, or should the Tenant be adjudicated a bankrupt, insolvent or placed in receivership, or should proceedings be instituted by or against the Tenant for bankruptcy, insolvency, receivership, agreement of composition or assignment for the benefit of creditors, or if this lease or the estate of the Tenant hereunder shall pass to another by virtue of any court proceedings, writ of execution, levy, sale, or by operation of law, the Landlord may, if the Landlord so elects, at any time thereafter, terminate this lease and the term hereof, upon giving to the Tenant or to any trustee, receiver, assignee or other person in charge of or acting as custodian of the assets or property of the Tenant, five days notice in writing, of the Landlord's intention so to do. Upon the giving of such notice, this lease and the term hereof shall end on the date fixed in such notice as if the said date was the date originally fixed in this lease for the expiration hereof; and the Landlord shall have the right to remove all persons, goods, fixtures and chattels therefrom, by force or otherwise, without liability for damages.

21. Removal of Tenant's Property

Subject to the provisions of Article 7(A) of this lease, Tenant shall remove any of its personal property including any equipment, fixtures, and goods upon the expiration or earlier termination of this lease and shall repair any damage caused to the premises or the Building as a result of such removal. Any personal property not removed by the Tenant upon the termination of this lease, or upon any quitting or abandonment of the premises by the Tenant, or upon the Tenant's eviction, shall be considered as abandoned and the Landlord shall have the right, without any notice to the Tenant, to sell or otherwise dispose of the same, at the expense of the Tenant, and shall not be accountable to the Tenant for any part of the proceeds of such sale, if any.

22. Reimbursement of Landlord

If the Tenant shall fail or refuse to comply with and perform any conditions and covenants of the within lease, the Landlord may, if the Landlord so elects, carry out and perform such conditions and covenants, at the cost and expense of the Tenant, and the said cost and expense shall be payable on demand, or at the option of the Landlord shall be added to the installment of rent due immediately thereafter but in no case later than one month after such demand, whichever occurs sooner, and shall be due and payable as such. This remedy shall be in addition to such other remedies as the Landlord may have hereunder by reason of the breach by the Tenant of any of the covenants and conditions in this lease contained.

23. Non-Performance by Landlord

This lease and the obligation of the Tenant to pay the rent hereunder and to comply with the covenants and conditions hereof, shall not be affected, curtailed, impaired or excused because of the Landlord's inability to supply any service or material called for herein, by reason of any rule, order, regulation or preemption by any governmental entity, authority, department, agency or subdivision or for any delay which may arise by reason of negotiations for the adjustment of

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any fire or other casualty loss or because of strikes or other casualty loss or because of strikes or other labor trouble or for any cause beyond the control of the Landlord.

24. Validity of Lease

The terms, conditions, covenants and provisions of this lease shall be deemed to be severable. If any clause or provision herein contained shall be adjudged to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision herein, but such other clauses or provisions shall remain in full force and effect.

25. Non-Waiver by Landlord

The various rights, remedies, options and elections of the Landlord, expressed herein, are cumulative, and the failure of the Landlord to enforce strict performance by the Tenant of the conditions and covenants of this lease or to exercise any election or option or to resort or have recourse to any remedy herein conferred or the acceptance by the Landlord of any installment of rent after any breach by the Tenant, in any one or more instances shall not be construed or deemed to be a waiver or a relinquishment for the future by the Landlord of any such conditions and covenants, options, elections or remedies, but the same shall continue in full force and effect.

26. Notices

All notices or demands required or permitted to be given hereunder, other than notices or demands given in connection with a summary proceeding which are to be served in accordance with the applicable statute, if any, shall be sent by registered or certified mail, return receipt requested, or by a recognized overnight courier, or by telephone facsimile followed by a hard copy sent via certified mail, addressed to Landlord or Tenant at the address hereinabove stated, or to Tenant at the demised premises, or to such other principal address as either party hereafter may designate by written notice hereunder. All notices and demands (other than notices or demands given in connection with a summary proceeding) shall be deemed received on the fourth (4th) day from depositing said notice with the postal authority or courier service.

27. Title and Quiet Enjoyment

The Landlord covenants and represents that the Landlord is the owner of the premises herein leased and has the right and authority to enter into, execute and deliver this lease; and does further covenant that the Tenant on paying the rent and performing the conditions and covenants herein contained, shall and may peaceably and quietly have, hold and enjoy the leased premises for the term aforementioned.

28. Entire Contract

This lease contains the entire contract between the parties. No representative, agent or employee of the Landlord has been authorized to make any representations or promises with reference to the within letting or to vary, alter or modify the terms hereof. No additions, changes or modifications, renewals or extensions hereof, shall be binding unless reduced to writing and signed by the Landlord and the Tenant.

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29. Partial Invalidity

The Landlord may pursue the relief or remedy sought in any invalid clause, by conforming the said clause with the provisions of the statutes or the regulations of any governmental agency in such case made and provided as if the particular provisions of the applicable statutes or regulations were set forth herein at length.

In all references herein to any parties, persons, entities or corporations the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of the within instrument may require. All the terms, covenants and conditions herein contained shall be for and shall inure to the benefit of and shall bind the respective parties hereto, and their heirs, executors, administrators, personal or legal representatives, successors and assigns.

30. Condition of Premises

Tenant has examined and inspected the demised premises. Tenant agrees to accept possession of the demised premises "AS IS", except as expressly provided herein. Landlord shall not be responsible for making any improvements, alterations or repairs therein or for spending any other money to prepare the demised premises for Tenant's occupancy, except as expressly provided herein. Neither Landlord nor any employee or agent of Landlord have made any representation or promise with respect to the demised premises, except as

expressly provided in this lease. Landlord shall cure any violations which pre-date this lease which would affect Tenant's use and occupancy of the demised premises.

31. Maintenance Of Sprinkler System

In the event that Tenant does not drain the water from any existing sprinkler system in the demised premises, then Tenant shall maintain and repair said system in good and proper condition. Landlord shall be responsible for repairs and maintenance to the sprinkler system in the common areas of the building. If any governmental authority shall require or recommend any changes, modifications, alterations or additions to the sprinkler system for any reason, Tenant promptly shall make and supply the same at Tenant's expense.

32. Waste Removal

Tenant, at Tenant's expense, shall contract for the removal, on a daily basis, of all Tenant's garbage waste. Tenant, at Tenant's expense, shall cause the demised premises to be exterminated from time to time to the satisfaction of Landlord. Landlord shall not be responsible for any cleaning, waste removal, janitorial or similar services for the demised premises.

33. Licenses And Permits

Tenant agrees to secure and maintain, at its own expense, all licenses and permits from Federal, State and local authorities as may be necessary for the conduct of Tenant's business, and shall comply with all applicable laws, rules and regulations. Landlord does not represent that any license or permit which may be required will be granted or, if granted, will continue in effect or

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be renewed. Tenant's obligations under this lease shall in no way be affected by Tenant's inability to secure or maintain any license or permit.

34. Limited Liability

(a) Tenant agrees that, notwithstanding any other provision of this lease, Landlord shall not be under any personal liability under this lease and, if Landlord defaults hereunder, Tenant shall look solely to the interest of Landlord or its successor in the demised premises for the satisfaction of any judgment or other judicial process requiring the payment of money by Landlord based upon any default hereunder, and no other assets of Landlord or any such successor or any principal, shareholder, member or officer shall be subject to levy, execution or other enforcement procedure for the satisfaction of any such judgment or process. Upon any conveyance or transfer of the building, the transferor shall be relieved from all liability hereunder, except that as to security deposit, if transferor fails to deliver to transferee the security deposit held hereunder, if any, then transferor shall continue to be liable for same.

(b) Landlord shall not be held liable for any injury to or death of any person or persons, or injury or damage to merchandise, goods, furniture, fixtures or other property, from theft or accident, or from steam, gas, electricity, water, rain which may seep into, issue or flow from the building, unless same shall be due to Landlord's negligence.

35. Mutual Indemnification

(a) Tenant shall indemnify and hold Landlord harmless from and against any and all liability, claim, loss, damage or expense, including reasonable attorneys' fees, by reason of any injury to or death of any person or persons, or injury or damage to property, or otherwise, arising from or in connection with the occupancy or use of the demised premises or any work, installation or thing whatsoever done in, at or about the demised premises, or resulting from any default by Tenant in the payment or performance of Tenant's obligations under this lease or from any act, omission or negligence of Tenant or any contractors, agents, employees, customers, subtenants, licensees, guests or invitees of Tenant.

(b) Landlord agrees to indemnify Tenant against and to hold Tenant harmless from any and all claims and demands of any third party arising from or based upon any alleged act, omission or negligence of Landlord or Landlord's agents or employees arising from Landlord's ownership of the Building or any work installation or thing whatsoever done in the Building or resulting from a default by Landlord under the terms of this lease.

36. Insurance

(a) Tenant, at all times during the term of this lease and at Tenant's expense, shall provide and keep in force with insurers reasonably approved by Landlord comprehensive public liability and property damage insurance protecting Landlord against any and all liability occasioned by negligence, occurrence, accident, disaster and other risks included under "extended coverage" policies, occurring in or about the demised premises or any part thereof, in amounts

approved from time to time by Landlord, which amounts at the date hereof shall be, in the case of public liability, in single limit of not less than \$3,000,000 per occurrence, and \$1,000,000 in the case of property damage, and insurance specifically covering the Specialty

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Equipment against such damage or hazards in amounts as is customarily carried by tenants in similar premises, as Landlord reasonably may request. Tenant shall comply with such other requirements as Landlord from time to time reasonably may request for the protection by insurance of Landlord's interest. Landlord shall maintain a comprehensive fire insurance policy with extended coverage at Landlord's expense, which policy shall contain a clause waiving subrogation or consenting to a waiver of right of recovery.

(b) All insurance maintained by Tenant pursuant to this Article shall name Landlord as an additional insured, shall provide that any property loss shall be payable to Landlord, shall provide that no cancellation, reduction in amount or material change in coverage thereof will be effective until at least ten (10) days after receipt by Landlord of written notice thereof, and shall be satisfactory to Landlord, acting reasonably, in all other respects. Tenant shall procure an appropriate clause in, or endorsement to, all such insurance whereby the insurance company waives subrogation or consents to a waiver of right of recovery.

(c) Upon the execution of this lease and thereafter not less than fifteen (15) days prior to the expiration date of any policy delivered pursuant to this Article, Tenant shall deliver to Landlord certificates of the insurer, in form and substance satisfactory to Landlord, as to the issuance and effectiveness of such policies and the amounts of coverage afforded thereby. Such insurance may be provided through a blanket policy or policies in form and substance satisfactory to Landlord. Such blanket policies shall provide specific allocation to the demised premises of the coverage afforded thereby, and shall give to Landlord no less protection than that which would be afforded by separate policies.

(d) If at any time Tenant shall neglect or fail to provide or maintain insurance or to deliver certificates of insurance in accordance with this Article upon ten (10) days written notice to Tenant, Landlord may effect such insurance as agent for Tenant, by taking out policies in a company satisfactory to Landlord, and the amount of the premiums paid for such insurance shall be paid by Tenant to Landlord on demand. Landlord, in addition to Landlord's other rights, powers and remedies, shall be entitled to recover as damages for any breach of this Article the uninsured amount of any liability, claim, loss, damage or expense, including reasonable attorneys' fees, suffered or incurred by Landlord, and shall not be limited in the proof of damages which Landlord may claim against Tenant to the amount of the insurance premiums not paid or incurred by Tenant which would have been payable for such insurance.

37. Brokerage

Tenant and Landlord each represent and warrant to each other that they have not dealt with any broker in connection with this lease or the negotiation or execution thereof, other than Tishman Real Estate Services, Inc., whose commission Landlord shall pay according to a separate agreement. Tenant and Landlord each agree to indemnify and hold each other harmless from and against any claims, damage, liability or expense, including attorneys' fees, pertaining to any other broker with whom Tenant or Landlord has dealt. Landlord shall not have any liability for any brokerage commission arising out of any subletting or assignment of this lease by Tenant, and Tenant shall indemnify and hold Landlord harmless from and against any claims, damage, liability or expense, including attorneys' fees, pertaining to brokerage commissions in connection with any such subletting or assignment.

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38. ACM

(a) It is agreed that Tenant's "AS IS" acceptance of the demised premises and all of the equipment, apparatus, plumbing, heating, air conditioning, electric, water, waste disposal and other systems includes Tenant's acceptance of any possible latent or patent defects involving the possible presence of asbestos containing materials or any other hazardous materials (collectively "ACM") therein. Landlord shall remove or encapsulate any ACM that exists in the demised premises within forty-five (45) days following mutual execution of this lease. It is further agreed that, in the event ACM is found to be present within the demised premises, and such ACM was not brought into the demised premises by Tenant or Tenant's subtenants, employees, contractors, or customers then: (i) Tenant shall immediately give Landlord written notice of such fact; (ii) Tenant shall forthwith cease all activities (including but not limited to performance of alterations, renovations or redecoration activities) that disturb ACM, compromise environmental quality or violate any legal requirement; (iii) Landlord may (if it so elects) upon receipt of such notice from Tenant, retain control of all procedures employed for ACM removal or encapsulation work; (iv) Landlord shall, at Landlord's expense, cause the removal or encapsulation of all

ACM to be accomplished in accordance with all laws, regulations and legal requirements of governmental agencies or authorities having jurisdiction. If required by Landlord to do so, in order to accomplish ACM removal or encapsulation, Tenant shall temporarily close the demised premises for business, remove its inventory and other contents, permit entry to accomplish ACM removal or encapsulation, and generally cooperate with Landlord and its agents' removal or encapsulation efforts. Landlord, however, shall coordinate and cooperate with Tenant to minimize any cessation or degradation of Tenant's use of or business operations within the demised premises. If such removal or encapsulation forces Tenant to cease its operations in the demised premises for a material and substantial amount of time, then Tenant shall be entitled to an equitable abatement of rent for such period. In the event of any conflict or inconsistency between this clause and any other provision of this lease (including but not limited to any provision regarding repairs, maintenance, alterations and compliance with laws) the provisions of this clause shall control.

(b) Tenant covenants and agrees that it shall not at any time during the term of this lease (and any extensions or renewals thereof) manufacture, dispose of, store, place, or otherwise bring (or allow other to do any of the foregoing) any ACM into the demised premises or the Building.

39. Holdover

Any statute, law, custom, or practice to the contrary notwithstanding, this lease, and the term hereby granted, shall, in any event, terminate, expire, and come to an end on the date hereinbefore first specified for the termination thereof, without notice of any kind from either party to the other. Tenant shall have the right to hold over after said date for a period of time not to exceed six (6) months, provided that Tenant shall pay to Landlord one hundred and fifty (150%) percent of the rent payable to Landlord in the month preceding Tenant's holding over.

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40. Liens

(a) Tenant shall indemnify and hold Landlord harmless from and against any and all bills for labor performed or equipment, fixtures and materials furnished to or for Tenant, and from and against any and all liens or claims therefor or against the demised premises or the building of which it forms a part, and from and against any and all liability, claim, loss, damage or expense, including reasonable attorneys' fees, in connection with any work performed by or for Tenant. The demised premises and the building shall at all times be free of liens for labor and materials supplied or claimed to have been supplied to or on behalf of Tenant, and no financing statements or other security instruments shall be filed against the demised premises or the building or the contents thereof.

(b) If, in connection with any work being performed by or for Tenant, or in connection with any materials being furnished to Tenant, any mechanic's lien or other lien or charge shall be filed or made against the demised premises or any part thereof, or if any such lien or charge shall be filed or made against Landlord as owner, then Tenant, at Tenant's expense, within thirty (30) days after such lien or charge shall have been filed or made, shall cause the same to be canceled and discharged of record by payment thereof or filing a bond or otherwise. Notwithstanding the preceding sentence, provided Tenant first files a bond in connection with any such lien(s), then Tenant may in good faith contest the validity of such lien(s) so filed and shall not be obligated to pay or discharge such lien until same has been adjudicated valid by the final judgment of a court of competent jurisdiction.

(c) Nothing in this lease shall constitute any consent or request by Landlord, express or implied, for the performance of any labor or services or the furnishing of any materials or other property in respect of the demised premises or any part thereof, nor as giving Tenant any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in any fashion that would permit the filing or making of any lien or claim against Landlord, the demised premises or the building. Landlord shall have the right, from time to time, to place upon the demised premises in a conspicuous place such sign or other notice as Landlord may deem necessary or appropriate so as to give notice to others of the provisions of the preceding sentence.

41. [Intentionally deleted]

42. Commencement Date Agreement

Within five (5) days after the commencement date of this lease, Landlord and Tenant shall agree and state in writing as to the Commencement Date and such other terms contained in the Term Commencement Agreement attached hereto as Exhibit D. If such agreement is delivered by Landlord to Tenant and Tenant fails

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to execute such agreement within five (5) days of receipt, then the contents thereof shall nevertheless be presumed to be correct and binding upon Tenant.

43. Landlord's failure to repair'

In the event Landlord fails to perform its repair obligations under this Lease and such failure threatens the functioning of Tenant's Specialty Equipment, and such failure of

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performance continues for a period of thirty (30) days after written notice thereof from Tenant to Landlord (unless such failure cannot reasonably be cured within such thirty (30) day period and Landlord shall fail within such period to commence and diligently pursue the curing of such failure), Tenant may undertake all reasonable action to cure Landlord's failure to repair and Landlord agrees to reimburse Tenant on demand for all reasonable sums expended or obligations incurred by Tenant in connection therewith (including reasonable attorneys' fees). If Landlord does not reimburse Tenant within thirty (30) days of receipt of an invoice therefor, Tenant shall have the right to set off said amount from the rental payable by Tenant to Landlord hereunder.

44. Delays in Performance

The performance by Landlord and Tenant of any of their respective obligations or undertakings provided for in this Lease (except the payment of rent or any other sums of money payable by Tenant under this Lease) shall be excused and no default shall be deemed to exist in the event and so long as the performance of any such obligation or undertaking is prevented, delayed, retarded or hindered by an act of God, fire, earthquake, flood, explosion, action of the elements, war, riot, failure of transportation, strikes, lockout, action of labor unions, condemnation, laws, orders of government or civil or military authorities, inability to procure labor, equipment, facilities, materials or supplies in the open market, or any other cause beyond the control of Landlord or Tenant, as the case may be.

45. Governing law

This lease shall be construed and enforced in accordance with the laws of the State of New Jersey. Tenant submits to personal jurisdiction in the State of New Jersey, and waives any and all rights to object to such jurisdiction for the purposes of litigation to enforce this lease. Additionally, Tenant hereby waives the right to trial by jury in any action or suit brought to enforce the provisions of this lease.

46. Consents

Unless specific criteria is provided for in this lease in connection with obtaining consent, whenever the consent of either party is required hereunder, said consent shall not be unreasonably withheld, conditioned or delayed.

47. Lien waiver

Landlord hereby waives any right it may have to assert any lien against the personal property of Tenant whether existing under common law or by statute of the State of New Jersey.

48. Estoppel Certificate

Tenant, at any time, and from time to time, upon at least seven (7) days prior notice by Landlord, shall execute, acknowledge and deliver to Landlord, and/or any other person, firm or corporation specified by Landlord, a statement 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 modified and stating the modifications), stating the dates to which the rent and additional rent

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have been paid, and stating whether or not there exists any default by Landlord under this lease, and if so, specifying each such default.

49. Certificate of Occupancy

Tenant shall be responsible and pay for applying for and obtaining an amended or new certificate of occupancy, if necessary, in connection with Tenant's use and occupancy of the demised premises.

50. Miscellaneous

(a) In the event legal action is brought by either Landlord or Tenant in connection with this lease, the prevailing party shall be reimbursed by the non-prevailing party for its attorneys' fees and costs. Such amounts, if due to Landlord, shall be deemed additional rent and shall be paid on demand.

(b) The failure of Landlord to insist upon a strict performance of any term, covenant or condition herein shall not be deemed a waiver of any rights or remedies that Landlord may have or a waiver of any subsequent breach or default.

(c) If any provision of this lease shall be unenforceable or invalid, such unenforceability or invalidity shall not affect any other provision of this lease.

(d) The submission of this lease to Tenant shall not be construed as an offer or option, and Tenant shall not have any rights hereunder unless and until Landlord shall execute a copy of this lease and deliver the same to Tenant.

(e) except as otherwise provided herein, all rights and liabilities given to or imposed upon the respective parties hereto shall extend to and bind the respective heirs, executors, administrators, legal representatives, successors and assigns of said parties.

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(f) the captions and headings used in this lease are for convenience of reference only and shall not be used to construe or interpret any of the terms of this lease.

51. Right to Expand & Right of First Refusal

(A) Right to Expand. During the first six (6) months following mutual

execution of this lease, Tenant shall have the right to lease floor 9 1/2 (or a portion thereof) of the Building consisting [*] rentable square feet (the "Expansion Space"), upon ten (10) days written notice to Landlord, upon the same terms and conditions of this lease except that the base rent and Tenant's Proportionate Share shall be ratably increased to reflect the rentable square footage of the Expansion Space.

(B) If after six (6) months from mutual execution of this lease (and provided Tenant has not exercised its right to expand pursuant (A) above) Landlord receives a bona fide offer to lease the Expansion Space or a portion thereof) Landlord shall give Tenant written notice of such bona fide offer, and such notice shall specify the basic terms and conditions on which Landlord proposes to lease the Expansion Space (the "Offer Notices"). Tenant shall then have ten (10) business days after its receipt of the Offer Notice in which Tenant may give Landlord written notice of Tenant's acceptance of the Expansion Space on the terms and conditions specified in the Offer Notice (the "Acceptance Notice"). Prior to giving the Offer Notice to Tenant, and for ten (10) days thereafter, Landlord shall not enter into any lease of the Expansion Space with any other person or entity.

(C) If Tenant exercises its right under sub-paragraph (A) or (B) above, Landlord and Tenant shall then promptly enter into an amendment of this Lease and, if under sub-paragraph (B) above, incorporating the terms of the Offer Notice, increasing the size of the Premises to include the Expansion Space and to increase Tenant's Proportionate Share to reflect the rentable square feet of the Expansion Space (or a portion thereof). After expiration of such ten (10) day period, if under sub-paragraph (B) above Tenant has not given Landlord a timely Acceptance Notice, then Landlord shall be free to lease the Expansion Space (or a portion thereof) to such person or entity on such terms and conditions not inconsistent with the Offer Notice.

(D) In the event Tenant does not exercise the above first right of refusal, and Landlord does not enter into a lease with the third party on the same terms and conditions as set forth in the notice to Tenant, and subject to the rights of any other tenant in the building who has executed a lease for space in the Building prior to the date of this lease, Landlord shall notify Tenant in writing of any new terms and conditions upon which Landlord intends to enter into a lease for the Expansion Space (or a portion thereof), and Tenant shall have a new first right of refusal, which right shall be exercised by Tenant giving written notice to Landlord within ten (10) days after Tenant's receipt of Landlord's notice. Tenant's failure to give such notice shall be deemed a waiver of its first right of refusal.

(E) The rights of Tenant under this Article are conditional upon there being no default (beyond any cure period provided in this lease) by Tenant under any provision of this lease at the time of any of the aforesaid notices or at the time of exercise of any option or right of first refusal by Tenant.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.GDSVF&H\220361.3 34

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Special Tenant Requirements

Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be included as part of the Lease and shall supersede any inconsistent provisions of the Lease. All terms not otherwise defined in the Exhibit shall have the same meanings as set forth in the Lease.

Tenant's Use of Premises and Building and Land. Subject to Article 7 of this lease, Tenant is permitted (a) to construct, maintain, operate and repair electronic, transmitting and receiving equipment and supporting structures on the Premises, including the roof of the Building, (b) to construct, maintain, operate and repair an equipment room on the Premises, including the construction of an upgraded fire suppression system, (c) to install, upgrade, maintain, operate, and repair utility lines, transmission lines, and telecommunications conduit and cabling (collectively, the "Conduits") in such locations on the Building and Land as set forth in plans and specifications, which shall be subject to Landlord's approval which shall not be unreasonably withheld, conditioned or delayed, (d) reasonable use of freight loading docks and elevators during normal business hours, to maintain Tenant's equipment and the Conduits (collectively, "Equipment"). The Equipment shall include, without limitation, the antenna, batteries, uninterruptible power supply and such other equipment, necessary thereto and more particularly as set forth hereafter. Tenant shall have access to and use of the Premises, the Building and the Conduits, 24 hours per day, 365 days per year.

53. Alterations. The following work provisions shall be at Tenant's sole cost

and expense and subject to all of the provisions of the Lease, including, without limitation, Article 7 of the Lease:

(a) Tenant's Use of Conduit Ducts. Tenant shall have the right to install, maintain, operate and repair the Conduits based upon the specifics to be provided by Tenant as incorporated into the Building's Master Riser Plan in risers located within the Building, so long as Tenant's use of the Conduits does not interfere with Landlord's use of Landlord's risers located within the Building or any other tenant in the Building. If required by any service provider to the Building or by Landlord, Tenant shall install separate conduits where applicable.

(b) Fiber Entrances and Risers. At a minimum Tenant shall have the right to utilize two utility entrances within the Building and the right to install from these dual, diverse entrances eight (8), exclusive, four (4") inch conduits for a total of sixteen conduit ducts to the Leased Premises.

(c) Copper Entrances and Risers. Tenant shall have the right to install, maintain, operate, augment and repair the conduit ducts (conduit ducts as points of entry for main building services) and risers from the existing copper telephone point of entry to Tenant's Leased Premises. Tenant understands that the use of such conduit or riser is nonexclusive.

(d) Antenna Pad and Riser. Tenant shall have the right as part of their Lease interest in the Building to install an exclusive (fifty (50') foot by twenty-five (25') foot) (size to be reviewed by buildings engineering team) pad for the installation of antenna, transmission

equipment, receiving equipment, cabling and other antenna ancillary equipment, ("Antenna Equipment"). In addition to this space, Tenant reserves the to run cabling, conduit or wiring across the roof of the Building to appropriate conduit riser, such riser space shall be the minimum of two (2) four (4") inch conduit, that will terminate within the Leased Premises.

(e) Overhead Space Use. Tenant shall have the right to utilize within the Premises all space from above seven (7') feet to the bottom of any beam ("Overhead Space") for any of Tenant's equipment. Utilization of this space is at Tenant's sole discretion. Tenant may also elect, to relocate any existing piping, ventilation, sprinkler, waste, drainage or any and all other piping, collectively ("Piping") from this Overhead Space. Relocation of such Piping will be at Tenant's sole cost and expense and approved in advance by Landlord. Landlord approval of such relocation may not be unreasonably withheld.

(f) Floor Loading Capacity and Augmentation, Ceiling and Access to Space Above and Below - Tenant shall have the right to install and augment existing floor and ceiling loading capacity of the Tenant's Premises, including but not limited to work necessary to complete this task within Tenant's Premises. Such augmentation of floor and ceiling loading shall be at Tenant's sole cost and expense and subject to Landlord's reasonable approval of plans for such installation or augmentation.

(g) Fire Protection and Drainage. Tenant shall have the right, with Landlord's prior written consent (which consent shall not be unreasonably withheld) to install, operate, augment, repair, maintain, a new Water-based Fire Protection System, at Tenant's sole cost and expense, and Tenant shall have the right to augment or repair the existing Water-base Fire Protection System anywhere-in the Premises. Additionally, Tenant reserves the right to install, operate, maintain, repair and augment, at Tenant's sole cost and expense, drainage, existing or new, within Tenant's Premises or any where on the Building that would be necessary to divert water from the Water-based Fire Protection System from Tenant's Premises, provided such drainage is not located within

space leased by another tenant and provided installation, operation, maintenance, repair or augmentation does not interfere or pose a threat to another tenant's space.

(h) Non-exclusive Use of Wet, Waste Vent and Drainage piping - Tenant shall have the right to install, maintain, augment and operate on the Premises any and all piping necessary and customary for utilizing water, waste, vent and drainage. Further, Landlord agrees that Tenant shall have the right to a non-exclusive easement for the installation of such piping in common areas as deemed necessary and appropriate for Tenant use of water, waste, vent and drainage.

(i) Battery - Tenant shall have the right to install, maintain, and operate on the Premises a battery power plant ("Battery Power Plant") Landlord certifies floor load is 100 lbs. psf Tenant shall be responsible to reinforce floor as necessary to support Tenant's Battery Power Plant. Such battery power plant shall be for the sole use of Tenant and for the operations of the Premises for Tenant's intended use. The installation and operation of the Battery Power Plant shall be a Tenant's sole cost and expense and shall meet all Local, State and Federal Governmental requirements.

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(j) HVAC, Special Requirement and Rights. Landlord understands that Tenant's intended use of the Premises involve special requirements for the heating, cooling and ventilation ("HVAC") of the Premises. Tenant shall have the right, at Tenant's option, to install within the Premises, a separate self-contained twenty-four (24) hour a day heating, ventilation and air-conditioning HVAC unit ("Tenant's HVAC Unit") subject to Landlord's prior approval of the plans and specifications for the work and electrical requirements of Tenant's HVAC Unit, which approval shall not be unreasonably withheld, conditioned, or delayed. Tenant shall pay all costs of electrical power for such unit in the manner set forth above.

(k) Compliance With Law. Nothing contained in this Exhibit shall in any way limit or negate Tenant's obligation to comply with laws in accordance with the terms of the Lease.

(l) Initial Installation and Testing. Tenant shall have the right, at Tenant's sole cost and expense, at any time following the execution of this Lease by Tenant in a form mutually acceptable to Landlord and Tenant, to enter upon the Building and Land and to carry out any tests, inspections, pre-installation and installation activities on the Building and Land as necessary for the construction and installation of the Equipment, including without limitation, engineering and environmental surveys, physical inspections, soil test borings, and underground trenching. Immediately following the completion of such tests, inspections or pre-installation activities, Tenant shall, at Tenant's sole cost and expense, repair any damage to the Building and Land caused by such inspections or pre-installation activities, including repaying and re-landscaping any affected areas of the Building and Land. Any such entry onto the Building and Land prior to the Commencement Date of the Lease shall be on all of the terms and provisions of the Lease, except for Tenant's obligation to pay rent.

54. Equipment Ownership; Surrender. The Equipment (other than conduits, pipes, risers, ducts, and other equipment which are affixed to the Premises or Building) shall be the property of and owned by Tenant throughout the Lease Term, and shall in all event be deemed trade fixtures, even if affixed to the Premises or Building or Land. On or before the Expiration Date or earlier termination of this Lease, Tenant shall remove its Equipment from the Premises and Building and Land without damaging the Premises or the Building. Landlord hereby expressly waives and releases any and all contractual liens and security interests or constitutional and/or statutory liens and security interests arising by operation of law or under the Lease to which Landlord might now or hereafter be entitled on any of the Equipment, Tenant's HVAC Unit or Tenant's Generator. Landlord further agrees that the Equipment, Tenant's HVAC Unit, and Tenant's Generator shall be exempt from execution, foreclosure, sale, levy, attachment, for any Tenant default hereunder, and that the Equipment, Tenant's HVAC Unit, and Tenant's Generator may be removed at any time from the Premises or the Building and Land by Tenant.

Landlord acknowledges Tenant may lease all of its equipment, including its emergency generators.

55. Utilities.

Supply of Electrical Power.

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Payment for Electrical Usage. Prior to the Commencement Date Tenant shall separately meter Tenant's use of electrical power. In the event Landlord supplies power to Tenant, Tenant shall pay to Landlord on a monthly basis for all such electric usage, as shown by the meters described above, at the rates charged for such services by the local public utility and with no added fees. If Tenant cannot not separately meter Tenant's electrical power usage at the

Premises, Tenant shall pay to Landlord, on a monthly basis, an amount equal to Tenant's average monthly electric usage as determined by an independent engineer retained by Landlord. Such amount shall be Tenant's monthly charge for electrical power, and shall be reviewed annually and adjusted if necessary to reflect changes in Tenant's electrical power usage at the Premises.

Emergency Power Generator. Subject to Article 7 of the Lease, Tenant shall have the right, at any time during the Lease Term, at Tenant's option and at Tenant's sole cost and expense: (a) install four (4) 750 KW emergency power generator(s) ("Tenant's Generator") on the Premises or elsewhere within or on the building, as noted in Exhibit A, in such location as reasonably approved by Landlord, to provide back-up emergency power for the Equipment and for Tenant's HVAC Unit, and (b) store fuel above ground, on the Premises as noted in Exhibit A, in such locations as reasonably approved by Landlord, in an amount Tenant reasonably determines necessary for Tenant's Generator as approved by Landlord's engineering team.

56. No Interference; Relocation.

No Interference. Neither Landlord nor any of Landlord's agents, employees, or contractors (collectively, the "Landlord Parties") shall interfere in any way with the Equipment or with Tenant's access to the Equipment and Antennas, the Conduits, Tenant's HVAC Unit, or Tenant's Generator (the "Interference"). Landlord agrees that prior to carrying out any construction, maintenance or repair activities which are in the immediate vicinity of the Premises, the Antennas, the Conduits, Tenant's HVAC Unit, or Tenant's Generator (if such are not located within the Premises) and which would a disruption in the operation of such, Landlord shall provide three (3) days' prior written notice of Landlord's or Landlord Parties' intent to carry out such construction, maintenance or repair work including the date, time and location in which such work will take place. Tenant shall have the right to monitor and inspect such work at Tenant's own risk, and at Tenant's sole cost and expense. Landlord and Landlord Parties shall exercise all due care in carrying out such work. Landlord shall use reasonable efforts to immediately notify the Tenant's designated contact person by telephone or facsimile in the event of fire, power failure, bomb threats, or other unplanned events which could adversely impact Tenant's operations.

Remedies. Upon written notice from Tenant, stating with specificity that Landlord or one or more of the Landlord Parties is creating an Interference in violation of the immediately preceding paragraph, Landlord shall take immediately all necessary measures at Landlord's sole cost and expense to eliminate the Interference, including hiring agents to work extended hours, until the Interference is eliminated. If Landlord does not eliminate the Interference, Tenant shall have the right, at Tenant's option, in addition to any other remedy at law or in equity, to (a) eliminate the Interference, and deduct the cost of eliminating the Interference from the Base Rent next due, (b) obtain injunctive relief enjoining or restraining whatever Interference may have occurred or be occurring, without posting a bond or other security and without proving damages, it being expressly recognized by Landlord that any Interference will cause irreparable harm to Tenant

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which cannot be fully compensable by damages, or (c) receive an equitable abatement of rent during the period of the Interference, such abatement to be based on the degree, duration and severity of the Interference, as determined by the parties or by a court of competent jurisdiction.

Relocation. In no event shall Landlord relocate Tenant or the Equipment to other premises, or require Tenant to relocate its Equipment for any length of time to any other location, either in or on the Building or Land or elsewhere.

Sound Control. Tenant is responsible for taking the necessary measures to reduce the sound transmissions caused by the Equipment. In addition, Tenant's Generator shall be installed in a weatherproof, walk-around type, sound attenuating enclosure which shall limit the sound to no more than 85 dBA as measured at three (3) feet from any side, top or bottom, under all operating conditions.

57. Transferability. For purposes of the Lease, the sale of the Tenant's capital stock through any public exchange or any issuance for purposes of raising financing shall not be deemed an assignment or any other transfer of the Lease or the Premises.

58. Confidentiality. Landlord shall keep all Confidential Information of Tenant confidential. For the purposes of this Lease, "Confidential Information" includes any data or information pertaining to Tenant or Tenant's business, regardless of medium, that is provided by Tenant to Landlord, including Tenant's plans and specifications or electrical power requirements, site plans, or copies of any such information, but excludes any information (a) approved in writing by Tenant for release to third parties, (b) that Landlord possesses independently of Tenant, or (c) that Tenant places in the public domain. The foregoing shall not restrict Landlord from disclosing Confidential Information to any potential investor, partner, buyer or mortgagee of Landlord or the Building,

In Witness Whereof, the parties hereto have hereunto set their hands and seals, or caused these presents to be signed by their proper corporate officers on the day and year first above written.

MARKET HALSEY URBAN RENEWAL, INC.
Landlord

Witness:

By: /s/ [signature illegible]

Name:
Title:

Witness:

EQUINIX, INC., Tenant

By: /s/ Albert M. Avery, IV

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Exhibit A

[Graphic of Floor Plan of the Demised Premises]

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Exhibit B

Legal description

ALL THAT CERTAIN TRACT, PARCEL AND LOT OF LAND LYING AND BEING SITUATE IN THE CITY OF NEWARK, COUNTY OF ESSEX, STATE OF NEW JERSEY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT MARKING THE INTERSECTION OF THE EASTERLY LINE OF [*] STREET WITH THE NORTHERLY LINE OF [*] STREET, RUNNING THENCE:

1. ALONG THE NORTHERLY LINE OF [*] STREET, SOUTH 64 (SOUTH 24 DEGREES, DEED) DEGREES 25 MINUTES EAST, 250.47 FEET TO THE INTERSECTION OF SAID SIDE LINE WITH THE WESTERLY LINE OF [*] STREET; THENCE
2. ALONG SAID SIDE LINE, NORTH 27 DEGREES 28 MINUTES EAST, 311.88 FEET TO THE POINT OF INTERSECTION OF SAID SIDE LINE WITH THE SOUTHERLY SIDE LINE OF [*] STREET; THENCE
3. ALONG SAID SIDE LINE OF [*] STREET, NORTH 59 DEGREES 08 MINUTES 31 SECONDS WEST, 280.82 FEET TO THE INTERSECTION OF SAID SIDE LINE WITH THE AFOREMENTIONED EASTERLY SIDE LINE OF [*] STREET; THENCE
4. ALONG SIDE LINE OF [*] STREET, SOUTH 26 DEGREES 17 MINUTES 23 SECONDS WEST, 139.57 FEET TO AN ANGLE POINT; THENCE
5. STILL ALONG THE EASTERLY SIDE LINE OF [*] STREET, SOUTH 19 DEGREES 38 MINUTES WEST, 199.02 FEET TO THE POINT OR PLACE OF BEGINNING.

THE ABOVE DESCRIPTION BEING IN ACCORDANCE WITH A SURVEY MADE BY P & M SURVEYING, INC., DATED AUGUST 16, 1996.

BEING ALSO KNOWN AS (REPORTED FOR INFORMATIONAL PURPOSES ONLY):

LOTS [*] & [*], BLOCK [*], ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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Exhibit C

SUBORDINATION, NONDISTURBANCE AND ATTORNMEN T AGREEMENT

This Subordination, Non-Disturbance and Attornment Agreement (this Agreement), made as of , 1999, by and between LOCAL FEDERAL BANK, F.S.B. having an address at 3601 N.W. 63rd Street, Oklahoma City, Oklahoma 73116 (the Lender) and _____, a _____, having an address at _____ (the Tenant);

W I T N E S S E T H:

WHEREAS, by a lease (as the same may be amended from time to time, the Lease) dated _____, 19__, between MARKET HALSEY URBAN RENEWAL, LLC (the Landlord), as landlord, and Tenant, as tenant, the Landlord leased to Tenant a certain portion of the building known as and located at being more fully described in said Lease (the Premises);

WHEREAS, the Landlord has executed and delivered or intends to execute and deliver to the Lender a mortgage note in the original principal amount of _____ (\$_____) Dollars, which note is or will be secured by, among other things, a mortgage (which mortgage and all amendments, renewals, increases, modifications, replacements, substitutions, extensions, spreaders, restatements and consolidations thereof and all re-advances thereunder and additions thereto is referred to as the Mortgage) encumbering certain land being more particularly described in Schedule A attached hereto (the Land), together with the buildings and other improvements located or to be located thereon (such buildings and other improvements and the Land, collectively, the Mortgaged Property) including, without limitation, the Premises.

NOW, THEREFORE, the parties hereto, in consideration of the covenants contained herein, have agreed and hereby agree as follows:

1. The Lease, as the same may hereafter be modified, amended or extended, is and shall be subject and subordinate in each and every respect to the Mortgage, to all renewals, modifications, replacements and extensions thereof, to all terms, conditions and provisions thereof and to each and every advance heretofore made or hereafter made under the Mortgage.

2. The Lender agrees that if any action or proceeding is commenced by the Lender for the foreclosure of the Mortgage or the sale of the Mortgaged Property, the Tenant shall not be named as a party therein (unless required by law), and the sale of the Mortgaged Property in any such action or proceeding and the exercise by the Lender of any of its other rights under the Mortgage, or under the note secured by the Mortgage, shall be made subject to all rights of the Tenant under the Lease, provided that at the time of the commencement of any such action or proceeding and at the time of any such sale or exercise of any such other rights, the Tenant shall not be in default under any of the terms, covenants or conditions of the Lease or of this Agreement on the Tenant's part to be observed or performed.

3. The Tenant shall concurrently give the Lender copies of all notices and other communications given by the Tenant to the Landlord relating to (i) defaults or alleged defaults

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on the part of the Landlord or the Tenant under the Lease, (ii) any violations of any ordinances, statutes, laws, rules, codes, regulations or requirements of any governmental agency, and (iii) any assignment or subletting of all or any portion of the Premises.

4. In the event of any act or omission by the Landlord which would give the Tenant the right, either immediately or after the lapse of a period of time, to terminate the Lease, or to claim a partial or total eviction, the Tenant will not exercise any such right (i) until it has sent written notice of such act or omission to the Lender as provided herein, and (ii) unless the Lender shall have failed within thirty (30) days after receipt of such notice to cure such default or, if such default is not reasonably susceptible of cure within such thirty (30) days, the Lender shall not have commenced the cure of such default within thirty (30) days of receipt of such notice and thereafter diligently pursued such action.

5. In the event that the interest of the Landlord is transferred by reason of, or assigned in lieu of foreclosure or other proceedings for enforcement of the Mortgage, then, subject to the provisions of this Agreement, the Lease shall nevertheless continue in full force and effect and, upon the written request of the Lender, the Tenant shall attorn to the Lender and shall recognize the Lender as its landlord. Although the foregoing provision shall be self-operative, in order to confirm such attornment, upon the request of the Lender, the Tenant shall execute and deliver to the Lender (i) an agreement of attornment in form and content reasonably satisfactory to the Lender, at the Tenant's sole cost and expense, confirming the foregoing attornment and agreeing to perform all the terms, covenants and conditions of the Lease on the Tenant's part to be performed for the benefit of such Lender with the same force and effect as if such Lender were the Landlord originally named in this Lease or (ii) a new lease with the Lender, as landlord, for the remaining term of the Lease and otherwise on the same terms and conditions and with the same options, if any, then remaining. Nothing herein contained shall be construed however, to obligate the Lender to cure any default by the Landlord under the Lease occurring prior to any date on which the Lender shall succeed to the rights of the Landlord, it being expressly agreed that under no circumstances shall the Lender be obligated to remedy any such default.

6. If the Lender shall succeed to the interest of the Landlord, the Lender shall have no personal liability as successor to the Landlord, and the

Tenant shall look only to the estate and property of the Lender in the Mortgaged Property or the proceeds thereof for the satisfaction of the Tenant's remedies for the collection of a judgment (or other judicial process) requiring the payment of money in the event of any default by the Lender as landlord under the Lease. In addition, the Lender as holder of the Mortgage or as landlord under the Lease if it succeeds to that position, shall in no event (i) be liable to the Tenant for any act or omission of any prior landlord, (ii) be subject to any offset or defense which the Tenant might have against any prior landlord, (iii) be liable to the Tenant for any liability or obligation of any prior landlord occurring prior to the date that the Lender or any subsequent owner acquires title to the Premises, or (iv) be liable to the Tenant for any security or other deposits given to secure the performance of the Tenant's obligations under the Lease, except to the extent that the Lender shall have acknowledged actual receipt of such security or other deposits in writing. No other property or assets of the Lender shall be subject to levy, execution or other enforcement procedure for the satisfaction of the Tenant's remedies under or with respect to the Lease, the relationship of the landlord and the tenant thereunder or the Tenant's use or occupancy of the Premises.

7. All notices and other communications hereunder shall be sent by certified or registered mail (postage prepaid, return receipt requested) to the Lender at the address set forth above, Attention: Keith Wilson, or to the Tenant at the address set forth in the Lease, or to such other address or person as may be specified in a notice sent in accordance with the provisions of thin Section 7, and shall be deemed given when received at the addresses specified above.

8. No prepayment of rent or additional rent due under the Lease of more than one month in advance shall be binding upon the Lender, as holder of the Mortgage or as landlord under the Lease if the Lender succeeds to that position, unless consented to by the Lender, and from and after the date hereof, no amendment, modification, surrender or cancellation of the Lease shall be binding upon the Lender, as holder of the Mortgage or as landlord under the Lease if the Lender succeeds to that position, unless such amendment, modification, surrender or cancellation is done in compliance with the terms of the Mortgage.

9. This Agreement shall apply to, bind and inure to the benefit of the parties hereto and their respective successors and assigns. As used herein, the term Tenant shall mean and include the present tenant under the Lease, any permitted subtenant under the Lease, any permitted assignee of the Lease and any successor of any of them. The term Lender as used herein shall include the holder of the Mortgage, the successors and assigns of the Lender, and any person, party or entity which shall become the owner of the Mortgaged Property by reason of a foreclosure of the Mortgage or the acceptance of a deed or assignment in lieu of foreclosure or other proceedings for enforcement of the Mortgage or otherwise. The term Landlord as used herein shall mean and include the present landlord under the Lease and such landlord's predecessors and successors in interest under the Lease.

10. This Agreement may not be modified in any manner or terminated except by an instrument in writing executed by the parties hereto.

11. This Agreement satisfies the condition to the subordination of the Lease to the Mortgage set forth in Section 14 of the Lease with respect to the execution and delivery of a non-disturbance agreement.

12. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

13. Both the Tenant and the Lender hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim arising out of or relating to the Lease or this Agreement.

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

LOCAL FEDERAL BANK, F.S.B.

By: _____
Name:
Title:

[TENANT]

By: _____
Name:
Title:

STATE OF)
)
) ss.:
COUNTY OF)

On the _____ day of _____ 199_, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he resides at _____ that he is a _____ of Local Federal Bank, F.S.B., the limited liability company described in and which executed the foregoing instrument, and that he signed his name thereto by order of the board of directors of said company

Notary Public

STATE OF)
) ss.:
COUNTY OF)

On the ___ day of _____ 199_, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he resides _____ at that he is a _____ of _____, the _____ described in and which executed the foregoing instrument, and that he signed his name thereto by order of the board of directors of said corporation.

Notary Public

SCHEDULE A

The Land

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Exhibit D

(Commencement Date Agreement)

THIS COMMENCEMENT DATE AGREEMENT (this "Agreement") is made this ___ day of _____, 199_, by and between _____, a _____ ("Landlord") and _____, a _____ ("Tenant").

1. The parties have heretofore entered into a written Lease Agreement dated _____ (the "Lease") for the leasing by Landlord to Tenant of certain space in the Building known as _____ located in _____, _____, all as more particularly described in the Lease.

2. Landlord and Tenant agree that the Commencement Date of the Term of the Lease is _____. The term of the Lease shall expire on _____.

3. Landlord and Tenant agree that the net rentable square feet of the Premises is _____ and that Tenant's Proportionate Share is _____ percent (_____ %).

IN WITNESS WHEREOF, Landlord and Tenant have respectively signed this Agreement as of the day and year first above written.

"LANDLORD"

By:
Its:

Date: _____

"TENANT"

By:
Its:
Date: _____

LEASE BETWEEN

LAING BEAUMEADE, INC.

Landlord

AND

EQUINIX, INC.

Tenant

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key terms

- (a) "Additional Rent" is defined in Section 2.
- (b) "Base Rent" is defined in Section 2.
- (c) "Commencement Date" is defined in Section 1(b).
- (d) "Common Areas" is defined in Section 1(a).
- (e) "Declaration" is defined in Section 4(b).
- (f) "Lease Year" is defined in Section 2(b).
- (g) "Mortgagee" and "Mortgage" are defined in Section 21.
- (h) "Prime Rate" is defined in Section 11.
- (i) "Rent" is defined in Section 2.
- (j) "Tenant's Prorata Share" is defined in Section 4(a).
- (k) "Term" is defined in Section 1(b).

LEASE

THIS LEASE (the "Lease") is made as of the 18th day of November, 1998

by and between Equinix, Inc. ("Tenant"), a Delaware corporation, and Laing

Beaumeade, Inc. ("Landlord"), a Georgia corporation.

WITNESSETH THAT, for and in consideration of the rentals herein reserved, the mutual covenants and agreements herein set forth and other good and valuable consideration, the receipt and adequacy of which we hereby acknowledged, the parties hereto, intending to be legally bound, hereby covenant and agree as follows:

1. GRANT/TERM/USE. (a) Subject to the terms, conditions and

provisions hereof, Landlord does hereby demise, lease and let unto Tenant, and Tenant does hereby rent and take from Landlord, approximately [*] square feet

of space (the "Leased Premises") located at [*], Suite C, Ashburn, Virginia 20147 (as outlined on Exhibit "A" attached hereto and made a

part hereof), being a portion of that certain building (the "Building") located, or to be constructed by Landlord, at Laing at Beaumeade, on the land (the

"Land") described on Exhibit "B" attached hereto and made a part hereof,

together with the nonexclusive revocable license to use, in common with all others entitled to such use, the Common Areas. The Building, Common Areas and Land are hereinafter sometimes collectively referred to as the "Project." The term "Common Areas" is hereby defined as those areas forming a part of the Land and/or Building designated by Landlord for the non-exclusive, general common use of tenants and their employees, agent, licenses, invoices and the like, including, without limitation, all parking areas, access roads, trash pickup and/or dumpster areas, truckways, driveways, loading docks, delivery and pick-up passages and areas, sidewalks, ramps, landscaped and planted areas, retaining walls, roof, exterior walls (including window frames but excluding window panes), downspouts, lighting facilities and the like.

(b) This Lease shall be in full force and effect from the date first above written. The term of this Lease (the "Term") shall be for a period of one hundred twenty months commencing on [*]. The term "Commencement Date" is

hereby defined as [*].

(c) Tenant shall use and occupy the entire Leased Premises during the entire Term solely as a general office and telecommunications service center with related legal uses, and may not use all or any portion of the Leased Premises for any other purpose whatsoever. Tenant agrees not to use the Leased Space for mobile indoor storage. For purposes of this paragraph, "mobile indoor storage" shall be defined as the delivery, receipt and storage of specialty crates containing personal property of the general public. The term "mobile indoor storage" is defined to exclude (a) traditional moving and storage operations, (b) freight forwarding, (c) with respect to a tenant located within the buildings described on Exhibit B, the warehousing or storage of such tenant's own property within the premises demised to such tenant or the warehousing or storage within the premises demised to such tenant of property sold by such tenants to their customers or (d) indoor self storage. The term "mobile indoor storage" shall include indoor self storage or any other type of self storage business. In addition, but not by way of limitation, Tenant shall not lease any portion of said buildings to those entities known as

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION.

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(a) Shurgard or Shurgard to Go, (b) Public Storage or Public Storage PUD Division, or (c) Door to Door.

2. RENT. Commencing on the Commencement Date, Tenant shall, and

hereby covenants and agrees to, pay to Landlord during each Lease Year of the Term an annual base rental. ("Base Rent") as set forth on Exhibit "C" attached

hereto and made a party hereof. The term "Lease Year" is hereby defined as each successive twelve consecutive month period beginning on the Commencement Date. The annual Bases Rent shall be paid by Tenant in lawful money of the United States in equal consecutive monthly installments on or before the first day of each calendar month in advance. Base Rent for any partial month shall be prorated at the rate of 1/30th of the monthly Base Rent per day. Tenant shall pay to Landlord as additional rent ("Additional Rent") hereunder all charges and other amounts required to be paid by Tenant to Landlord under this Lease, whether or not designated herein as rent or additional rent. The term "Rent" is hereby defined as Base Rent and Additional Rent. All Rent shall be paid by Tenant to Landlord, without any deduction, setoff or counterclaim whatsoever, at Landlord's address set forth at Section 28(b) hereof.

3. CONSTRUCTION AND ACCEPTANCE OF LEASED PREMISES. (a) Landlord

shall have absolutely no obligation to provide any construction to the Leased Premises. Tenant agrees to lease the Leased Premises in "as is", "where is" condition. Landlord makes no warranty, either express or implied, as to the nature of or suitability of any improvements located within the Leased Premises. (b) Tenant agrees to furnish to Landlord all final and permanent certificates of occupancy, permits and licenses from all applicable local authorities necessary or required with respect to the occupation and use of the Leased Premises by Tenant as herein contemplated;

4. OPERATING EXPENSES. (a) In addition to Base Rent, Tenant shall

pay as Additional Rent during each Lease Year of the Term, Tenant's Prorata Share of (i) Common Area Maintenance Expenses, (ii) Real Estate Taxes and (iii) Insurance Costs. "Tenant's Prorata Share" shall be the percentage determined by dividing the total leasable area of the Leased Premises by the total leasable area of the Building. On the date hereof, Tenant's Prorata share is projected to be [*]% ([*]).

(b) "Common Area Maintenance Expenses" shall mean any and all costs and expenses whatsoever incurred or paid by Landlord relating to or in connection with operating, maintaining, repairing, managing and replacing, and providing services to, the Building, Common Areas and the Land (and all easements, rights and appurtenances thereto), including but not limited to: (i) costs and expenses of operating, maintaining, repairing, replacing, lighting, painting, decorating and cleaning the Project, removing snow, ice and debris therefrom, and policing and regulating traffic therein and thereon; (ii) assessments or charges imposed pursuant to the Declaration of Covenants, Conditions and Restrictions of [*], as amended, superseded or supplemented, from

time to time (as amended, superseded or supplemented, the "Declaration"); (iii) costs and expenses of supplies and equipment and maintenance and service contracts; (iv) costs and expenses of replacing, repairing, repaving and striping pavements, curbs, walkways, parking areas, driveways and truckways, drainage and lighting, facilities and other Common Areas amenities; (v) all utility expenses, costs and charges including water and sewer charges; (vi) contributions with respect

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to, and costs and expenses of maintenance, repair and replacement of, on and off-site utility systems serving the Project; (vii) all landscaping (including, but not limited to, maintenance and new and replacement plantings); (viii) consulting and management fees not to exceed four percent (4%) of actual expenses and all other fees, charges and costs of or by contractors and agents employed by Landlord; (xi) commissions, wages, salaries and other labor costs and all persons engaged in such maintenance, operation, repair, management and the like (including, but not limited to, taxes, insurance, medical and other benefits); (xii) any capital expenditures incurred either to reduce Common Area Maintenance Expenses, to comply with any governmental law, order, requirement or regulation or to replace existing structures, equipment and machinery, such capital costs to be amortized over such reasonable period as Landlord shall determine, together with interest at the rate paid by Landlord on any funds borrowed for such expenditures; (xiii) legal and accounting fees and charges (except as otherwise provided hereinafter); and (xiv) any other expenses or charges included in Common Area Maintenance Expenses with respect to comparable office-warehouse buildings in the Ashburn, Virginia area. Common Area

Maintenance Expenses shall not incur any of the following: ground rent; interest and amortization of funds surrendered by Landlord (except as specifically provided above); leasing commissions and advertising, legal, and space planning expenses incurred in procuring tenants for the Building; and salaries, wages, or other compensation paid to officers or executives of Landlord in their capabilities as officers and executives. Landlord agrees that any and all cost and expenses for such above-mentioned repairs, improvements, maintenance, and service contracts, or any work commenced by any trade or contractor in excess of \$5,000.00 per event, must be competitively bid with award of such contract or bid to the lowest qualified bidder.

Notwithstanding anything to the contrary contained in this Lease, it is expressly understood that Common Area Expenses do not include (i) amounts due under loans encumbering the Leased Premises, or payments of rent under ground leases of the Leased Premises, (ii) depreciation of the Building or of any building service equipment, (iii) brokerage commissions in connection with leasing all or a portion of the Building or Land, (iv) attorneys' fees, accounting costs and other costs directly related to leasing space in the Building or Land, except in the context of reviewing, negotiating, and/or drafting of any assignment or sublease proposed by any Tenant, (v) physical

damage to property caused by the active negligence or willful misconduct of Landlord or its employees, agents or contractors, (vi) all cost incurred by Landlord to investigate remedial Hazardous Waste or Hazardous Materials to the extent Landlord is not otherwise indemnified against such costs by Tenant pursuant to this Lease, (vii) costs incurred by Landlord for repairing damage which costs are actually recovered for insurance proceeds (or if Landlord fails to carry insurance which it is required to carry under this Lease, the costs that would have been recovered from insurance proceeds had Landlord carried such insurance) or condemnation awards and (viii) Landlord's overhead and administrative costs to the extent exceeding management fee charges permitted pursuant to the provisions of this Paragraph.

(c) "Real Estate Taxes" shall mean any and all real estate taxes, assessments, water and sewer tests and charges, liens, charges, levies and other governmental impositions and charges of every kind and nature whatsoever, general or special, ordinary or extraordinary, foreseen or unforeseen, assessed, levied or imposed upon, or arising in connection with, the fixtures, machinery, equipment or systems, in, upon or used in connection with the operation of the Building or the Land; including, but not limited to, metropolitan district water

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and sewer charges, any assessments for public facilities or improvements for the areas in which the Project is located and taxes, assessments, charges and the like upon this Lease or any rents from the use, occupancy or possession of the Project. If, because of any change in the method of taxation of real estate or because of the enactment of any new tax by federal, state, county or local government, any other tax or assessment is imposed upon Landlord, or the rents or income derived from the Project, in substitution for, or in lieu of, or in addition to, any tax or assessment which would otherwise be included within Real Estate Taxes hereunder. Real Estate Taxes shall also include all expenses incurred by Landlord in obtaining or attempting to obtain a reduction of Real Estate Taxes, including, but not limited to legal fees. Tenant may in good faith contest or appeal the amount of any personal taxes or Real Estate Tax or assessment at Tenant's expense directly to the taxing authority, but in such event, Tenant shall indemnify Landlord against liability therefor. Landlord will reasonably cooperate at Tenant's expense in joining such appeal if required by the taxing authority.

Notwithstanding the foregoing, the term "Real Estate Taxes" shall not include estate, inheritance, transfer, gift or franchise taxes of Landlord or any tax or governmental charge based upon the net or gross income or receipts of the Landlord except for any tax on gross income or receipts of the Landlord except for any tax or gross income or receipts applied solely to rents from real property.

(d) "Insurance Costs" shall mean all insurance expenses incurred by Landlord relating to all insurance of whatsoever nature kept or caused to be kept by Landlord in connection with the ownership, operation, use or management of the Project, including, but not limited to, any and all policies of fire and extended coverage insurance (including, without limitation, extended and broad form coverage risks, mud slide, land subsidence, flood and earthquake), rent and business interruption insurance, boiler insurance, sprinkler insurance, comprehensive general public liability insurance (including, without limitation, an all-risk liability endorsement) and excess liability insurance.

(e) Tenant's Prorata Share of such Common Area Maintenance Expenses, Real Estate Taxes and Insurance Costs for each calendar year shall be paid in monthly installments in advance on the first day of each calendar month, commencing with the Commencement Date, in amounts reasonably estimated by Landlord to be "Tenant's Prorata Share thereof based upon, among other things, actual expenses, if any, incurred with respect to the immediately preceding calendar year. Such estimates may be revised, at any time and from time to time during such calendar year (but in no event more often than 4 times during any calendar year), in which event Tenant shall immediately commence making monthly payments hereunder pursuant to such new statement and, in addition, with the next monthly payment of Base Rent, pay to Landlord the difference between monthly payments for the preceding months based on such revised statement and the amount actually paid by Tenant with respect to such preceding months; it being understood, acknowledged and agreed, however, that as to Common Area Maintenance Expenses, Real Estate Taxes and Insurance Costs payable or paid in advance by Landlord, Tenant covenants and agrees to pay Tenant's Prorata Share thereof within 10 days after receipt of Landlord's written demand therefor. Within 120 days following the expiration of such calendar year, Landlord shall furnish to Tenant a written statement showing the actual amount of Tenant's Prorata share of Common Area Maintenance Costs, Real Estate Taxes and Insurance Costs for such calendar year and the payments thereto made by Tenant and known as

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the "Year End Report." If the payments made by Tenant shall exceed Tenant's actual share of such costs, Tenant shall, provided Tenant is not in default hereunder, be entitled to a credit for such excess against payments next

thereafter due to Landlord pursuant to this Section 4; it being understood, acknowledged and agreed, however, that if Tenant is indebted to Landlord hereunder in any amount for any reason whatsoever, Landlord may deduct such amount owned from such overpayment and if on or after termination of this Lease, the overpayment will be returned to Tenant within thirty (30) days after the Year end Report referenced in the preceding sentence. If Tenant's share of such costs shall exceed the payments made by Tenant, Tenant shall pay to Landlord the deficiency within 30 days after Landlord shall submit the aforesaid statement to Tenant. Tenant's obligations pursuant to this Section 5 shall survive the expiration or sooner termination of this Lease. Landlord's failure to provide the statement called for above in this Section 5(e) shall not release or relieve Tenant of Tenant's obligations under this Section 5 or elsewhere in this Lease.

5. SECURITY DEPOSIT. Upon the execution of this Lease, Tenant shall

pay to Landlord \$[*] ("the Deposit") as security for the faithful performance by Tenant of all of the terms, covenants, and conditions of this Lease (including, but not limited to, the payment of Rent). The Security Deposit shall be given in cash in the minimum amount of \$[*]. In the event Tenant pays to Landlord the full amount of the Security Deposit in the form of cash, Tenant may elect to convert \$[*] of the Security Deposit into the form of an unconditional, irrevocable letter of credit in the name of the Landlord and payable upon presentation at a federally-insured national bank in the Commonwealth of Virginia, in such form and content as landlord shall reasonably require, or in such form as Landlord may approve, or in a combination of the foregoing. Upon Landlord's receipt of an approved letter of credit, Landlord shall refund to Tenant the full amount of the letter of credit up to a maximum amount of \$[*] within thirty (30) days. Landlord may, but is not obligated to, without waiving or satisfying such Event of Default, or waiving or limiting any other rights or remedies of Landlord or limiting Tenant's liability to Landlord, apply all or any portion of the Deposit on account of any Event of Default hereunder, as well as on account of any expense incurred or paid, or damages suffered, by Landlord in connection with such failure, and Tenant, within ten (10) days following receipt of written notice of demand, shall replenish the amount necessary to restore the full Deposit. Landlord may commingle the Deposit with any other accounts that Landlord holds, and Landlord shall not be obligated to pay any interest accrued on the Deposit to Tenant. In the event of a sale or other transfer of the Project (or Landlord's interest therein), Landlord shall have the right to transfer to such purchaser or other party the Deposit and Landlord thereupon shall be released by Tenant from all liability for the return thereof, and Tenant agrees to look to the new landlord solely for the return thereof.

6. UTILITIES. Tenant shall be solely responsible for, and promptly

pay as and when due, all changes and assessments for heat, gas, electricity, telephone and other utilities used, consumed or provided to or on the Leased Premises and shall, at Tenant's sole cost and expense, arrange with the appropriate utility companies for the provision, augmentation or modification of such utilities to the Leased Premises. Notwithstanding anything herein to the contrary, Landlord shall not be liable in any respect for any damages whatsoever, whether to or with respect to person, property, Tenant's business or otherwise, for interruption in, or stoppage, suspension or curtailment of, any utility service or system (whether caused by or arising out of Landlord's need to make repairs or any other reason whatsoever), nor shall the same

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(a) constitute a constructive eviction or interference or disturbance with Tenant's use, possession or enjoyment of the Leased Premises, (b) constitute grounds for abatement, reduction or rebate, in whole or in part, of Rent or any other sum payable by Tenant hereunder, or (c) release or relieve Tenant of or from any Tenant's obligations hereunder. In the event landlord shall elect, or be required by governmental authorities, to install in the Leased Premises individual meters or other devices to measure any or all of the utilities consumed in the Leased Premises, Tenant shall pay to Landlord the charges incurred for such meters and the installation thereof in the Leased Premises. If any such utilities are not separately measured, Tenant shall pay to Landlord, within thirty (30) days after Tenant's receipt of Landlord's written demand therefor, Tenant's allocable share of such utilities as reasonably determined by Landlord.

7. MAINTENANCE AND REPAIR BY LANDLORD. Landlord shall, subject to

the provisions of Sections 14 and 17 hereof and so long as Tenant is not in default hereunder, keep the foundation, the exterior walls (except plate glass windows, doors, door closure devices, window and door frames, molding, locks and hardware and painting or other treatment of interior walls, all of which shall be Tenant's responsibility to maintain, replace and repair) and the roof of the Leased Premises in good repair, ordinary wear and tear excepted. Any repairs required to be made by Landlord under this Lease which are occasioned by the

act, omission or negligence of Tenant, or Tenant's agents, employees, subtenants, licensees, invitees, visitors, contractors, servants, customers or others acting, through or under Tenant or for or on behalf of Tenant (collectively, "Tenant's Agents"), shall be paid for by Tenant, at any time and from time to time, upon receipt of Landlord's demand to the extent not covered by any net insurance proceeds paid or payable to Landlord therefor. In the event that the Leased Premises should become in need of repairs required to be made by Landlord hereunder, Tenant shall immediately give written notice thereof to Landlord and Landlord shall not be obligated in any way to commence any such repairs until a reasonable time shall have elapsed after Landlord's receipt of such written notice. Notwithstanding the above, because of the sensitive nature of Tenant's business and equipment, if Landlord does not repair roof leaks within five (5) business days of written notice of such leaks from Tenant, then Tenant may make the repairs and shall invoice Landlord for the reasonable cost of such repairs, which Landlord will pay to Tenant within thirty (30) days of receipt of the invoice and reasonably substantial evidence of completion of the repairs. Notwithstanding anything contained herein, Tenant shall use the roof manufacturers' approved roof installation and repairs contractors only to perform any repairs.

8. CONTROL. The Common Areas shall be subject to Landlord's

reasonable management and control and shall be operated and maintained in such manner as Landlord, in its reasonable discretion, shall determine. Without limiting the generality of the immediately preceding sentence, Landlord reserves the exclusive right to install, construct, remove, maintain and operate lighting systems, facilities, improvements, buildings, equipment and signs on, in or to all parts of the Common Areas and the Building; increase, reduce or change the number, size, height, layout, or locations of buildings, walks, driveways and truckways, parking areas and/or Common Areas now or hereafter forming a part of the Project; make alterations or additions to the Building; close temporarily all or any portion of the Common Areas to make repairs, changes or to avoid public dedication; grant easements, or replat or subdivide or make such other changes to the Land, as Landlord shall deem necessary; place, relocate and operate utility lines through, over or under the Leased Premises necessary to serve

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other portions of the Building; and use or permit the use of all or any portion of the roof of the Building.

9. OCCUPANCY BY TENANT. (a) Tenant covenants and agrees to, at its

sole cost and expense, observe and comply with the provisions of (i) all matters of record (including, but not limited to, the Declaration and all Mortgages), (ii) all building, zoning, fire and other governmental laws, ordinances, regulations, requirements, codes, certificates of occupancy and rules, (iii) the orders and directives (pursuant to law) of public officials applicable to the Leased Premises and/or the balance of the Project or the conduct of the business in the Leased Premises by Tenant, (iv) all rules, regulations, orders and requirements of carriers of insurance insuring the Project; and (v) the Rules and Regulations, attached hereto as Exhibit "F" and made a part hereof, and any

additions thereto and modifications thereof as adopted by Landlord from time to time. Notwithstanding anything herein to the contrary, Tenant, at its sole cost and expense, shall make any and all repairs, alterations, additions and improvements of any nature whatsoever required by any governmental authority by reason of Tenant's use or occupancy of the Leased Premises.

(b) Tenant shall not keep or allow to be kept anything within the Leased Premises or use or permit the use of the Leased Premises for any purpose or in any manner, which causes or might cause an increase in the insurance premium cost of, or invalidate or breach or conflict with, any insurance policy carried on all or any part of the Project, or cause any existing or prospective insurer to refuse to issue any insurance policy with respect to all or any portion of the Project or the Landlord's business, or create any risk of fire or other hazard. Notwithstanding the above, Landlord acknowledges Tenant's use of Equipment and Tenant's Generator which may cause an increase in Landlord's insurance premium cost which increase related to Tenant's use of Equipment and Tenant's Generator shall be paid as Additional Rent, upon receipt of Landlord's demand therefor, any such increased premium cost due to or associated with Tenant's unique use or occupation of the Leased Premises or Tenant's storage of goods. Tenant, at its sole cost and expense, shall comply with all rules, regulations, orders and requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and of any other similar body having jurisdiction over the Project).

10. INSURANCE; INDEMNITY. (a) Tenant shall, at Tenant's sole cost

and expense, carry and keep in force at all times during the Term (i) a policy of comprehensive general public liability insurance, together with a contractual liability endorsement, with limits of not less than \$1,000,000 in respect of bodily injury to or death of any one person, an amount not less than \$2,000,000 in respect to bodily injuries or death(s) occurring in any one occurrence and an

amount not less than \$500,000 in respect of property damaged or destroyed; (ii) fire and extended coverage insurance covering the full replacement cost of all alterations, additions, partitions, improvements, equipment, furniture, fixtures and inventory made or placed by Tenant in the Lease Premises against "all-risk" of physical loss; (iii) worker's compensations insurance with limits not less than that required by law; and (iv) such additional amounts of insurance and additional types of coverage as Landlord may reasonably request from time to time. Tenant's liability hereunder shall not be limited to the insurance coverage maintained, or required to be maintained pursuant hereto by Tenant. All such policies shall be with companies licensed to do business in the state in which the Land is located, and from a responsible company satisfactory to Landlord, and contain a waiver of subrogation as contemplates in Section 10(d) below.

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Landlord, and Landlord's Mortgagee if requested by Landlord, shall be named as additional insurers under such insurance policies. All such insurance policies shall be primary and non-contributing with any insurance carried by the Landlord, shall be written on an "occurrence" basis and not on a "claims-made" basis, and shall contain endorsements requiring 45 days' notice to Landlord prior to any cancellation or any reduction in amount of coverage. Tenant shall deliver to Landlord as a condition precedent to Tenant's taking occupancy of the Leased Premises (but not to Tenant's obligation to pay Rent), A complete duplicate copy of all such policies maintained by Tenant, and shall also deliver copies thereof to Landlord not less than 30 days prior to the expiration date of each such policy. Tenant's failure to comply with any of the requirements of this Section 10(a) shall be an Event of Default.

(b) Neither Landlord, nor any of the Landlord's partners, officers, members, directors, agents or employees, shall, to the extent permitted by law, have any liability to Tenant, or to Tenant's Agents, for any damage, injury, loss or claim based on or arising out of any cause whatsoever, including, without limitation, the following; repair to any portion of the Leased Premises, Building or Common Areas; interruption in the use of the Leased Premises or any equipment therein; any accident or damage resulting from any use or operation by Landlord, Tenant or any person or entity of heating, cooling, electrical, sewerage or plumbing equipment or apparatuses; termination of this Lease by Landlord for damage to the Lease Premises or the Building; fire, robbery, theft, vandalism, mysterious disappearance or any other casualty; actions of any other tenant of the Building or of any other person or entity; failure or inability to furnish any service specified in this Lease; and leakage in any part of the Leased Premises or the Building from water, rain, ice or snow that may leak into, or flow from, any part of the Leased Premises or the Building, or from drains, pipes or plumbing fixtures in the Leased Premises or the Building. Notwithstanding the foregoing, Landlord shall not except as set forth in Section 10(d) below or elsewhere herein, be released from liability to Tenant for any injury caused by Landlord's willful misconduct or gross negligence. In no event, however, shall Landlord have any liability to Tenant on account of any claims for the interruption of or loss to Tenant's business or for any indirect damages or consequential losses.

(c) Tenant shall, to the extent permitted by law, reimburse Landlord for, and shall defend (upon Landlord's request), indemnify and hold Landlord, its partners, officers, members, directors, employees and agents harmless from and against, any and all costs, damages, claims, liabilities, expenses (including, but not limited to, attorneys' fees and court and litigation costs), losses, demands, actions, causes of action, judgements, proceedings and obligations of any nature whatsoever suffered by or claimed against Landlord, directly or indirectly, resulting from, based on or arising out of, in whole or in part, (i) the possession, use and/or occupancy of the Leased Premises or the business conducted therein or therefrom (whether or not damage or loss occurs in or on the Leased Premises, the Common Areas or elsewhere); (ii) any act or omission of Tenant, or any of Tenant's Agents; and/or (iii) any breach of the provisions of Section 28(u) hereof). The provisions of Section 10(b) above and this Section 10(e) shall survive the expiration or sooner termination of this Lease with respect to any claims, liabilities and the like attributable to acts, omissions, occurrences and/or conditions existing or occurring prior to such expiration or termination.

(d) Without limiting the provisions of Section 10(b) above or any other provisions hereof as to Landlord, Landlord and Tenant each hereby release the other from

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any and all liability or responsibility to the other or any one claiming through or under them, by way of subrogation or otherwise, from or with respect to any loss or damage to property caused by fire or any other perils insured under policies of insurance covering such property (but only to the extent of the insurance proceeds payable under such policies), even if such loss or damage is attributable to the fault or negligence of the other party, or anyone for whom such party may be responsible, including any other tenants or occupants of the Building. The foregoing notwithstanding, this mutual release shall be applicable and in force and effect only to the extent lawful at the time any claim is made,

and in any event only with respect to loss or damage occurring during such times as the releasor's policies shall contain a clause or endorsement providing that any such release shall not adversely affect or impair said policies or prejudice the right of the releasor to recover thereunder. Landlord and Tenant shall request their respective insurance carriers to include in its policies such a clause or endorsement. If additional cost shall be charged therefor, the party responsible for procuring such insurance shall pay such additional costs. If Tenant fails to obtain or maintain any such property insurance policies as required hereunder, Tenant's release of Landlord shall remain and be deemed in full force and effect as to the coverage thereof as if such policies, and an insurer's waiver of subrogation endorsement, were obtained and in full force and effect; provided, however, that nothing herein shall excuse Tenant's failure to maintain any insurance required hereunder or constitute a waiver or limitation of any other rights and remedies of Landlord in the event Tenant fails to maintain any insurance.

11. REPAIRS. Except as to Landlord's obligations pursuant to

Sections 7, 14 and 17 hereof, and in addition to all other repair, maintenance and replacement obligations of Tenant act forth herein, Tenant agrees to maintain the Leased Premises at all times during the Term in a neat, clean and sanitary condition and in good order and repair and shall make all needed repairs and replacements thereto. Such maintenance, replacement and repair shall be at the sole cost of Tenant and shall include, but not be limited to, the maintenance, replacement and repair of floor coverings, ceilings and walls, front and rear doors, all glass on the Leased Premises, all plumbing units, pipes and connections, and all heating, ventilating and air conditioning equipment and systems.

12. TENANT'S PROPERTY. Furnishings, equipment, machinery and trade

fixtures that can be installed by Tenant with or without drilling, cutting or otherwise defacing the Leased Premises (collectively, "Tenant's Personal Property") may be installed by Tenant on the Leased Premises and shall be the property of Tenant. On the expiration of this Lease, if Tenant is not in default hereunder, Tenant may remove any such property (and shall remove any such property if directed by Landlord) and shall repair any damage caused by such removal and reimburse Landlord for Landlord's cost of so repairing the Lease Premises. If Tenant fails to remove the Tenant's Personal Property as required under this Lease, Landlord may do so and Landlord shall not be liable for any loss or damage to such property of Tenant which may occur during Landlord's removal thereof, or Landlord may treat such property as abandoned and remove and keep the same, and Tenant shall pay the entire cost of such removal to Landlord's written demand therefor. Tenant agrees to pay all taxes on Tenant's Personal Property and if such taxes are levied against Landlord, or the assessed value of the Project is increased by inclusion of a value placed on such property, Tenant shall pay such taxes to Landlord on demand if Landlord is required to pay such taxes (or reimburse Landlord on demand if Landlord pays such taxes). Notwithstanding anything herein to the contrary, any property placed by Tenant in or about the Leased Premises or the Building shall be at the sole risk of Tenant, and Landlord

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shall not in any manner be responsible therefor. The provisions of this Section 12 shall survive the expiration or sooner termination of this Lease. Notwithstanding the above, Tenant shall have the right to install equipment and trade fixtures in the manner and extent set forth in Exhibit "K" hereto.

13. IMPROVEMENTS AND ALTERATIONS BY TENANT: (a) Without Landlord's

prior written approval (which may be withheld in Landlord's reasonable discretion), Tenant may not make or permit any additions, improvements, alterations, substitutions, replacements or modifications, structural or otherwise, to the Leased Premises (including, but not limited to, all electrical, heating, ventilating, air conditioning, plumbing or mechanical systems within the Leased Premises) (collectively, the "Alterations"), or attach any machines, equipment and fixtures (other than the Tenant's Personal Property provided the same are installed at no cost or expense to Landlord), which may be made or installed by either party upon the Leased Premises shall be and remain the property of Landlord and shall remain upon and be surrendered with the Leased Premises, unless Landlord requests their removal at such time that the Landlord approves and gives consent, in which event Tenant shall remove the same and restore the Leased Premises to its original condition at Tenant's sole cost and expense and Tenant shall pay the entire cost of such removal to Landlord upon Tenant's receipt of Landlord's written demand therefor. If Tenant fails to remove such Alterations and property and restore the Leased Premises as aforesaid, Landlord may do so and Tenant shall pay the entire cost thereof to Landlord as Additional Rent within 10 days after Tenant's receipt of Landlord's written demand therefor. Any such Alterations performed by Tenant shall be done, at Tenant's sole cost and expense, in strict conformity with any plans and specifications approved by Landlord prior to Tenant commencing such work and in such a manner to minimize interference with other construction in the Building or on the Land in progress and with the use or enjoyment of all or any portion of the balance of the Project by any other tenants. All work performed shall be

done in a good and workmanlike manner by contractors approved by Landlord and with materials of comparable quality, value, utility and appearance as originally installed in the Leased Premises. Landlord's consent to or approval of and Alterations (or the plans and specifications therefor) shall not constitute a representation or warrant by Landlord, nor Landlord's acceptance, that the same comply with (a) sound architectural and/or engineering practices, or (b) applicable laws, regulations, rules, codes, ordinances and other governmental requirements, and Tenant shall be solely responsible for enduring all compliance with the matters referred to in (a) and (b) above in this sentence. In each instance in which Landlord's approval is requested or required hereunder, Tenant shall reimburse Landlord as Additional Rent, upon receipt of written demand therefor, for all out-of-pocket cost and expenses incurred or paid by Landlord during such review process.

(b) Nothing contained in this Lease shall be deemed or construed in any way as constituting the consent or request of, or order or authorization by, Landlord, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor, or the furnishing of any materials, that would give rise to the filing of any lien against the Leased Premises, or the Project, or any part thereof. Landlord shall have the right to post and keep posted on the Leased Premises any notices that may be provided by law or which Landlord may deem to be proper for the protection of Landlord, the Leased Premises and the Project from such lien(s).

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14. CASUALTY. (a) If the Leased Premises is destroyed or damaged by

fire, earthquake or other casualty (collectively, a "Casualty") and Landlord does not elect to terminate this Lease as herein provided, Landlord shall, subject to the terms hereof and obtaining all necessary public approvals and solely to the extent of net insurance proceeds actually received by Landlord (and free of all claims by Mortgagees and others and all expenses), and provided such Casualty is not due to the negligence or wrongful acts of Tenant, or any of Tenant's Agents (subject, however, to subrogation rights as set forth in Paragraph 10(d)), proceed in a reasonable manner to rebuild and restore the Leased Premises or such part thereof as may be destroyed or damaged to as near its former conditions as circumstances will reasonably permit. During the period of such rebuilding and restoration, Base Rent shall, provided such Casualty is not due to the negligence or other wrongful acts of Tenant, or any of Tenant's Agents, be abated in the same ratio as the square footage of the portion of the Leased Premises rendered untenable, to the extent, and so long as, however, the Leased Premises remains untenable. If, however, Landlord shall reasonably determine that such destruction or damage cannot be repaired within one hundred eighty (180) days after the date of such Casualty, either Landlord or Tenant may elect to terminate this Lease by giving written notice of such election to Tenant within 90 days after the date of such Casualty, in which event this Lease and the tenancy created hereunder shall terminate as of the date of such notice and Rent shall (except to the extent Tenant has continued to make use of all or any of the Leased Premises) be abated as of such date of such Casualty. Tenant agrees to give notice to Landlord of any Casualty occurring in, on, or about the Leased Premises within 24 hours from the occurrence thereof.

(b) If Landlord is required to repair the Leased Premises under the provisions of this Section 14, Landlord's obligation shall be limited to the Landlord's Work, excluding, in any event, all alterations, fixtures or signs installed by Tenant and all floor coverings, furniture, equipment and decorations or other Tenant's Personal Property. Tenant, at Tenant's expense, shall promptly perform all repairs and restoration not required to be done by Landlord and shall promptly re-enter the Leased Premises to perform such work.

(c) Anything contained herein to the contrary notwithstanding, if (i) the proceeds of Landlord's insurance (recovered or recoverable) as a result of any damage to the Leased Premises by any Casualty (exclusive of rent insurance) shall be insufficient to pay fully for the cost of repair of the Leased Premises, (ii) the Leased Premises shall be damaged by a Casualty which is not covered by Landlord's insurance, or (iii) the Building is more than fifty percent (50%) damaged by fire or other casualty (although the Leased Premises may not be affected) that Landlord decides in Landlord's sole and absolute discretion not to rebuild or construct the Building, Landlord shall have the right to terminate this Lease by giving written notice of such termination to Tenant within 90 days after the date of such Casualty in which event this Lease and the tenancy created hereunder shall terminate as of the date of such notice and Rent shall (except to the extent Tenant has continued to make use of all or any of the Leased Premises) be abated as of the date of such Casualty. Notwithstanding the above, as to the event of (i) or (ii) above, if Landlord elects to terminate this Lease, the Tenant may prevent this termination if, within fifteen (15) days of the receipt of Landlord's notice of its election to terminate, that Tenant agrees at its sole expense to make the repairs and restoration work not covered by insurance and to continue its occupancy and tenancy under the Lease. In the event the Rent shall only abate to the date Tenant elects to restore the Leased Premises at its expense.

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15. SUBLETTING AND ASSIGNMENT. Without the prior written consent of

Landlord in each instance, which consent may not be unreasonably withheld in Landlord's reasonable discretion. Tenant shall not directly or indirectly (in one or more transactions), voluntarily, involuntarily or by operation of law, assign transfer, pledge, mortgage or otherwise hypothecate or encumber all or any portion of Tenant's legal or equitable interest in this Lease or in the Leased Premises, nor sublet all or any portion of the Leased Premises, nor enter into any management, license, concession or other contract or agreement which provides for a direct or indirect transfer of operating control over the business operated in, or the use of occupancy of, the Leased Premises. Any direct or indirect transfer, sale, pledge or other disposition, in a single transaction or cumulatively during the Term, of at least 25% of the ownership interests in Tenant (or any lesser percentage if sufficient to transfer voting control (if Tenant is a corporation) or management control (if Tenant is a partnership)), as well as of any general partnership interest in Tenant if Tenant is a limited partnership, shall each be deemed an assignment of this Lease; provided, however, that this limitation shall not apply with respect to the transfer of voting stock in a corporation, all the outstanding voting stock of which is listed on a national securities exchange as defined in the Securities Exchange Act of 1934. Any assignment, sublease or other such transfer without Landlord's prior written consent shall be voidable by Landlord and Landlord's election, shall constitute an Event of Default hereunder. Consent of Landlord to one or more assignments, subletting or encumbering of this Lease or the Leased Premises shall not operate as a waiver of Landlord's rights (and the requirement of Landlord's consent), or be deemed Landlord's consent, with respect to any subsequent assignment, subletting or encumbering. Notwithstanding any assignment or subletting, Tenant, and each and every guarantor of this Lease and Tenant's obligations hereunder, shall at all times remain fully and primarily responsible and liable for the payment of all Rent and other monetary obligations herein specified and for the compliance with and performance of all of the Tenant's other obligations under this Lease. Landlord's consent, if any, to any assignment or sublease will not be effective unless and until (a) Landlord receives a fully executed copy of the assignment or sublease agreement, (b) in the case of an assignment, Tenant delivers to Landlord an assumption of liability agreement in form satisfactory to Landlord including an assumption of the assignee of all of the obligations of Tenant and the assignee's ratification of, and agreement to be bound by, all of the terms, conditions and provisions of this Lease, and (c) Landlord is fully reimbursed by Tenant of Landlord's costs and fees, including, but not limited to, attorney's fees, incurred in processing and evaluating any requests for assignment or subletting by Tenant. Notwithstanding anything to the contrary in this paragraph 15, Tenant may, without Landlord's prior consent and without Landlord's participation in any proceeds, sublet the Premises or assign the lease to: (i) a subsidiary, affiliate, division or corporation controlling, controlled by or under common control with Tenant; (ii) a successor corporation related to Tenant, by merger, consolidation, non bankruptcy reorganization, or governmental action; or (iii) a purchaser of substantially all of Tenant's assets located in the Leased Premises. For the purpose of this Lease, sale of Tenant's capital stock through any public exchange shall not be deemed an assignment, subletting or any other transfer of the Lease or the Leased Premises.

16. LIENS. Tenant shall keep the Project free and clear of and from

any and all liens or encumbrances arising out of any work performed, materials furnished or obligations incurred by Tenant or otherwise arising out of Tenant's use or occupancy of the Leased Premises. An Event of Default shall exist if at any time any such lien or encumbrance is filed, claimed or recorded against, or otherwise exists with respect to, the Leased Premises or the

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Building and Tenant shall fail to have said lien or encumbrance discharged of record, or bonded over so as to forever remove such lien or encumbrance as an encumbrance upon the Project, within 15 days (or if American Institute of Architects contract form, thirty (30) days) from the date such lien or encumbrance is filed, claimed or recorded against, or otherwise exists with respect to, the Project. Tenant shall promptly notify Landlord if Tenant learns that a lien has been, is about to or might be filed against the Premises.

17. CONDEMNATION. (a) In the event of a taking by any public or

quasi-public authority under the power of eminent domain, condemnation or expropriation, or in the event of a conveyance in lieu thereof, (all of which events are herein collectively referred to as a "Taking"), of the whole of the Leased Premises, then this Lease shall terminate effective upon the date title to the Leased Premises vests in the condemning authority and Base Rent and Additional Rent shall be adjusted as of such date.

(b) In the event of a Taking of less than 25% of the Leased Premises, then this Lease shall terminate only as to the part taken as of the date title vests in the condemning authority. In the event of a Taking of more than 25% (but less than all) of the Leased Premises, then Landlord shall have the right to terminate this Lease by written notice given to Tenant effective within 60 days after the date title vests in the condemning authority.

(c) If the nature, location or extent of any Taking affecting the Building (whether or not including the Leased Premises) or the Land is such that Landlord elects in Landlord's sole and absolute discretion to demolish all or a portion of the Building, then Landlord may terminate the Lease by giving at least 60 days' written notice of termination to Tenant at any time after such Taking. This Lease shall terminate on the date specified in such notice, and monthly Base Rent and Additional Rent shall be adjusted to such date.

(d) If there shall be a Taking, and this Lease is not terminated as set forth above in this Section 17, then this Lease shall continue in full force and proportion to the Base Rent shall be reduced to be that sum which bears the same proportion to the Base Rent in effect immediately prior to such Taking as the leasable area of the Leased Premises remaining after such Taking bears to the leasable area of the Leased Premises immediately preceding such Taking. Following receipt of the compensation awarded or payment made for such Taking, Landlord shall commence to make all necessary repairs or alterations to restore that portion of the Leased Premises remaining to as near its former condition as the circumstances will reasonably permit; provided, however, that Landlord shall in no event be required to spend for such repairs and alterations any sums in excess of the amount of the compensation or payment for such Taking actually received by Landlord (and free of all claims by Mortgagees and others) which is attributable to the part of Leased Premises taken (excluding the proportionate part thereof attributable to the then current market value of the Project taken) less the cost of collecting such compensation or payment and provided further that Landlord's obligation shall be limited to the Landlord's Work and Landlord shall have no obligation to repair, restore or replace any alterations, fixtures or signs made or installed by Tenant or any floor coverings, furniture, equipment or decorations or other Tenant's Personal Property (the repair, restoration and replacement of which shall be the sole obligation of, and be promptly performed by, Tenant).

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(e) Tenant shall have no claim against Landlord or the condemning authority for any portion of the amount of the condemnation award or settlement that may be claimed as damages by Tenant as a result of such Taking or for the value of any unexpired Term, and all condemnation awards and similar payments shall be paid and belong to Landlord. Notwithstanding the foregoing, Tenant may make a separate claim against the condemning authority for a separate award or payment for the value of Tenant's trade fixtures and for relocation costs, provided such awards do not reduce Landlord's award.

18. PARKING. Tenant agrees not to overburden the parking areas and -----

facilities and agrees to cooperate with Landlord and other tenants in the use of parking areas and facilities, and, in any event, shall use such parking areas and facilities in accordance with the terms and conditions of the Declaration and such rules and regulations promulgated by Landlord. Tenant acknowledges and agree that, except as set forth in the immediately following sentence, all parking areas and facilities shall be for the non-exclusive use of all tenants in the Building, their employees, invitees and others; provided, however, that Tenant, its employees, invitees and customers, shall not have the right to use any parking spaces or facilities which are reserved for handicapped parking (unless handicapped, but subject to the rights of other handicapped persons) or other tenants or which are otherwise set aside or reserved by Landlord. Landlord hereby agrees to designate 54 parking spaces in the immediate vicinity of the Leased Premises for the exclusive use of Tenant, its employers and invitees; it being understood, acknowledged and agreed, however, that Landlord shall have no obligation whatsoever to monitor or police the use of such parking spaces and shall have no liability of any nature whatsoever if all or any of such spaces are used by any other parties, including, but not limited to, other tenants in the Building.

19. ACCESS. -----

(a) Leased Premises. Landlord acknowledges and agrees that the Equipment at the Leased Premises is highly sensitive, requiring specialized maintenance and care. It is essential to the successful operation of Tenant's business that access to the Leased Premises be restricted to Tenant's employees and agents. Landlord shall only have access to the Leased Premises for the purposes for the purpose of making such alterations, repairs, improvements or additions to the Leased Premises as required pursuant to this Lease. Landlord or Landlord Parties shall give no less than two (2) days' prior written notice to Tenant to each entry onto the Leased Premises and upon each entry, Landlord or Landlord Parties shall be accompanied by a representative of Tenant. Landlord acknowledges that due to the foregoing reasons, Landlord shall not have a key to the Leased Premises during the Lease Term.

(b) Emergency Access - Leased Premises. In the event of an Emergency, Landlord, or emergency personnel including fire or police department personnel, may use force to enter the Leased Premises in order to remedy such Emergency; provided, however that Landlord and such emergency personnel shall use reasonable efforts to avoid causing damage to interfering with the

Equipment. Tenant shall, upon receipt of notice from Landlord, pay for all damage to the Leased Premises or Building resulting from such forced entry by Landlord or such emergency personnel into the Leased Premises, including without limitation, damage to the door leading into the Leased Premises due to an Emergency, as Additional Rent. For purposes of this Section, an "Emergency" shall mean a condition in the

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Leased Premises reasonably likely to cause imminent bodily harm to persons at the Building or imminent and substantial damage to the Building.

(d) Building. Landlord acknowledges and agrees that in order to accommodate Tenant's specialized utility needs, Tenant shall have a key to each and every mechanical room located at the Building which contains equipment or cabling of any kind relating to the Leased Premises of the Equipment, including without limitation, boiler rooms and electrical rooms (the "Tenant Access Mechanical Rooms"). Landlord further acknowledges and agrees that it is essential to the successful operation of Tenant's business that access to each and every Tenant Access Mechanical Room be restricted to only those of Landlord's employees and agents who are trained as to the special requirements of the Equipment and Tenant's specialized utility needs.

20. SIGNS. All signs and symbols placed in the doors or windows or ----- elsewhere about the Leased Premises, or upon any other part of the Building, including building directories, shall comply with and satisfy all conditions of the Declaration and all laws, ordinances, regulations, requirements and the like and shall, in any event, not be placed or installed without the prior written approval of the Landlord. Any signs or symbols which have been placed without approval may be maintained by Tenant at its sole cost and expense during the Term and upon the expiration or sooner termination of this Lease all signs installed by Tenant shall be removed and any damage resulting therefrom shall be promptly repaired at Tenant's sole cost and expense. The provisions of this Section 20 shall survive the expiration or sooner termination of this Lease.

21. SUBORDINATION. This Lease, and the rights of Tenant hereunder, ----- are and shall be, without further action by any party, subject and subordinate to the lien, terms, conditions, operation and effect of any and all Mortgage(s) now or hereafter encumbering or otherwise affecting the Land or Building and all advances made or hereafter to be made upon the security hereof, and the rights of any Mortgagee thereunder or with respect to each such Mortgage. The term "Mortgage" means any mortgage, deed of trust, ground lease or other security or financing instrument encumbering or otherwise affecting the Land or Building and all renewals, replacements, modifications, consolidations, recastings, refinancing or extensions thereof. At the election of any holder or beneficiary of any Mortgage (collectively, a "Mortgagee"), this Lease shall be superior to the lien of the applicable Mortgage. Upon request by Landlord, Tenant agrees to execute whatever documentation may be required to further affect the provisions of this Section 21 wherein such documentation shall include Landlord's standard Non-Disturbance and Attornment clause. Tenant agrees that if any proceedings are brought pursuant to a Mortgage (whether or not for foreclosure of the Mortgage) or termination of any ground lease, Tenant, if requested to do so by the purchaser or other successor to Landlord pursuant to foreclosure or other proceedings under the Mortgage (including, but not limited to, any Mortgagee or ground lessor), or pursuant to any conveyance in lieu of foreclosure, shall recognize and attorn to such party as Landlord under this Lease, and shall make all payments required hereunder to such new landlord without deduction or set-off and, upon the request of such purchaser or other successor, execute, deliver and acknowledge documents confirming such attornment. Tenant waives the provisions of any law or regulation, now or hereafter in effect, which may give or purport to give Tenant any right to terminate or otherwise adversely affect

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this Lease and the obligations of Tenant hereunder in the event that any such foreclosure or termination or other proceeding is prosecuted or completed.

22. TENANT'S DEFAULT. Each of the following shall be an "Event of Default" by Tenant hereunder: -----

(a) Tenant shall fail to pay when due any installment of Base Rent and Additional Rent or any other charge or payment required of Tenant hereunder;

(b) Subject to the provisions of Section 22(g) below, Tenant shall violate or fail to perform any of the other terms, conditions, covenants or agreements of this Lease, and such violation or failure shall continue for a period of 30 days after Tenant's receipt of written notice thereof to Tenant from Landlord;

(c) Tenant or any guarantor of this Lease shall (i) make a general assignment for the benefit of its creditors, (ii) make a transfer in

fraud of creditors, (iii) admit in writing its general inability to pay its debt when due, (iv) file any petition for, or answer seeking or concerning or acquiescing to, bankruptcy, reorganization, moratorium, liquidation, composition, extension, readjustment, arrangement, insolvency, dissolution or similar relief under any federal, state or other statute, law or regulation or otherwise, or (v) have filed against it any petition seeking any relief mentioned in (iv) above in this sentence that is not stayed or dismissed within 30 days;

(d) Any execution, levy, attachment or other process of law shall occur upon Tenant's Personal Property (or other property) or Tenant's interest in the Leased Premises;

(e) (i) A trustee, receiver, liquidator or similar officer shall be appointed for Tenant or any guarantor of this Lease for a substantial part of Tenant's or any such guarantor's property and such appointment is consented or acquiesced to by Tenant or any such guarantor, (ii) if not consented or acquiesced to, such appointment shall not be stayed or dismissed within 30 days after such appointment, or (iii) Tenant or any such guarantor shall seek the appointment of any such trustee, receiver, liquidator or similar officer;

(f) Tenant shall vacate or abandon all or any of the Leased Premises or shall remove or manifest an attempt to remove, not in the ordinary cause of business, Tenant's goods and property from all or any of the Licensed Premises such action will not constitute default under this lease if Tenant continues to pay rent without default and the Leased Premises are kept secure; and

(g) Any other act, failure or omission specifically referred to herein as an Event of Default.

23. LANDLORD'S REMEDIES.

(a) If an Event of Default shall have occurred and be concurring with regard to the making of any payment or the doing of any act herein required to be made or done by Tenant, then Landlord may, but shall not be required to, make such payment to do such act, and the making of such payment or the doing of such act by Landlord shall not operate to cure

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such Event of Default or to stop Landlord from the pursuit of any right or remedy to which Landlord would otherwise be entitled. Any instrument(s) of Base Rent and Additional Rent unpaid for 5 days after the date when due shall be subject to a late charge equal to 5% of such installment payable as Additional Rent to Landlord upon Tenant's receipt of Landlord's demand therefor. In addition, any installments of Base Rent and Additional Rent not paid when due, and any payments by Landlord hereunder on Tenant's behalf or for Tenant's behalf, shall bear interest until paid at the rate that is 2 percentage points above the Prime Rate (but in no event greater than the maximum rate permitted under the laws of the state in which the land is located) and such interest, and all amounts paid by Landlord on Tenant's behalf, shall constitute Additional Rent hereunder due and payable upon Tenant's receipt of Landlord's demand therefor. In addition to the foregoing, and without regard to whether this Lease has been terminated, Tenant shall pay to Landlord all costs incurred by Landlord, including attorney's fees, with respect to any lawsuit or action instituted or taken by Landlord to enforce the provisions of this Lease.

(b) If an Event of Default shall have occurred, Landlord, at Landlord's option, may terminate this Lease by written notice to Tenant, whereupon, on the date of such notice or any later termination date set forth therein, all rights of Tenant hereunder shall expire and terminate, everything herein required on the part of Landlord to be done and performed shall cease, and this Lease shall end and terminate, except, and provided in all events, however, that Tenant shall forever remain liable for all of Tenant's obligations hereunder (including, but not limited to, the payment of Rent), no matter when first accruing, occurring or arising, as herein provided over the entire Term as if this Lease had not been terminated.

(c) If an Event of Default shall have occurred, with or without terminating this Lease, Landlord may enter upon and take possession of the Leased Premises and expel or remove Tenant and any other person who may be occupying the Leased Premises or any part thereof, without being liable for trespass, prosecution or any claim for any damages or liability therefor. Landlord may thereupon make such alterations and repairs as, in Landlord's absolute discretion, may be necessary to relet the Leased Premises or any part thereof, alone or together with other portions of the Building, in Landlord's name, Tenant's name or otherwise, without notice to Tenant, for such rent and such use, and for such period of time and subject to such terms and conditions as Landlord, in its absolute discretion, may deem advisable and receive the rent therefor. Tenant shall be liable for any and all expenses (including, but not limited to, attorneys' fees, disbursements and brokerage fees) incurred by Landlord in reentering and repossessing the Leased Premises, in correcting (but not waiving or curing, or estopping Landlord from asserting any rights or

remedies with respect to) any default of Tenant, in painting, altering, repairing or dividing the Leased Premises, in protecting and preserving the Leased Premises by use of security guard and caretakers, and in reletting the Leased Premises. Tenant shall, over the entire Term as if such repossession, and any such termination had not occurred, remain liable for and pay to Landlord, on demand, any deficiency between (i) the amount of Rent payable by the Tenant hereunder, and (ii) any amount received by Landlord pursuant to any reletting after deducting all of Landlord's expenses as described in the immediately preceding sentence (all amounts so received by Landlord to be applied on account of Tenant's obligations hereunder in any order that Landlord deems fit in Landlord's sole discretion). Suit may be brought by Landlord at any time and from time to time to enforce collection of such difference(s), and any suit brought by Landlord to enforce collection of such

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difference(s) for any one month shall not prejudice Landlord's right to enforce the collection of any difference for any subsequent month(s) in subsequent separate actions at any time and from time to time, as said damages shall have been made more easily ascertainable by successive reletting. Landlord shall not have any obligation to relet or attempt to relet all or any of the Leased Premises and Landlord shall not be liable for any failure to relet the Leased Premises or any part thereof or for any failure to collect any rent due upon any such reletting. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such prior Event of Default. Tenant's liability shall survive the institution of summary proceedings and the issuance of any warrant hereunder. No entry or taking possession of the Leased Premises by Landlord will be construed as an election on Landlord's part to terminate this Lease unless a written notice expressly stating such intention is sent to Tenant.

(d) Landlord shall, to the extent permitted by law, have (in addition to all other rights and remedies whatsoever) a right of distress for rent and a lien on all of Tenant's personal property, except telecommunications related equipment, and other property on the Leased Premises, as security of all Rent and any other sums payable under this Lease.

(e) If Landlord terminates this Lease pursuant hereto, Landlord shall be entitled to recover from Tenant at any time thereafter, and Tenant shall pay to Landlord on demand, as and for liquidated and agreed final damages for such Event of Default, an amount equal to the difference between (i) all Base Rent and Additional Rent and other sums which would be payable under this Lease from the date of such demand through the end of the Term (as if this Lease had not been terminated), and (ii) the fair market rental value of the Leased Premises over the same period (net of all expenses and all vacancy periods reasonably projected by Landlord to be incurred in connection with the reletting of the Leased Premises), discounted at the rate of five percent (5%) per annum. Nothing herein shall be construed to affect or prejudice Landlord's right to prove, and claim in full, unpaid Rent accrued prior to termination of this Lease or Landlord's right to assert any indemnity claims pursuant hereto.

(f) Tenant, on its own behalf of all persons claiming by, through or under Tenant, including all creditors, does hereby specifically waive and surrender any and all rights and privileges, so far as if permitted by law, which Tenant, and all such persons might otherwise have under any present or future law (i) to redeem the Leased Premises or the Lease, (ii) to reenter or repossess the Leased Premises, (iii) to restore the operation of this Lease, with respect to any dispossession of Tenant by judgment or warrant of any court or judge, or any re-entry by Landlord, or any expiration or termination, whether such dispossession, re-entry, expiration or termination shall be by operation of law or pursuant to the provisions of this Lease or (iv) to the benefit of any law which excepts property from liability for debt or for distress for rent. The words "dispossession," "re-enter," "entry," "re-entry," "re-entered," "possess," "repossession," "repossess," and "redeem" and the like as used in this Lease shall not be deemed to be restricted to their technical legal meanings.

(g) Tenant hereby consents to the exercise of personal jurisdiction over Tenant by the state court, and, if federal jurisdiction shall be applicable, the United States District Court, with respect to the county in which the Land is located.

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(h) All and each of Landlord's rights and remedies set forth herein shall be in addition to all rights and remedies at law or in equity or by statute or otherwise, all of which are separate, distinct and cumulative and no one of them, whether or not exercised by Landlord, shall be deemed in exclusion of any of the others. Without limiting the generality of the foregoing, in the event Tenant fails to take possession of the Leased Premises as herein required, Tenant shall, among other things, be obligated to pay Landlord in full for all Tenant improvements constructed or installed within the Leased Premises and for all materials ordered at Tenant's request for the Leased Premises. The exercise or beginning of the exercise by Landlord of any right or remedy shall not prejudice the simultaneous or later exercise of any other rights or remedies.

24. QUIET ENJOYMENT. If, and so long as, Tenant pays the Rent and

fully performs and observes each and every term, covenant, obligation and condition herein contained to be performed or observed by Tenant, Tenant shall enjoy the Leased Premises during the Term without hindrance or molestation by Landlord, subject to the terms, covenants and conditions of this Lease and the lien, terms, conditions, operation and effect of any and all Mortgage(s) and the rights of any Mortgage thereunder or with respect thereto.

25. FINANCING.

(a) If, in connection with obtaining, or pursuant to, any temporary, construction, permanent or other financing for the Building and/or the Land, any lender shall request reasonable modifications of this Lease as a condition to such financing. Tenant shall execute, acknowledge and deliver any such modification to Landlord within ten (10) days after Tenant's receipt thereof, provided such modifications do not increase the financial obligations of Tenant hereunder or materially and adversely affect Tenant's use and enjoyment of the Leased Premises as herein provided. Tenant agrees to give every Mortgagee by certified mail, return receipt requested, a copy of any notice of default served upon Landlord, provided that prior to such notice Tenant has been notified in writing of the address of such Mortgagee.

(b) Tenant agrees that no Mortgagee shall be (i) bound by any payment of Base Rent and Additional Rent for more than 1 month in advance, (ii) bound by any amendment or modification of this Lease made without the consent of such Mortgagee, (iii) liable for damages for any breach, act or omission of any prior Landlord, (iv) bound to effect or pay for any construction for Tenant's occupancy, (v) subject to any off-sets or defenses that Tenant may have against any prior Landlord or (vi) have any obligation with respect to the Deposit of Tenant's Prepaid Rent unless, and to the extent, the same has been physically delivered to such Mortgagee.

26. HOLDOVER TENANCY. If (without execution of a new lease or written

extension) Tenant shall holdover after the expiration of the Term, then Tenant shall, subject to Landlord's written consent but without execution of a new lease, become a tenant at sufferance at a monthly rental equal to twice the Rent due under the terms of this Lease, commencing said tenancy with the first day next after the end of the Term. Tenant, as a tenant at sufferance, shall be subject to all of the conditions and covenants of this Lease as though the tenancy had originally been a monthly tenancy. During the holdover period, each party hereto shall give to the other at least 30 days' written notice to quit the Leased Premises, except in the event of

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nonpayment of Rent when due, or the breach of any other covenant or default hereunder by Tenant (without giving effect to any notice or right to cure period), in which event Tenant shall not be entitled to any notice to quit, the usual 30 days' notice to quit being expressly waived. The foregoing shall not constitute Landlord's consent to any holdover by Tenant. Notwithstanding the foregoing, if Landlord shall desire to regain possession of the Leased Premises by any legal action or process in force in the jurisdiction in which the Land is located, and Landlord shall have the right to recover all direct or indirect costs, expenses, legal expenses, attorneys' fees, damages, loss of profits or any other costs incurred by Landlord as a result of Tenant's failure or inability to deliver possession of the Leased Premises to Landlord when required under this Lease.

27. ESTOPPEL CERTIFICATE/FINANCIAL STATEMENT. Within 10 days after

request therefor from Landlord, Tenant shall deliver, in recordable form, a certificate to any proposed Mortgage or purchaser, or to Landlord, together with a true and correct copy of this Lease, certifying (i) whether this Lease is in full force and effect and without modification, (ii) the amount of any prepaid rent and/or security deposit paid by Tenant to Landlord, (iii) whether Landlord has performed all of Landlord's obligations due to be performed under this Lease and/or whether there are any defenses, counterclaims, deductions, or offsets outstanding or other excuses for Tenant's performance under this Lease, (iv) whether or not the Term has commenced and Tenant has accepted possession of the Leased Premises, (v) the Commencement Date, (vi) the amount of Rent currently due and payable, and (vii) any other information reasonable requested by Landlord or such proposed Mortgage or purchaser. Tenant covenants and agrees that, at any time, within 30 days after notice and demand by Landlord, Tenant will furnish to Landlord Tenant's most recent financial statements as of the end of Tenant's last fiscal year certified by an independent certified public accountant or Tenant's chief financial officer, and Tenant consents to the delivery of same by Landlord to lenders or prospective lenders or purchasers of all or part of the Project or of any interest in a Mortgage.

28. MISCELLANEOUS.

(a) Amendment. This Lease may not be amended or modified except

in writing and signed by Landlord and Tenant.

(b) Notices. All notices required by this lease shall be in

writing and shall be effective, if mailed, when mailed by certified mail, return receipt requested, or, if sent by messenger, when personally delivered, as follows (or to such other address designated by written notice thereof to the other given in accordance with the terms of this Section 28(b)):

Notice to Landlord:

Laing Beaumeade, Inc.
c/o Laing Properties, Inc.
2401 Pennsylvania Avenue, N.W.
Washington, D.C. 20037-1730
Attention: General Manager

Notice to Tenant:

Equinix, Inc.
[*]
Suite C
Ashburn Virginia 20147

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION.

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With a copy to:

Laing Beaumeade, Inc.
c/o Laing Properties, Inc.
5901-B Peachtree-Dunwoody Road
Atlanta, Georgia 30328
Attention: General Counsel

With a copy to:

Equinix, Inc.
901 Marshall Street
Redwood City, CA 94063

(c) Binding Effect. Subject to the provision of Section 15

hereof and all other restrictions set forth herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

(d) Limitation Of Landlord's Liability. Notwithstanding any

provision to the contrary contained herein, Tenant shall look solely to the estate and interest of Landlord in and to the land and the Building, and Landlord shall have no personal liability, in the event of any claim against Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant, or Tenant's use of the Leased Premises, and Tenant agrees that the liability of Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant, or Tenant's use of the Leased Premises, shall be limited solely to such estate and interest of Landlord in as to the Land and the Building and that Landlord shall have no personal liability as provided above in this sentence. No properties or assets of Landlord other than the estate and interest of Landlord in and to the land and the Building, and no property owned by any partner of Landlord, shall be subject to levy, execution or other enforcement procedures for the satisfaction of any judgment (or other judicial process) or for the satisfaction of any other remedy of Tenant arising out of or in connection with this Lease, the relationship of Landlord and Tenant or Tenant's use of the Leased Premises. Further, in no event whatsoever shall any partner in Landlord have any liability or responsibility whatsoever arising out of or in connection with this Lease, the relationship of Landlord and Tenant, or Tenant's use of the Leased Premises.

(e) Accord And Satisfaction. No receipt and retention by

Landlord of any payment tendered by Tenant in connection with this Lease, or application of the Deposit, will give rise to, or support or constitute, and accord and satisfaction, notwithstanding any accompanying statement, instrument or other assertion to the contrary (whether by notation on a check or in a transmittal letter or otherwise), unless Landlord expressly agrees in a separate writing to an accord and satisfaction.

(f) Severability. If any term or provision, or any portion

thereof, of this Lease, or the application thereof to any person or circumstances shall, to any extent, be illegal, invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held illegal, invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law. It is the intention of the parties hereto that if any such provision is held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is legal, valid and enforceable.

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(g) Waiver/Consent. No term, condition or provision of this

Lease shall be deemed waived, unless waived in writing by the party against whom such waiver is to be enforced. One or more waivers of any covenant, term or condition of this Lease by either party shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either party to or of any act by the other party requiring such consent or approval hereunder shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

(h) Time. Time is of the essence hereof.

(i) Applicable Law. This License shall be construed according

to the laws of the Commonwealth of Virginia in which the Land is located.

(j) Anticipatory Repudiation. If, prior to the commencement of

the Term, Tenant notifies Landlord of or otherwise unequivocally demonstrates an intention to repudiate this Lease, Landlord may, at its option, consider such anticipatory repudiation a breach of this Lease and an Event of Default hereunder. In addition to any other remedies available to Landlord hereunder or at law or in equity or by statute or otherwise, Tenant shall pay in full for all tenant improvements constructed or installed within the Leased Premises as of the date of such breach and for materials ordered at Tenant's request for the Licensed Premises, attorneys' fees, brokerage fees, costs of reletting and loss of Rent.

(k) Entire Agreement. This Lease sets forth all the covenants,

promises, agreements, conditions and understandings between Landlord and Tenant concerning the Leased Premises, Building, and Project, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than as set forth herein.

(l) Waiver of Jury Trial. Landlord and Tenant each hereby waive

trial by jury in any action, proceeding or counterclaim brought by either of them against the other, on any claim or matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use and occupancy of the Leased Premises and/or any claim of injury or damage.

(m) Captions. Any headings preceding the text of the several

Sections or Subsections hereof are inserted solely for convenience of reference and shall not constitute a part of this Lease, nor shall they affect the meaning, construction or effect of this Lease.

(n) Force Majeure. In the event that Landlord shall be delayed,

hindered in or prevented from the performance of any act or obligation required hereunder by reason of acts of God, strikes, lockouts, labor troubles or disputes, inability to procure or shortage of materials or labor, failure of power or any utilities whatsoever, delay in transportation, fire, vandalism, accident, flood, severe weather, other casualty, restrictive governmental laws, regulation, or orders (including, but not limited to, mandated changes in plans and specifications or the Landlord's Work resulting from changes in pertinent codes and regulations or interpretations thereof), riot, insurrection, civil commotion, sabotage, explosion, war, natural or local emergency, acts or omissions of others, including, but not limited to, Tenant, or other reasons of a similar or dissimilar nature not solely the fault of, or under the

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exclusive control of, Landlord, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for the period equivalent to the period of such delay.

(o) Surrender. Tenant agrees to yield up and surrender the

Leased Premises, at the expiration or earlier termination of this Lease, clean and neat, and in the same condition and repair in which they are required to be kept by Tenant throughout the Term, reasonable wear and tear excepted.

(p) Effect of Submission. The submission by Landlord to Tenant

of this Lease shall not constitute a reservation of, or an option for, the leasing of the Leased Premises and this Lease shall have no binding force and effect unless and until executed by Landlord and Tenant and, if required pursuant to applicable loan documents, approved by any current Mortgagee.

(q) Recording. Tenant shall not record this Lease or a

memorandum or other notice thereof without the written consent of Landlord (which consent may be withheld in Landlord's sole and absolute discretion), and Tenant's recording of this Lease or a memorandum or other notice hereof will be void and an Event of Default hereunder.

(r) Independent Covenants. Tenant's covenants to pay Rent, and

any other payments required of Tenant hereunder, are independent of all other covenants and agreements herein contained. All obligations of Landlord hereunder shall be construed as covenants, not as conditions.

(s) Brokers. Landlord and Tenant represent and warrant to each

other than, except as set forth below in this Section 28(s), neither has had any dealings, negotiations or consultations with respect to the Leased Premises or this transaction with any broker or other intermediary. In the event that any broker or other intermediary claims a commission or other compensation with respect to this transaction, the party alleged to have created the right to such commission or compensation shall be responsible for and will indemnify and save harmless the other party from and against any and all costs, fees, expenses (including, without limitation, reasonable attorneys' fees), liabilities and claims incurred or suffered by the other party as a result thereof. Landlord

hereby represents that in the event GSHH/LBG, LLC representing Landlord is

entitled to a commission with respect to the transaction herein contemplated, Landlord shall be responsible for a reasonable commission pursuant to terms and

conditions contained in separate agreements.

(t) Counterparts. This Lease may be executed in counterparts,

each of which shall constitute one and the same agreement.

(u) Hazardous Waste. The term "Hazardous Substance," as used in

this Lease, shall mean pollutants, petroleum, contaminants, infections, toxic or hazardous waste, asbestos, radioactive materials, polychlorinated biphenyls or any other substances, materials or debris, the removal of which is required or the use, handling, deposit, or storage of which is restricted, prohibited, regulated or penalized by any "Environmental Law", which term shall mean any federal, state or local law, statute, ordinance, rule, code, regulation or requirement

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directly or indirectly relating to pollution or protection of the environment. Except as consented to by Landlord pursuant to this Lease, Tenant hereby covenants and agrees, for itself, its agents, contractors, subtenants and employees, that (i) no activity will be conducted on all or any part of the Leased Premises or balance of the project that will produce or cause the release of any Hazardous Substances or otherwise violate or fail to comply with any Environmental Law; (ii) the Leased Premises and the balance of the Project will not be used in any manner for the storage (for any period of time whatsoever) of any Hazardous Substances; (iii) no portion of the Leased Premises or balance of the Project will be used as a landfill or a dump; (iv) no underground tanks of any type will be installed on the Lease Premises or the balance of the Project; (v) no surface or subsurface conditions shall exist or come into existence that constitute, or with the passage of time may constitute, a public or private nuisance on the Leased Premises or the balance of the Project; and (vi) no Hazardous Substances shall be brought onto or into the Leased Premises or balance of the Project. If any such Hazardous Substance is brought or found located in or on the Leased Premises, the same shall be immediately removed by Tenant, with proper disposal, and all required cleanup procedures shall be diligently undertaken pursuant to all Environmental Laws, by Tenant, at Tenant's sole cost and expense. If, at any time during or after the Term, the Leased Premises are found to be so contaminated or subject to said conditions, or if Tenant shall, by act or omission, breach any of its obligations under this Section 28(u), an Event of Default shall exist. The provisions of this Section 28(u) shall survive the expiration or earlier termination of this Lease.

(v) Authority. Tenant represents and warrants that the

individual executing this Lease on behalf of Tenant is authorized to execute and deliver this Lease; that Tenant is validly formed or organized and in good standing in the state of its incorporation or formation and authorized to transact business in the jurisdiction in which the Land is located; that Tenant has the power and authority to enter into this Lease; and that all action required to authorize Tenant to enter into this Lease has been taken. Upon receipt of Landlord's request, Tenant will provide Landlord with evidence satisfactory to Landlord confirming all of the above representations and warranties.

(w) Joint and Several. In the event this Lease is executed by

more than one party as Tenant, the liability of all such parties shall be deemed to be joint and several for all purposes hereunder.

(x) Transfer by Landlord. In the event of any sale, transfer or

other disposition of Landlord's interest in the Project, Landlord shall automatically and without any further act or instrument be released and relieved of and from any and all obligations and liabilities of Landlord occurring from and after the day of any such transfer and in such event Landlord's successor or transferee by accepting such sale, transfer or assignment shall thereby automatically assume and be liable for all obligations and liabilities of Landlord which accrue from and after such sale or transfer and Tenant agrees to look solely to such successor or transferee for the performance of any such duties and obligations and in satisfaction of all such obligations and liabilities under this Lease Agreement, notwithstanding that all pre-paid rent, pre-paid Common Area Maintenance fees and all Security Deposits are transferred to Landlord's successor or transferee.

(SIGNATURES TO FOLLOW)

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IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be duly executed as of the date first above written.

LANDLORD:

WITNESS: Laing Beaumeade, Inc.,
a Georgia corporation

[signature illegible] By: [signature illegible] (SEAL)

Its: E.V.P.

TENANT:

WITNESS: Equinix, Inc.
a Delaware corporation

[signature illegible] By: /s/ Jay S. Adelson (SEAL)

Its: CTO

WITNESS:

[signature illegible] By: /s/ Albert M. Avery (SEAL)

Its: CEO

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EXHIBIT "A"

DESCRIPTION OF LEASED PREMISES

[Graphic of Floor Plan]

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EXHIBIT "B"

LAND DESCRIPTION

[Graphic of Land]

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EXHIBIT "C"
ANNUAL BASE RENT

FROM <S>	TO <C>	RENTAL RATE <C>	MONTHLY <C>	ANNUALLY <C>
Jan. 15, 1999	Jan. 31, 1999	\$[*]	\$[*]	\$[*]
Feb. 1, 1999	Jan. 31, 2000	\$[*]	\$[*]	\$[*]
Feb, 1, 2000	Jan. 31, 2001	\$[*]	\$[*]	\$[*]
Feb, 1, 2001	Jan. 31, 2002	\$[*]	\$[*]	\$[*]
Feb, 1, 2002	Jan. 31, 2003	\$[*]	\$[*]	\$[*]
Feb, 1, 2003	Jan. 31, 2004	\$[*]	\$[*]	\$[*]
Feb, 1, 2004	Jan. 31, 2005	\$[*]	\$[*]	\$[*]
Feb, 1, 2005	Jan. 31, 2006	\$[*]	\$[*]	\$[*]
Feb, 1, 2006	Jan. 31, 2007	\$[*]	\$[*]	\$[*]
Feb, 1, 2007	Jan. 31, 2008	\$[*]	\$[*]	\$[*]
Feb, 1, 2008	Jan. 31, 2009	\$[*]	\$[*]	\$[*]

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION.

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EXHIBIT "D"
WORK AGREEMENT

THIS WORK AGREEMENT is entered into the 18th day of November 1998 by and between Laing Beaumeade, Inc. ("Landlord") and Equinix, Inc. ("Tenant"), and attached as Exhibit "D" to that certain Lease (the "Lease") of even date herewith, by and between Landlord and Tenant. All terms used in this Exhibit "D" shall have the same meanings set forth in the Lease except as otherwise defined herein.

1. Landlord's Work. It is hereby understood and acknowledged by the parties hereto that Landlord is leasing the Leased Premises to Tenant in "as is" condition with all faults, and that Landlord has made no representations respecting the condition of the Leased Premises or the Project not expressly contained herein. Landlord shall have no obligation to perform any work in, or for the benefit of the Leased Premises except as follows:

(a) At no cost to Tenant, Landlord shall supply building standard warehouse lighting and natural gas powered, ceiling mounted building standard warehouse heaters, (the "Landlord's Work").

2. Tenant's Work. Tenant hereby agrees to provide all work and materials for the construction and/or installations of all alterations and improvements in the Leased Premises (including interior construction, interior design, telecommunications cabling and installation, and other associated finishes and fixtures) required by Tenant for the operation of Tenant's business therein (the "Tenant's Work") in accordance with (a) the final plans and working drawings approved by Landlord, (b) all of the terms and conditions for making improvements and alterations as set forth in Paragraph 13 of the Lease, (c) the terms and conditions set forth in this Exhibit "D", and (d) all applicable codes, laws and regulations. As part of the Tenant's Work, Tenant, at Tenant's sole expense, shall install and maintain such fire extinguishers and other fire protection devices as may be required from time to time by any agency having jurisdiction thereof and/or the underwriters of the insurance company(ies) insuring the Project. Tenant shall timely pay all expenses incurred by Tenant in connection with the Tenant's Work, whether such payments are due contractors, subcontractors or others.

3. Permits and Licenses. Tenant shall not commence the Tenant's Work until Tenant has delivered to Landlord a building permit approved by the applicable governmental authorities. Tenant shall be responsible for obtaining

all other necessary permits and licenses for the Tenant's Work and shall be responsible for the payment of all fees associated therewith. Tenant shall also be responsible for the performance of the Tenant's Work in accordance with all applicable Federal, state and county laws, ordinances, regulations, restrictions and codes (including, but not limited to, the Americans With Disabilities Act), and in accordance with the provisions of Paragraph 13 of the Lease.

4. Insurance.

(a) During the period commencing on the date Landlord tenders possession of the Leased Premises for construction of the Tenant's Work and continuing until the

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construction of the Tenant's Work is complete. Tenant shall carry and maintain at no expense to Landlord builder's completed value "all-risk" insurance, including collapse and transit coverage.

(b) During the period commencing on the date Landlord tenders possession of the Leased Premises or construction of the Tenant's Work and continuing until the construction of the Tenant's Work is complete, Tenant shall require each contractor and subcontractor performing all or any portion of the Tenant's Work to carry and maintain or no expense to Landlord;

(i) comprehensive general liability insurance, including contractor's liability coverage, contractual liability coverage, completed operations coverage, Leased Premises-operations coverage, broad form property damage endorsement and independent contractor's protective liability coverage in an amount not less than Two Million Dollars (\$2,000,000.00) combined single limit per occurrence provided that such coverage may be provided through an umbrella insurance policy affording comparable coverage, naming Landlord as an additional insured and other meeting the criteria set forth in Paragraph 10 of the Lease.

(ii) worker's compensation or other similar insurance in the form and amounts required by law.

(c) Certified copies of insurance policies or certificates of insurance for the foregoing coverage shall be delivered to Landlord prior to commencement of the Tenant's Work and, on renewal of such policies, not less than twenty (20) days before expiration of the term of the policy.

5. Temporary Utilities.

(a) Tenant shall pay the costs of all utilities furnished to the Leased Premises during the period Tenant is performing the Tenant's Work.

(b) Tenant, at its expense, may provide temporary telephone service to the Leased Premises during the period Tenant is performing the Tenant's Work.

6. Plans Approval; Schedule.

(a) It is agreed that Tenant will develop construction drawings and specifications for completion of the Tenant's Work to be performed in the Leased Premises. All such construction drawings and specifications are expressly subject to Landlord's written approval; however, notwithstanding any such approval by Landlord, Tenant shall be solely responsible for the content of the construction drawings and specifications (including compliance with all applicable laws, including, but not limited to, compliance with the Americans With Disabilities Act), and coordination of the construction drawings and specifications with base Project design. Tenant shall reimburse Landlord upon demand for the Landlord's reasonable out-of-pocket costs for review of Tenant's plans, drawings and specifications (including, but not limited to, the cost of review of mechanical, electrical and plumbing plans and review (if any) for compliance with applicable laws). Tenant, upon written notice from Landlord, shall immediately pay said costs to Landlord as Additional Rent under the Lease.

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(i) Tenant will deliver to Landlord, for Landlord's approval, Tenant's proposed construction schedule and a complete set of Tenant's preliminary construction drawings and specifications for the entire Leased Premises prepared by Tenant's architect. Such construction drawings and specifications shall set forth, among other things:

(A) the location of equipment;

(B) the location and specification of telephone and other communication outlets;

(C) the location and specification of electrical outlets, especially those required to accommodate items such as computers and 220 volt equipment;

(D) the location of heat-producing machines, and specification of heat output (BTU/hour) and required operating conditions (maximum/minimum temperature, hours of operation);

(E) the location, manufacture, specifications and plans for any heating, air conditioning or ventilation units to be installed in the Leased Premises.

(ii) Within seven (7) days after such delivery, Landlord shall deliver to Tenant in writing its approval of such construction drawings and specifications or changes to such construction drawings and specifications that will be required to obtain Landlord's approval.

(iii) Within seven (7) days after delivery of Landlord's report containing required and/or suggested revisions to Tenant's preliminary construction drawings and specifications, Tenant shall deliver to Landlord Tenant's revised preliminary construction drawings and specifications containing the required revisions and such suggested revisions as Tenant chooses to incorporate, together with electrical and mechanical drawings prepared by a professional engineer.

(iv) Within five (5) days after such delivery, Landlord shall deliver its confirmation that all required revisions have been made (if such is the fact) and its approval of the revised preliminary plans (or if all such revisions have not been made, Landlord shall, within said 5 day period, not if Tenant of any additional revisions which are required to obtain Landlord's approval, and Tenant shall then cause such additional revisions to be made within the time period specified in (iii) above). If within said 5 day period, the Landlord's required revisions are fully incorporated into the preliminary drawings, Landlord's approval of said revised preliminary drawings shall be considered as Landlord's final approval.

(b) All construction drawings and specifications to be prepared by Tenant or on Tenant's behalf pursuant to this Exhibit "D" shall be prepared at Tenant's sole cost and expense.

(c) Landlord reserves the right from time to time to require, without the consent or approval of Tenant, that Tenant modify, amend or change the Tenant's final

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construction drawings and specifications as may be necessary to comply with any applicable law or regulation of any governmental authority or insurance board.

(d) Upon completion of the Tenant's Work, Tenant shall deliver to Landlord one (1) complete Mylar film or "blue-line" set of "as-built" plans for the Tenant's Work, and a copy of the Tenant's permanent certificate of occupancy for the Leased Premises.

7. Coordination of Tenant's Work. Tenant shall, upon the execution of the Lease, designate in writing to Landlord the individual ("Tenant's Agent") having authority to approve plans and specifications on Tenant's behalf and to authorize changes or additions to work during construction. Authorization by Tenant's Agent shall be deemed to be authorization by Tenant.

8. Performance of Tenant's Work.

(a) Tenant agrees to complete at Tenant's sole cost and expense all work to the Leased Premises as shown on the Tenant's final construction plans and specifications and all other work necessary to complete the Leased Premises for Tenant's occupancy.

(b) All materials used in the performance of the Tenant's Work shall be of top quality and in new condition. All systems shall be in good working order when completed. All equipment installed shall be Underwriter's Laboratory approved and be covered by a standard manufacturers and installation warranties, and Tenant shall perform, or cause its contractor to perform, all of the Tenant's Work in a good and workmanlike manner and in compliance with all applicable codes, laws and regulations.

(c) Subject to the provisions of paragraph 4(c) herein, Tenant shall have the right to select its own contractors and subcontractors (subject to Landlord's consent over such contractors and subcontractors, which consent shall not be unreasonably withheld, conditioned or delayed) to perform any work in the Leased Premises, provided that:

(i) the contractors employed in connection with the Tenant's Work shall be licensed, bonded and reputable contractors, and shall comply with

any applicable law and reasonable work rules and regulations established by Landlord from time to time for all work in the Leased Premises (including, but not limited to those set forth herein in paragraph 10 of this Exhibit "D");

(ii) in Landlord's reasonable judgement, such work or the identities or presence of such contractors or their subcontractors will not result in delays, stoppages or other action or the threat thereof which may interfere with construction progress of or delay in completion of other work in the Building or in any other project then under construction by Landlord, or in any manner impair any guarantee or warranty from Landlord's contractor or its subcontractors, or conflict with any labor agreements applicable to the construction of the Project by Landlord; and

(iii) each such contractor and subcontractor, and the nature and extent of the work to be performed by it, shall be approved by Landlord (but such approval shall not relieve Tenant of its responsibility to comply with the applicable provisions of this Exhibit

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nor constitute a waiver by Landlord of any of its rights under the Lease). Tenant shall be responsible for negotiating all fees with Tenant's permitted contractors and subcontractors, irrespective of whether Tenant employs Landlord's contractor another contractor or subcontractor.

(d) Tenant shall defend, indemnify and hold harmless Landlord and its property and asset managers and their respective agents, employees, officers and partners, harmless from and against any claim, demand, loss, damage, cost, liability, suit, or expense, whether occurring incurred or arising before or after the Lease Commencement Date, arising from or out of or in connection with, the performance of the Tenant's Work, and, without limiting the foregoing. Landlord shall have the right to offset against the Tenant Allowance (as defined below) any monies incurred, payable or paid by or on behalf of Landlord with respect to which Landlord is entitled to be indemnified, or may invoice the same as Additional Rent pursuant to the Lease and payable upon demand from Landlord.

9. Construction Rules. Tenant hereby agrees that, with respect to any all

Tenant's Work, Tenant and each of Tenant's contractors, subcontractors, suppliers, laborers and others performing all or any portion of the Tenant's Work shall comply with the rules and regulations listed in Exhibit "H" attached hereto.

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EXHIBIT "E"

RULES AND REGULATIONS

The following rules and regulations have been formulated for the safety and well-being of all tenants of the Building.

Landlord may waive the compliance by a tenant to any of these rules and regulations, provided that (i) no waiver shall be effective unless signed by Landlord or Landlord's authorized agent, (ii) any such waiver shall not relieve such tenant from the obligation to comply with such rules or regulations in the future unless expressly consented to by Landlord and (iii) no waiver granted to any tenant shall relieve any other tenant from the obligation of complying with the rules and regulations unless such other tenant has received a similar waiver in writing from the Landlord.

Landlord shall not be responsible to any tenant for the non-observance or violation of or by any other tenant of any of these rules and regulations at any time.

1. The Common Areas shall not be obstructed or encumbered by Tenant or used for any purpose other than ingress and egress to and from the Leased Premises except as provided herein. Landlord shall have the right to control and operate the Common Areas, except those areas as defined in Exhibit A of the Lease, in such manner as Landlord, in Landlord's sole discretion, deems best for the benefit of the tenants generally. No tenant shall permit the visit to the Leased Premises of persons in such numbers or under such conditions as to interfere with the use and enjoyment by other tenants of Common Areas.

2. No awning, antennas, or other projections shall be attached to the outside walls of the Building, except as provided herein.

3. No showcases or other articles shall be put in front of or affixed to any part of the exterior of the Building, nor placed in the halls, corridors or vestibules or other Common Areas of the Building without the prior written consent of Landlord.

4. The water and wash closets and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish, rags, chemicals, paints cleaning fluids or other substances shall be thrown or placed therein. Without limiting any of the provisions of the Lease which this Exhibit C forms a part of and the rights and remedies of Landlord thereunder, all damages resulting from any misuse of the plumbing fixtures shall be borne by the tenant who, or whose servants, employees, agents, visitors, or licensees, shall have caused the same.

5. There shall be no marking, painting, drilling into or other forms(s) of defacing of any part of the Project (exclusive of the Leased Premises) or of any part of the Leased Premises visible from the Common Areas. Tenant shall not construct, maintain, use or operate within the Leased Premises any electrical devices, wiring, or apparatus in connection with a loud speaker system or other sound systems, except as

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reasonably required for its communication system and approved prior to the installation thereof by Landlord. No such loud speaker or sound system shall be constructed, maintained, used or operated outside of the Leased Premises.

6. No bicycles, vehicles, animals, birds, or pets of any kind shall be brought into or kept in or about the Leased Premises. No cooking (except for hot-plate cooking by Tenant's employees for their own consumption, the equipment for and location of which are first approved by Landlord) shall be done or permitted by Tenant on the Leased Premises. Tenant shall not cause or permit any unusual or objectionable odors to be produced upon or permeate or originate from the Leased Premises. Tenant shall be obligated to maintain sanitary conditions in any area approved by Landlord for food preparation and consumption.

7. Other than expressly permitted under the Lease, no space in the Building shall be used for the manufacturing of goods, merchandise, or other property, or for the sale or auction of merchandise, goods, or property of any kind. The office area of the Leased Premises may be used only for office use.

8. No tenant shall make, or permit to be made, any unseemly or disturbing noises or disturb or interfere with occupants of the Building for neighboring buildings or premises or those having business with them whether by the use of any mechanical instrument, radio, talking machines, tape machine, unmusical noise, other sound or sound system or in any other way. No tenant shall throw anything out of the doors or windows or down the corridors or stairs. In addition, Tenant shall not permit any vibrations from the operation of Tenant's machines, fixtures, mechanical equipment or otherwise to exist to any degree or extent as to be objectionable to Landlord or any other tenant(s) in the Building.

9. No flammable, combustible, explosive, hazardous or toxic fluid, chemical or substance shall be brought into, or kept or generated upon, the Leased Premises or balance of the Project, except for materials defined by the Federal Code of Regulations for consumer products with packaging as defined under Department of Transportation Packaging Regulations CFR - 49, paragraph 171-100, except as provided herein.

10. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall and changes be made in the existing locks or mechanisms thereof, except as provided herein. The doors leading to the Common Areas shall be kept closed during business hours except as they may be used for ingress or egress. Each tenant shall, upon the termination or expiration of its tenancy, restore to the Landlord all keys of or to offices, storage, toilet rooms, or with respects to any and all other portions of the Leased Premises or Building, either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys so furnished, such tenant shall pay to Landlord the cost thereof.

11. Tenant shall not pay any employees on the Leased Premises, except those actually working for Tenant on the Leased Premises.

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12. Landlord reserves the right to exclude from the Building at all times any person who is not known or does not properly identify himself to any Building management, security guard on duty, or security system monitor. Each tenant shall be responsible for all persons for whom he authorizes entry into or exit out of the Building, and shall be liable to Landlord for all acts or omissions of such persons.

13. The Leased Premises shall not, at any time, be used for lodging or sleeping or any immoral or illegal purpose.

14. Tenant, before closing and leaving the Leased Premises at any time, shall see that all windows are closed and all lights are turned off.

15. Landlord's employees shall not perform any work or do anything outside of their regular duties, unless under special instruction from the

management of the Building. The requirements of tenants will be attended to only upon application to Landlord and any such special requirements shall be billed to the applicable tenant (and paid with the next installation of Base Rent) at the schedule of charges maintained by Landlord from time to time or at such charge as is agreed upon in advance by Landlord and such tenant.

16. Canvassing, soliciting, and peddling in the Building are prohibited and each tenant shall cooperate to prevent the same.

17. There shall not be used in any space or in the public halls of the Building, either by any tenant or by jobbers or others, in the delivery or receipt of merchandise, any hand trucks except those equipped with rubber tires and side guards, and each tenant shall be responsible to Landlord for any loss or damage result from any deliveries of such tenant to the Building. All material handling equipment used on the concrete warehouse floor shall have rubber tires.

18. Mats, trash, or other objects shall not be placed in the Common Areas. All trash shall be disposed of in a manner acceptable to Landlord.

19. No sign, advertisement, notice, or other lettering shall be exhibited, inscribed, painted or affixed by any tenant on any part of the outside or inside of the Building, or on any other portion of the Project, without the prior written consent of the Landlord and the Beaumeade Owners Association Architectural Review Committee. In the event of the violation of the foregoing by any tenant, Landlord may charge the expense incurred by such removal to the tenant responsible for such violation.

20. INTENTIONALLY DELETED.

21. Tenant acknowledges and agrees that all company, non-company, customer, contractor, and vendor trucks including but not limited to tractors trailers, wheeled containers of any type, tractor cabs, cube and straight bed trucks shall park only at the rear of, immediately adjacent to and in alignment with the Tenant's Leased Premises. Such parking shall not infringe upon neighboring tenant's dock and loading areas. All parked vehicles shall be removed from the truck court no less than every ten

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(10) days. In no event and at no time whatsoever shall Tenant's un-used vehicles remain parked in the truck court, parking lots, or adjacent to the Building in excess of ten (10) days. All non-wheeled containers, regardless of size, shall be stored inside the Leased Premises. Tenant acknowledges and agrees that parking in the front of Building shall be in common with other tenants and shall be used only for employee, visitor and customer automobiles, pick-up trucks, passenger vans, and motorcycles. In no event and at no time whatsoever shall Tenant's parking of vehicles encroach upon the Project's Fire Lane(s). In no event and at no time whatsoever shall Tenant's parking of vehicles include boats, recreational vehicles, aircraft, trailers, cranes, campers, tents, or any other vehicle or storage device which is not approved in writing, in advance by Landlord.

EXHIBIT "F"
SPECIAL STIPULATIONS

1. RENEWAL OPTION

- A. Tenant shall have the right to renew this Lease for three (3) additional terms of five (5) years each commencing on February 1, 2010, February 1, 2015 and February 1, 2020 (hereinafter referred to as the "Renewal Lease Term"). Said right to renewal shall be subject, however, to the following conditions precedent:
1. Tenant shall give Landlord written notice of its exercise of each such renewal option at least one hundred eighty (180) days prior to the expiration of the Term and each Renewal Lease Term: and
 2. Tenant shall not be in material default in performance of or with respect to any of the terms, covenants, and conditions of the Lease.
- B. All of the terms, covenants and conditions of this Lease shall continue in full force and effect during each Renewal Lease Term, except that Annual Base Rent shall be adjusted at the commencement of each Renewal Lease Term to the greater of the then prevailing market rate for renewing tenants in similar buildings in Ashburn, Virginia as defined by independent, third party industrial/warehouse real estate broker licensed and in good standing in the Commonwealth of Virginia or 103% of the base rental for the month prior to the expiration of the term or the expiration of the Renewal Lease Term.

2. ENVIRONMENTAL MATTERS

- A. Tenant covenants that it will not cause or permit, knowingly, and Hazardous Wastes to be brought upon, disposed on or stored in or on the Premises or any Hazardous Material to be released in, on or about the Premises and that it will comply with any and all applicable laws, ordinance, rules regulations and requirements respecting the presence, use or release of Hazardous Materials in, on or about the Premises, unless otherwise set forth herein.
- B. Tenant covenants that it will immediately notify Landlord, in writing, of any existing, pending or threatened (a) investigation, inquiry, claim or action by any governmental authority in connection with any Environmental Laws; (b) third party claims; (c) regulatory actions: and/or (d) contamination of the Premises.
- C. Tenant shall, at Tenant's expense, investigate, monitor, re-remediate, and/or clean up any Hazardous Material, Hazardous Waste, or other environmental condition on, about, or under the Premises required as a result of Tenant's use of Hazardous Material or occupancy of the Premises.
- D. Tenant covenants that it shall keep the Premises free of any lien imposed pursuant to any Environmental Laws.
- E. Tenant shall indemnify, defend and hold Landlord harmless from and against any and all claims, judgments, damages, penalties, fines, costs (including without limitation, actual and reasonable attorney's fees and court costs), liabilities or losses (collectively, the "Tenant Indemnified Claims") resulting from (i) the presence of Hazardous Wastes in or about the Premises (other than Hazardous Wastes present as of the date of this Lease which are covered by Landlord's indemnity in subparagraph (F) below) or the release of Hazardous Materials in, on or about the Premises on or after the date of this Lease, except to the extent that the Tenant Indemnified Claims are caused by Landlord, its agents, employees or contractors, and (ii) any Hazardous Waste placed or any Hazardous Substances released elsewhere in Laing at Beaumeade by Tenant, its agents, invitees, employees and contractors.
- F. Landlord shall indemnify, defend and hold Tenant harmless from and against any and all claims, judgments, damages, penalties, fines, costs (including without limitation, actual and reasonable attorney's fees and court costs), liabilities or losses (collectively, the "Landlord Indemnified Claims") resulting from the presence of Hazardous Wastes in or on the Premises as of the date of this Lease or the release of Hazardous Materials in or on the Premises as of the date of this Lease or the release of Hazardous Materials in or on the Premises prior to the date of this Lease, except to the extent that the Landlord Indemnified Claims are caused by Tenant, its agents, employees, invitees or contractors.
- G. The provisions of this Special Stipulation "3" shall survive the expiration or termination of this Lease.
- H. Landlord represents that, to the knowledge of this individual(s) executing this Lease on behalf of Landlord, no "Hazardous Waste", as said term defined in the Resource Conservation and Response Act, as amended 42 U.S.C. (S)6901 et. seq. ("RCRA"), has been brought upon, disposed or stored in or on the premises, and no hazardous material as hereinafter defined has been released in or on the Premises.
- I. For the purpose of this Lease, the term "Hazardous Material", is defined to include those matters described in the Environmental Response Compensation and Liability Act, as amended, 42 U.S.C. (S)6901 et. seq. (CERCLA)". As used herein the term "Hazardous Materials" shall also mean (1) asbestos, or any substance containing asbestos; (2) polychlorinated biphenyls; (3) lead; (4) radon; (5) pesticides; (6) petroleum or any other substances containing hydrocarbons; (7) any substance which, when on the Premises, is prohibited by any Environmental Laws; and (8) any other substance, material or waste which, (i) by any Environmental Laws requires special handling or notification of any governmental authority in its collection, storage, treatment, or disposal or (ii) is defined or classified as hazardous, dangerous or toxic pursuant to any legal requirement.
- J. For purposes of this Lease, Environmental Laws shall mean; any and all federal, state and local laws, statues, codes, ordinances, regulations, rules or other requirements to human health or safety or the environment, including, but not limited to, those applicable to the storage, treatment, disposal, handling and release of any Hazardous Waste or Hazardous Materials, all as amended or modified from time to time.

3. LANDLORD'S CONSTRUCTION CRITERIA. Tenant is granted the right to select and authorize a general contractor, (hereinafter referred to as "Tenant's Contractor") to construct any improvements to the Premises, subject to the provisions contained in Exhibit "H" (hereinafter referred to as "Construction Criteria"), attached hereto and hereby incorporated herein. All costs associated with any contemplated improvements to Premises by Tenant shall be the sole responsibility of Tenant.
4. RIGHT OF FIRST OFFER. During the Term of the Lease and each Renewal Lease Term, the Tenant shall have a one time right of first offer to lease contiguous space (hereinafter referred to as the "Expansion Premises", illustrated in Attachment "A", attached hereto and hereby incorporated herein) prior to the Expansion Premises being leased to a third party, on the same terms and conditions then in effect under the Lease, except as follows:
 - (d) the term of the Expansion Premises shall be for a minimum of thirty six (36) months. In the event Tenant elects to exercise the right of first offer, the lease term for the Leased Premises shall be extended so as to expire co-terminus with the Expansion Premises space.
 - (e) the rent for the Expansion Premises shall be equal to the annual cost per square foot currently in effect for the Leased Premises at the date of occupancy and shall adjust annually as stated in Exhibit "C" of the Lease and Paragraph One above.
 - (f) the Expansion Premises shall be leased in "as is" condition.
 - (g) Tenant shall pay One Hundred Percent (100%) of all costs incurred with preparing the Expansion Premises for Tenant's occupancy.

Landlord shall notify Tenant when the Expansion Premises are available to be leased. Tenant shall then have ten (10) days in which to notify Landlord in writing exercising Tenant's right to lease the Expansion Premises on the terms described above. If Tenant exercises the right to lease the Expansion Premises, said lease shall commence the earlier of ninety (90) days after Tenant's notice exercising the right, or the date the Expansion Premises is available for lease. After Tenant validly exercises the right of first offer provided herein, the parties shall execute a lease expansion agreement for the Expansion Premises using the Landlord's standard document.

The foregoing right of first offer shall apply only with respect to the Expansion Premises and may not be exercised with respect to any other space. If Tenant shall fail to exercise such right of first offer after notice by Landlord as provided herein, Landlord may freely lease the Expansion Premises and the foregoing right of first offer shall be of no further force or effect. In the event Landlord falls to lease the Expansion Premises to a third party within one hundred eighty (180) days from receipt of Tenant's notice to not exercise its right of first offer, Tenant's right of first offer shall be re-instated based on the same terms and conditions as previously agreed to. The foregoing right of first offer shall be subject and subordinate to any other rights of tenants to lease the Expansion Premises, if such rights have already been granted prior to the date of this Lease.

If Tenant shall exercise the right of first offer granted herein, Landlord does not guarantee that the Expansion Premises will be available on the commencement date for the lease thereof for any reason beyond Landlord's reasonable control. In such event, Rent with respect to the Expansion Premises shall be abated until Landlord legally delivers the same to Tenant, as Tenant's sole recourse.

Tenant's exercise of such right of first offer shall not operate to cure any default by Tenant of any of the terms or provisions in the Lease, nor to extinguish or impair any rights or remedies of Landlord arising by virtue of such default. The right of first offer shall, at Landlord's election, be null and void, if Tenant is in default under the lease on the date the Tenant exercises its rights hereunder or at anytime thereafter, and prior to the commencement of the Lease for the Expansion Premises. If the Lease or Tenant's right to possession of the Premises shall terminate in any manner whatsoever before Tenant shall exercise the right herein provided, or if Tenant shall have subleased the Premises, then immediately upon such termination or sublease, the right of first offer herein granted shall simultaneously terminate and become null and void. Such right is personal to Tenant. Under no circumstances whatsoever shall the subtenant under a sublease of the Premises have any right to exercise the right of first offer granted herein unless such subtenant is a wholly owned subsidiary of Tenant. Tenant agrees that time in giving notices hereunder is of the essence of this provision.

5. RIGHT OF FIRST OFFER TO LEASE SPACE IN FUTURE BUILDING. Provided the Lease is not in default and Landlord elects to develop, construct and lease to the general public a fifth building immediately adjacent to [*], Ashburn, Virginia, Tenant shall have a one time right of first offer to lease 10,000 or more square feet in the proposed building (hereinafter referred to as the

"Future Premises", illustrated in Attachment "B", attached hereto and hereby incorporated herein) prior to the building being offered to lease to the general public on the same terms and conditions then in effect under the Lease, except as follows:

- (a) the term of the Lease for the Future Premises shall be for a minimum of sixty (60) months. In the event Tenant elects to exercise the right of first offer, the lease term for the Leased Premises shall be extended so as to expire co-terminus with the Expansion Premises space. In the event the Tenant elects to exercise the right of first offer to lease the entire Future Premises, the lease term for the Leased premises shall be terminated so as to expire with Tenant's occupancy of the Future Premises.
- (b) the rent for the Future Premises shall be equal to the annual cost per square foot currently in effect for like warehouse buildings in the Ashburn, Virginia sub-market at the date of occupancy and shall adjust annually.
- (c) the Future Premises shall be leased in "as is" condition.
- (d) Tenant shall pay One Hundred Percent (100%) of all costs incurred with preparing the Future Premises for Tenant's occupancy.

Landlord shall notify Tenant seven (7) months in advance of when the Future Premises are available to be leased. Tenant shall then have thirty (30) days in which to notify Landlord in writing exercising Tenant's right to lease the Future Premises on the terms described above. If Tenant exercises the right to lease the Future Premises, said lease shall commence on the date the Future Premises is available for lease. After Tenant validly exercises the right of first offer provided herein, the parties shall execute a lease agreement for the Future Premises. After Tenant validly exercised the right of first offer provided herein, Tenant shall have the option to participate in the design, planning, and construction of the portion of the Future Premises which Tenant leases in order to prepare the leased premises for installation of Tenant's equipment. Under no circumstances whatsoever shall Tenant's participation interfere with Landlord's ability to design, plan and construct the Future Premises for lease to the general public.

The foregoing right of first offer shall apply only with respect to the Future Premises and may not be exercised with respect to any other space. If Tenant shall fail to exercise such right of first offer after notice by Landlord as provided herein, Landlord may freely lease the Future Premises and the foregoing right of first offer shall be of no further force or affect. The foregoing right of first offer shall be subject and subordinate to any other rights of tenants to lease the Future Premises, if such rights have already been granted prior to the date of this Lease.

If Tenant shall exercise the right of first offer granted herein, Landlord does not guarantee that the Future Premises will be available on the commencement date for the lease thereof for any reason beyond Landlord's reasonable control. In such event, Rent

with respect to the Future Premises shall be abated until Landlord legally delivers the same to Tenant, as Tenant's sole recourse.

Tenant's exercise of such right of first offer shall not operate to cure any default by Tenant of any of the terms or provisions in the Lease, nor to extinguish or impair any rights or remedies of Landlord arising by virtue of such default. The right of first offer shall, at Landlord's election, be null and void, if Tenant is in default under the lease on the date the Tenant exercises its rights hereunder or at any time thereafter, and prior to the commencement of the Lease for the Future Premises. If the Lease or Tenant's right to possession of the Leased Premises shall terminate in any manner whatsoever before Tenant shall exercised the right herein provided, or if Tenant shall have subleased the Leased Premises, then immediately upon such termination or sublease, the right of first offer herein granted shall simultaneously terminate and become null and void. Such right is personal to Tenant. Under no circumstances whatsoever shall the subtenant under a sublease of the Leased Premises have any right to exercise the right of first offer granted herein. Tenant agrees that time in giving notices hereunder is of the essence of this provision.

EXHIBIT "G"

ROOF LICENSE AGREEMENT

THIS AGREEMENT made as of this 18/th/ day of November, 1998 between

Laing Beaumeade, Inc. ("Licensor") and Equinix, Inc. ("Licensee"), having an

address at [*], Suite C, Ashburn, Virginia 20147.

1. Premises and Duration. Licensor hereby grants to Licensee a license, subject to the terms and conditions herein set forth, to use certain premises shown on the drawing attached hereto as Exhibit A ("Roof Premises") located on the roof ("Roof") of the building known as Laing at Beaumeade ("Building") located at -----
[*], Ashburn, Virginia 20147 for the purposes described in -----
paragraph 4. below. The term of the license (the "Term") shall commence on [*] ("Commencement Date") and terminate on ---
January 31, 2009 ("Termination Date") unless terminated prior -----
thereto as hereinafter provided.
2. Rent. On or before the first day of each month of the Term, Licensee shall pay Licensor Base Rent in the amount of [*] ---
Dollars (\$[*]). Base Rent shall be prorated for any partial ---
month at the rate of 1/30/th/ of the monthly amount. Base Rent shall be subject to Base Rent Escalations, as described in Paragraph 5. In addition to Base Rent, Licensee shall pay for electricity consumed in the Roof Premises, as described in Paragraph 22.
3. Security Deposit. Upon its execution of this Agreement, Licensee shall pay the amount of [*] Dollars \$[*] ("Security Deposit") to Licensor.
4. Use. Licensee shall use the Roof Premises for the installation, maintenance, use and removal of the following items (the "Items"): any and all antenna, transmit and/or receiving -----
equipment, cabling and appurtenances as necessary to utilize roof -----
space for Licensee's intended use, and for no other purpose.

Licensee shall not use the Roof Premises or the Items so as to interfere in any way with the ability of other occupants of the Building or occupants of other buildings to receive radio, television, telephone, short-wave, long-wave or other signals of any sort, nor so as to interfere with the use by Licensor or such occupants of electric, electronic or other facilities, equipment, appliances, personal property and fixtures, nor so as to interfere in any way with the use of any antennae, satellite dishes or other electronic or electric equipment or facilities

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION.

currently or hereafter located on the Roof or any other floor or area of the Building or other buildings. Licensee shall not use the Premises in any way so as to increase Licensor's insurance payments, and at Licensor's option shall pay such increases. The location of the Items within the Premises shall be subject to Landlord's advance written approval.

5. Indemnity and Insurance. Licensee shall indemnify, defend and save harmless Licensor and its partners, trustees, beneficiaries, directors, officers, employees, affiliates and agents ("Indemnitees") from and against any and all claims and/or liability resulting from any act or omission of Licensee and/or Licensee's installation (including without limitation, damage cause by over stress), use, maintenance or removal of the items or use of the Roof Premises or Building. It is understood and agreed that all items kept, stored or maintained on the Roof Premises shall be so kept, stored or maintained at the sole risk of Licensee. Licensee shall notify its insurance carriers of this License Agreement and shall obtain any additional coverage or increase its policy limits as necessary to fully cover any loss relating to the Items, or Licensee's installation, use, maintenance or removal of the Items, or use of the Roof Premises. Licensee hereby waives all rights of subrogation of its insurers with respect to claims against the Indemnitees. Tenant shall maintain comprehensive general liability insurance with at least \$2,000,000 combined single limit per occurrence, with the Indemnitees as additional insureds, workers compensation coverage in statutory amounts, and employer's liability insurance of at

least \$500,000 per occurrence.

6. Access to Premises. Licensor shall permit Licensee reasonable access to the Roof Premises for the purposes permitted hereunder, during normal business hours at the Building upon reasonable advance notice and scheduling through Licensor's management and security personnel. Access after normal business hours may be granted by Licensor in its sole discretion and for such reasonable charges as Licensor shall impose. Licensor reserves the right to enter the Roof Premises, without notice, at any time for the purpose of inspecting the same, or of making repairs, additions, or alterations to the Building, and to exhibit the Roof Premises to prospective tenants, purchasers, or others, or for any other reason not inconsistent with Licensee's right hereunder. In connection with exercising such rights, Licensor may, if reasonably necessary temporarily disconnect and/or move the Items without liability to Licensee. The exercise by Licensor of any of its rights under this Paragraph shall not be deemed an eviction or disturbance of Licensee's use of the Roof Premises.
7. Installation, Use, Alterations and Removal. Licensee shall not install the Items, or thereafter make any alterations, additions or improvements to the Roof Premises or the Items without Licensor's prior written consent. Licensee acknowledges that it has inspected the Roof Premises and agrees to accept the same "as is". Licensor shall approve or reject the proposed installation of the Items within a reasonable time after Licensee submits (1) plans and specifications for the installation of the Items, (2) copies of all required governmental and quasi-governmental permits, licenses, and authorizations which Licensee will obtain at its own expense, and (3) a certificate of insurance evidencing the coverage required herein. Licensor may withhold approval if the installation or operation of the Items may damage the structural integrity of the Building, interfere with any service provided by Licensor or any occupant, reduce the amount of leasable space in the Building, detract from the appearance of the Building, or for any other reasonable ground. Licensor may require that any installation or other work be done under the supervision of Licensor's employees or agents, and in a manner so as to avoid damage to the Building. Upon termination of this Agreement, by expiration or otherwise, Licensee shall disconnect and remove the Items and fully repair and restore the Roof Premises to the same or a better condition that prior to this Agreement, ordinary wear and tear, and damage from fire or other casualty not the fault of Licensee excepted. Licensee shall promptly and properly repair during the Term and upon termination of this Agreement any roof leaks or other damage or injury to the Roof, the Building or the Roof Premises caused by Licensee's use of the Roof Premises or its installation, use, maintenance or removal of the Items. If Licensee does not immediately repair any such leaks, damage or injury or does not remove the Items when so required, Licensee hereby authorizes Licensor to make such repairs or remove and dispose of the Items and charge Licensee for all costs and expenses incurred in doing so. Licensor shall not be liable for any property so disposed of or removed by Licensor.
8. Assignment and Sublicensing. Licensee shall not, by operation of law or otherwise, assign or otherwise transfer or encumber this License or the rights granted hereunder, or sublicense the whole or any part of the Roof Premises. Licensee may not let any other party tie into or use the Items or the Roof Premises, and Licensee may not transmit or distribute signals through the Items to any parties not affiliated with Licensee. Any such transfer without Licensor's consent shall at Licensor's option be null, void and of no effect. If Licensee desires to assign or sublicense, Licensor may consent to the same in its absolute discretion and upon such terms and conditions as Licensor may impose. In the alternative,

Licensor may elect to terminate this Agreement, by written notice to Licensee within thirty (30) days after receiving Licensee's request for approval. Notwithstanding anything to the contrary in this Paragraph 8, Licensee may, without Landlord's prior consent and without Landlord's participation in any proceeds, sublet the Roof Premises or assign the license agreement to: (i) a subsidiary, affiliate, division or corporation controlling, controlled by or under common control with Licensee; (ii) a successor corporation related to Licensee, by merger, consolidation, non bankruptcy reorganization, or governmental action; or (iii) a purchaser of substantially all of Licensee's assets located in the Roof Premises. For the purpose of this License Agreement, sale of Licensee's capital stock through any public exchange shall not be deemed an assignment, subletting or any other transfer of the License Agreement or the Roof Premises.

9. License. The interest herein created is a license and no leasehold or tenancy is intended to be or shall be created hereby. Licensor, at its sole option may require Licensee to terminate operation of the Items, if Licensee or the Items is causing physical damage to the Building, if Licensee or the Items is disturbing or annoying any other occupant of the Building, or if Licensee defaults in any other way under this Agreement.
10. Entire and Binding Agreement. This Agreement contains all of the agreements between the parties relating to the Roof Premises and Items, and may not be modified in any manner other than by agreement, in writing, signed by both parties. The terms, covenants and conditions contained herein shall inure to the benefit of and be binding upon Licensor, Licensee and their successors and assigns, except as provided herein.
11. Heavy Objects. Licensee shall not bring into or install in the Roof Premises any objects, including the Items contemplated hereunder, the weight of which, singularly or in the aggregate, would exceed the maximum safe load per square foot of the Roof Premises. Licensee shall engage and cause a licensed and qualified engineer to certify the same to Licensor before Licensee shall install, affix or place the Items upon the Roof Premises.
12. Applicable Law. This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia.
13. Execution and Delivery. The submission of this Agreement for examination or execution does not constitute an offer or reservation of any option for the Roof Premises, and this Agreement shall become effective only upon execution and delivery thereof by both parties.
14. Defaults. In addition to any other specified herein, it shall be a default hereunder if Licensee vacates or abandons the Items or the Roof Premises for more than ten (10) consecutive days. In the event of any default which is not cured within five (5) days after written notice by Licensor, Licensor shall have the right to terminate this Agreement and recover the possession of the Roof Premises through peaceful self-help, forcible detainer proceedings or any other lawful means, and to recover all damages and losses sustained as a result of such default and termination of this Agreement, including without limitation loss of Rent that would otherwise be received hereunder. In the event of default, Licensor shall also have the right to discontinue providing electricity to the Roof Premises. In the event of any litigation between the parties, the prevailing party shall be entitled to receive its reasonable attorney's fees and costs as part of the judgment.
15. Recording. Licensee shall not record this Agreement.
16. Lease. Any default under this Agreement shall be a default under the Lease, and any default under the Lease shall be a default under this Agreement.

EXHIBIT A TO EXHIBIT G, ROOF LICENSE AGREEMENT OF LEASE DATED
NOVEMBER 18, 1998 BETWEEN LAING BEAUMEADE, INC. AND EQUINIX,
INC. SHOWING ROOF AREA CROSS HATCHED

[Graphic of Roof Area]

EXHIBIT "H"

CONSTRUCTION CRITERIA

I. REQUIREMENTS FOR TENANT PERFORMANCE OF TENANT CONSTRUCTION

1. Proposed plans/scope of work shall be submitted to Landlord for review and approval prior to commencement of work.
2. Tenant's selection of Contractors shall meet Landlord's approval criteria.
3. Tenant's Contractors shall comply with Landlord's rules for working on the property.
4. At completion of work, Tenant shall furnish Landlord with the following:
 - a) lien waivers, in a form satisfactory to Landlord, certifying that Contractors have been paid in full for work completed.

b) a copy of the "Occupancy Permit" from Loudoun County, Virginia.

II. APPROVAL CRITERIA FOR TENANT CONTRACTORS

1. Must have been in business a minimum of three (3) years operating under the same name.
2. Must have a substantial history of successful Tenant work.
3. Must have a history of performance of Tenant work quality equal to that proposed for the building.
4. Must have a good credit history and be financially sound.
5. Must meet Landlord's insurance requirements and supply Landlord with appropriate Certificates of Insurance.
6. Tenant's Contractor must comply with the rules for operating on the property.

III. CONTRACTOR'S INSURANCE REQUIREMENTS

1. Prior to execution of contract agreements and commencing of work, all Tenant Contractors shall provide to Landlord a Certificate of Insurance indicating the following coverage and limits, and providing for a Thirty (30) Day Notice of Cancellation to Landlord of the stated policies or changes to coverage or limits.

2. Minimum Required Coverage and Limits:

- A. Comprehensive General Liability
Minimum \$500,000 combined single limit. (B.1. and P.D. combined).
- B. Comprehensive Automobile Liability
Minimum \$500,000 combined single limit.
- C. Umbrella Liability
Minimum \$1,000,000 combined single limit.
- D. Worker's Compensation
Statutory for the Commonwealth of Virginia and domicile of the Subcontractor.
- E. Employer's Liability
\$100,000

III. Public Liability Insurance shall be provided on the basis described below:

- A. Comprehensive Automobile Liability Insurance

 1. All owned or licensed vehicles.
 2. All hired vehicles.
- B. Comprehensive General Automobile Liability Insurance

 1. Premises - Operations Liability
 2. Independent Contractor's Protective Liability
 3. Products and Completed Operations Liability
 4. Personal Injury Coverage (employee exclusion eliminated)
 5. "X, C, and U" Hazards
 6. Broad Form Property Damage
 7. Contractual Insurance

IV. SPECIAL CONDITIONS - LOW-RISE BUILDINGS

1. Clean-up of construction areas is to be performed on a daily basis. Public areas are to be kept clean at all times. Outside areas are to be kept clean at all times including the sweeping and hosing down of asphalt and walkways after deliveries.

2. Construction work of a loud nature, such as concrete coring or hammer drilling, is strictly prohibited during the weekday hours of 8:00 a.m. to 6:00 p.m. Screw guns are not to be used on demising walls during these hours as well.
3. Any welding and/or use of cutting torches shall be performed in strict adherence of OSHA Standards. This work shall only be performed in the presence of a Tenant Construction Management representative or Tenant's General Contractor Site Supervisor. A fire extinguisher shall be readily accessible in case of fire. Fireproof blankets are to be placed over combustibles in the area.
4. All construction employees are to park away from buildings so as not to interfere with tenant parking. No parking in visitors, maintenance, or handicapped spaces will be permitted.
5. If construction workers use utility sinks for clean-up, they are to clean the sink after usage. Use of toilet vanities for cleaning tools is prohibited. Do not use the utility sinks for the disposal of paint or sheet rock mud. Parking lot catch basins are not to be used for disposal of any cementitious waste, paint, sheet rock mud, etc.
6. No dumping of any kind is permitted on the development grounds.
7. Do not leave drink cans, bottles, etc sitting in the window sills. Put them in trash containers.
8. Raise blinds in the construction areas prior to commencement of work. Return to down position and clean upon completion.
9. Construction workers are to be fully clothed at all times.
10. No blaring radios are allowed. Definition of blaring shall be determined by the Tenant Coordinator and/or the Property Manager.
11. Contractor shall furnish his own cleaning equipment and supplies.
12. No equipment or materials shall be left sitting in public areas.
13. Tenant Coordinating Contractor shall furnish a portable toilet for the use of tenant construction personnel. Personnel are not to use the toilets of existing tenants.
14. Tenant construction personnel are prohibited from using the phones of existing tenants.
15. Tenant construction personnel are to use rear doors of suite being constructed and under no circumstances is the front door to be used. Front door is to be kept locked at all times.
16. When demolition of an existing space occurs, the electrical contractor is responsible for removing all old phone lines and equipment. Care is to be taken to avoid removing lines for other tenants that may be in use. This cost is to be included in the contractor's bids.
17. Utility Interruption Procedures

Contractor or Subcontractor, its employees, and assigns shall NOT

 disrupt any building or tenant utility, including but not limited to electrical, water, gas, telephone, sewer and elevator service, during the hours of 7:30 a.m. and 5:30 p.m. without the prior written approval of Laing Properties, Inc. Additionally, Contractor or Subcontractor must give Laing Properties, Inc. twenty-four (24) hours verbal notice of any building or tenant utility disruption to occur between the hour of 5:30 p.m. and 7:30 a.m.

18. Site Excavation Procedures

Any Contractor or Subcontractor planning to perform excavation work on a Laing Properties project MUST arrange to have all utilities located by the appropriate agency as well as arranging with Laing Properties to locate Laing's underground structures, including but not limited to irrigation, communication and power lines, prior to starting excavation. Written authorization just be obtained from Laing Properties after all subsurface structures are located and prior to starting excavation.

19. Liquidated Damage Clause - Utilities and Site Excavation

In consideration of the fact that actual damage for utility interruptions is difficult to estimate or compute, Contractor and Subcontractor agrees that a \$500,000 per occurrence liquidated damage will be assessed against Contractor or Subcontractor for failure to give proper notice or obtain authorization and/or an \$1,000.00 per occurrence liquidated damage will be assessed against Contractor or Subcontractor for an unauthorized interruption of utility service.

EXHIBIT "I"

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS AGREEMENT made as of the _____ day of _____, _____ among _____ a national banking association chartered pursuant to the laws of the United States of America (hereinafter referred to as "Lender"), EQUINIX, INC., a California corporation (hereinafter referred to as "Tenant"), and LAING BEAUMEADE, INC., a Georgia corporation, (hereinafter referred to as the "Landlord").

WITNESSETH

WHEREAS, Landlord and Tenant have entered into a certain lease (hereinafter referred to as the "Lease") executed as of November 18, 1998

relating to a portion of the premises (the "Demised Premises") described in Exhibit A attached hereto and by this reference made a part hereof (hereinafter

referred to as the "Premises"); and

WHEREAS, Lender has made or has committed to make a loan to Landlord in the principal amount of \$ _____ secured by a deed of trust (hereinafter referred to as the "Mortgage"), including an assignment of leases and rents from Landlord to Lender, covering the Premises; and

WHEREAS, Tenant has agreed that the Lease shall be subject and subordinate to the Mortgage held by Lender, provided Tenant is assured of continued occupancy of the Demised Premises under the terms of the Lease;

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the sums of Ten Dollars (\$10.00) and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, and notwithstanding anything in the Lease to the contrary it is hereby agreed as follows.

1. Lender, Tenant and Landlord do hereby covenant and agree that the Lease with all rights opinions, liens and charges created thereby, is and shall continue to be subject and subordinate in all respects to the Mortgage and to any renewals, modifications, consolidations, replacements and extensions thereof and to all advancements made thereunder.
2. Lender does hereby agree with Tenant that, in the event Lender becomes the owner of the Premises by foreclosure, conveyance in lieu foreclosure or otherwise, so long as Tenant complies with and performs its obligations under the Lease, (a) Lender will take no action which will interfere with or disturb Tenant's possession or use of the Demise Premises or other rights under the Lease, and (b) the Demised Premises shall be subject to the Lease and Lender shall recognize Tenant as the tenant of the Demised Premises for the remainder of the term of the Lease in accordance with the provisions thereof, provided, however, that Lender shall not be subject to any offsets or defenses which Tenant might have against

any prior landlord except those which arose under the provisions of the Lease out of such landlord's default and accrued after Tenant had notified Lender and given Lender the opportunity to cure same as hereinbelow provided, nor shall Lender be liable for any act or omission of any prior landlord, nor shall Lender be bound by any rent or additional rent which Tenant might have paid for more than the modification of the Lease made without its consent.
3. Tenant does hereby agree with Lender that in the event Lender becomes the owner of the premises by foreclosure, conveyance in lieu of foreclosure or otherwise, then Tenant shall attorn to and recognize Lender as the landlord under the Lease for the remainder of the term thereof; and Tenant shall perform and observe its obligations thereunder, subject only to the terms and conditions of the Lease. Tenant further covenants and agrees to execute and deliver upon request of Lender or its assigns, an appropriate agreement of attornment to Lender and any subsequent titleholder of the Premises.
4. So long as the Mortgage remains outstanding and unsatisfied, Tenant will

mail or deliver to Lender, at the address and in the manner hereinbelow provided, a copy of all notices permitted or required to be given to the landlord by Tenant under and pursuant to the terms and provisions of the Lease. At any time before the rights of the landlord shall have been forfeited or adversely affected because of any default of the landlord, or within the time permitted the landlord for curing any default under the Lease as therein provided (but not less than sixty (60) days from the receipt of notice), Lender may, but shall have no obligation to, pay any taxes and assessments, make any repairs and improvements, make any deposits or do any other act or thing required of the landlord by the terms of the Lease; and all payments so made and all things so done and performed by Lender shall be as effective to prevent the rights of the landlord from being forfeited or adversely affected because of any default under the Lease as the same would have been if done and performed by the landlord.

5. Tenant acknowledges that Landlord will execute and deliver to Lender an assignment of the Lease as security for said loan, and Tenant hereby expressly consents to such assignment.
6. Landlord and Tenant hereby certify to Lender that the Lease has been duly executed by Landlord and Tenant and is in full force and effect, that the Lease and any modifications and amendments specified herein are a complete statement of the agreement between Landlord and Tenant with respect to the leasing of the Demised Premises, and the Lease has not been modified or amended except as specified herein; that to the knowledge of Landlord and Tenant, no party to the Lease is in default thereunder; that no rent wider to the Lease has been paid more than thirty (30) days in advance of its due date; and that Tenant, as of this date, has no charge, lien or claim of offset under the Lease, or otherwise, against the rents or other charges due or to become due thereunder.
7. Unless and except as otherwise specifically provided herein, any and all notices, elections, approvals, consents, demands, requests and responses thereto ("Communications") permitted or required to be given under this Agreement shall be in writing, signed by or on behalf of the party giving the same, and shall be deemed to have been properly given and shall be effective upon the earlier of receipt thereof or deposit thereof in the United States mail, postage prepaid, certified with return receipt requested, to the other party at the address of such other party set forth hereinbelow or at such other address within the continental United States as such other party may designate by notice specifically designated as a notice of change of address and given in accordance herewith; provided, however, that the time period in which a response to any Communication must be given shall commence on the date of receipt thereof, and provided further that no notice of change of address shall be effective with respect to Communications sent prior to the time of receipt thereof. Receipt of Communications hereunder shall occur upon actual delivery whether by mail, telecopy transmission, messenger, courier service, or otherwise, to an individual party or to an officer or general or limited partner of a party or to any agent or employee of such party at the address of such party set forth hereinbelow, subject to change as provided hereinabove. An attempt delivery in accordance with the foregoing, acceptance of which is refused or rejected, shall be deemed to be and shall constitute receipt; and an attempted delivery in accordance with the foregoing by mail, messenger, or courier service (whichever is chosen by the sender) which is not completed because of changed address of which no notice was received by the Lender in accordance with this provision prior to the sending of the Communication shall also be deemed to be and constitute receipt. Any Communication, if given to Lender, must be addressed as follows, subject to change as provided hereinabove and, if given to Tenant, must be addressed as follows, subject to change as provided hereinabove:

EQUINIX, INC.
[*], Suite C
Ashburn, Virginia 20147
Attention: Branch Manager

and, if given to landlord, shall be addressed as follows:

Laing Beaumeade, Inc.
5901 B Peachtree Dunwoody Road, Suite 555
Atlanta, Georgia 30328
Attention: Robert K. Stubbs, Esq.

8. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, successors-in-title and assigns. When used herein, the term "landlord" refers to Landlord and to any successor to the interest of Landlord under the Lease.

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

LENDER:

By: _____

Title: _____

[BANK SEAL]

TENANT: EQUINIX, INC.,
a California corporation

By: _____

Title: _____

Attest: _____

Title: _____

LANDLORD: LAING BEAUMEADE, INC.,
a Georgia corporation

By: _____

Title: _____

Attest: _____

Title: _____

EXHIBIT "J"

LANDLORD'S APPROVED GENERAL CONTRACTOR LIST

1. Fox Seko, 485 Spring Park Place, Herndon, Virginia 22071; telephone 703/904-2700; contract Jeff Roberts
2. Fisher and Strachan, 11820 Coakley Circle, Rockville, Maryland 20852; telephone 301/881-6797; contact Richard Strachan
3. J. R. Austin Co., 4981 Montgomery Lane, Bethesda, Maryland 20814; telephone 301/657-7600; contact Scott Austin
4. Kfoury Construction Group, 11307 Sunset Hills Road, Reston, Virginia 22090; telephone 703/736-100; contact Jeff Martello
5. The Leapley Company, 1724 Kalorama Road, N.W., Washington, D.C. 20009; telephone 202/483-1800; contact Dennis Leapley
6. G & F Associates, 3920 University Drive, Fairfax, Virginia 22030; telephone 703/293-7000; contact Mark Geminyani
7. R. W. Murray Co., 4511-A Daly Drive, Chantilly, Virginia 20151; telephone 703/818-0980; contact Chuck Loving
8. K. F. Brumback Construction Corporation, 323 Seneca Road, Great Falls, Virginia 22066; telephone 703/450-2725; contact Ken Brumback
9. Minkoff Company, Inc., 5223 River Road, Bethesda, Maryland 20816; telephone 301/652-8711; contact Jim Lippert
10. Tucon Construction, 105 Executive Drive, Suite 200, Dulles, Virginia 20166; telephone 703/478-3500; contact Scott Houston
11. Willett Custom Printing and Construction, Inc., P.O. Box 244, Port Tobacco, Maryland 20677; telephone 301/645-9638; contact Chris Willett

EXHIBIT "K"

Special Tenant Requirements

Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be included as part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Exhibit to the Lease shall be construed to mean the Lease (and all exhibits thereto), as amended and

supplemented by the Exhibit. All terms not otherwise defined in the Exhibit shall have the same meanings as set forth in the Lease.

1. Use.

1.1 Tenant's Use of Premises and Buildings and Land. Tenant is

permitted (a) to construct, maintain, operate and repair electronic, transmitting and receiving equipment and supporting structures on the Premises, including the roof of the Building, (b) to construct, maintain, operate and repair an equipment room on the Premises, including the construction of an upgraded fire suppression system which shall be a dry pipe, pre-action water based system and Tenant reserves the right to install an environmentally approved, gas, fire suppression system, (c) to install, upgrade, maintain, operate, and repair utility lines, transmission lines, and telecommunications conduit and cabling (collectively, the "Conduits") in such locations on the Building and Land as set forth in plans and specifications, which shall be subject to Landlord's approval which shall not be unreasonably withheld, conditioned or delayed, (d) reasonable ingress and egress over existing roadways on the Land for Tenant's truck and other vehicles, to maintain Tenant's equipment, and the Conduits (collectively, "Equipment"). The Equipment shall include, without limitation, the antenna, batteries, uninterruptible power supply and such other equipment necessary thereto. Tenant shall have access to and use of Premises, the Building and Land and the Conduits, 24 hours per day, 365 days per year.

1.2 Tenant's Use of Conduit Ducts. Tenant shall have the right to

install, maintain, operate and repair the Conduits in any of Landlord's conduit ducts located on the Building and Land, so long as Tenant's use of the Conduits does not interfere with Landlord's use of Landlord's conduit ducts located on the Building and Land, if required for provisioning of any utility service provider to the building. Tenant will install separate conduit where applicable.

2. Compliance With Law. Nothing contained in this Exhibit shall in any

way limit or negate Tenant's obligation to comply with laws in accordance with the terms of the Lease.

3. Initial Installation and Testing. Tenant shall have the right, at

Tenant's sole cost and expense, at any time following the execution of this Lease by Tenant in a form mutually acceptable to Landlord and Tenant, to enter upon the Building and Land and to carry out any tests, inspections, pre-installation activities on the Building and Land as necessary for the construction and installation of the Equipment, including without limitation, engineering and environment surveys, physical inspections, soil test borings, and underground trenching. Immediately following the completion of such tests, inspections, or pre-installation activities, Tenant shall, at Tenant's sole cost and expense, repair any damage to the Building and Land

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caused by such inspections or pre-installation activities, including re-paying and re-landscaping any affected areas of the Building and Land. Any such entry onto the Building and Land prior to the Commencement Date of the Lease shall be on all of the terms and provisions of the Lease, expected for Tenant's obligation to pay rent.

4. Equipment Ownership Surrender. The Equipment shall be the property

of and owned by Tenant throughout the Lease Term, and shall in all event be deemed trade fixtures, even if affixed to the Premises or Building or Land. On or before the Expiration Date or earlier termination of this Lease. Tenant shall remove its Equipment from the Premises and Building and Land and restore the Leased Premises as outlined in Paragraph 13 (n) of this Lease. Landlord hereby expressly waives and releases any and all contractual liens and security interests or constitutional and/or statutory liens and security interests arising by operation of law or under the Lease to which Landlord might now or hereafter be entitled on any of the Equipment, Tenant's HVAC Unit or Tenant's Generator. Landlord further agrees that the Equipment, Tenant's HVAC Unit, and Tenant's Generator shall be exempt from execution, foreclosure, sale, levy, attachment, for any Tenant default hereunder, and that the Equipment, Tenant's HVAC Unit, and Tenant's Generator may be removed at any time from the Premises or the Building and Land by Tenant.

5. Emergency Power Generator. Tenant shall have the right, at any time

during the Lease Term, at Tenant's option and at Tenant's sole cost and expense: (a) install and emergency power generators ("Tenant's Generator") on the Leased Premises as noted on Exhibit A, in such location as reasonably approved by Landlord, to provide back-up emergency power for the Equipment and for Tenant's HVAC Unit, and (b) store fuel, above ground, on the Premises or elsewhere as noted in Exhibit A, in such locations as reasonably approved by Landlord, in such amounts as Tenant reasonably determines necessary for Tenant's Generator.

6. No Interference: Relocation.

6.1 No Interference. Neither Landlord nor any of Landlord's agents, employees, or contractors (collectively, the "Landlord Parties") shall interfere in any way with the Equipment or with Tenant's access to the Equipment and Antennas, the Conduits, Tenant's HVAC Unit, or Tenant's Generator (the "Interference"). Landlord agrees that prior to Landlord's carrying out any construction, maintenance or repair activities on the Land in the vicinity of, the Antennas, the Conduits, Tenant's HVAC Unit, or Tenant's Generator (if such are not located within the Premises), Landlord shall provide three (3) days' prior written notice of Landlord's or Landlord Parties' intent to carry out such construction, maintenance or repair work including the date, time and location in which such work will take place. Tenant shall have the right to monitor and inspect such work will take place. Tenant shall have the right to monitor and inspect such work at Tenant's own risk, and at Tenant's sole cost and expense. Landlord and Landlord's Parties shall exercise all due care in carrying out such work. Landlord shall use reasonable efforts to immediately notify the Tenant's designated contact person by telephone or facsimile in the event of Landlord's actual knowledge of fire, power failure, bomb threats, or other unplanned events which could adversely impact Tenant's operations.

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6.2 Remedies. Upon written notice from Tenant, stating with

specificity that Landlord or one or more of the Landlord Parties is creating an Interference in violation of Section 6.1 above, Landlord shall take immediately all necessary measures at Landlord's sole cost and expense to eliminate the Interference, including, hiring agents to work extended hours, until the Interference is eliminated.

6.3 Relocation. In no event shall Landlord relocate Tenant or the Equipment to other premises, or require Tenant to relocate its Equipment for any length of time to any other location, either in or on the Building or Land or elsewhere.

7. Co-Location. Landlord acknowledges that Tenant's business to

be conducted on the Premises requires the installation on the Premises of certain communications equipment by certain licenses and customers of Tenant (collectively, "Customers") in order for such Customers to interconnect with Tenant's terminal facilities or to permit Tenant to manage or operate such Customer's equipment, or otherwise as may be required pursuant to applicable statutes and regulations. Notwithstanding anything to the contrary contained in the Lease, Landlord hereby consents in advance to any sublease, license agreements, "co-location agreement" or similar agreement (collectively, "Customer License") between Tenant and such a Customer of the limited purpose of permitting such arrangements as described above. The effectiveness of such advance consent to a particular Customer License is conditioned upon such Customer License being in writing and consistent with the provisions of this Lease (although Tenant will only be required to provide Landlord a copy of the executed Customer License if the Landlord requests it in writing).

8. Sound Control. Tenant is responsible for taking the necessary

measures to reduce the sound transmissions caused by the Equipment. In addition, Tenant's Generator shall be installed in a weatherproof, walk-around type, sound attenuating enclosure which shall limit the sound to no more than 85 dBA as measured at three (3) feet from any side, top or bottom, under all operating conditions.

9. Confidentiality. Landlord shall keep all Confidential

Information of Tenant confidential. For the purposes of this Lease, "Confidential Information" includes any data or information pertaining to Tenant or Tenant's business, regardless of medium, that is provided by Tenant to Landlord, including Tenant's plans and specifications or electrical power requirements, site plans, or copies of any such information, but excludes any information (a) approved in writing by Tenant for releases to third parties, (b) that Landlord possesses independently of Tenant, or (c) that Tenant places in the public domain.

10. Indemnity. Tenant agrees that Paragraph 10 (c) of the Lease

pertains to this Exhibit.

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LANDLORD:

WITNESS:

Laing Beaumeade, Inc.
a Georgia corporation

_____ By: [signature illegible] (SEAL)

Its: _____

TENANT:

WITNESS

Equinix, Inc.
a Delaware corporation

_____ By: /s/ Jay S. Adelson (SEAL)

Its: CTO

WITNESS:

_____ By: /s/ Albert M. Avery (SEAL)

Its: CEO

CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY
WITH THE SECURITIES AND EXCHANGE COMMISSION.
AMERICAN INDUSTRIAL REAL ESTATE ASSOCIATION

STANDARD INDUSTRIAL/COMMERCIAL SINGLE-TENANT LEASE--NET
(Do not use this form for Multi-Tenant Buildings)

1. Basic Provisions ("Basic Provisions")

1.1 Parties: This Lease ("Lease"), dated for reference purposes only June 10, 1999, is made by and between ROSS VENTURES II, INC., a California corporation ("Lessor") and EQUINIX, INC., a California corporation ("Lessee"), (collectively the "Parties," or individually a "Party").

1.2 Premises: That certain real property, including all improvements therein or to be provided by Lessor under the terms of this Lease, and commonly known as [*], San Jose, located in the County of Santa Clara, State of California and generally described as (describe briefly the nature of the property and, if applicable, the "Project", if the property is located within a Project) an industrial/office building of approximately [*] square feet of rentable floor space and land on which same is located, more particularly described in Exhibit "A" hereto, ("Premises"). (See also Paragraph 2 for further provisions.)

1.3 Term: eleven (11) years and six (6) months ("Original Term") commencing [*] ("Commencement Date"), and ending February 28, 2000 ("Expiration Date"). (See also Paragraph 3.)

1.4 Early Possession: Upon execution hereof ("Early Possession Date") (See also Paragraphs 3.2 and 3.3.)

1.5 Base Rent: \$[*] per month ("Base Rent"), payable on the first (1st) day of each month commencing on the Commencement Date continuing for 6 months. (See also Paragraph 4.)

[X] If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See also Paragraph 1 of Addendum.

1.6 Base Rent Paid Upon Execution: \$ _____ as Base Rent for the period _____.

1.7 Security Deposit: See Paragraph 2 of Addendum ("Security Deposit"). (See Paragraph 5.)

1.8 Agreed Use: See Paragraph 5 of Addendum. (See also Paragraph 6.)

1.9 Insuring Party: Lessor is the "Insuring Party" unless otherwise stated herein. (See also Paragraph 8.)

1.10 Real Estate Brokers: (See also Paragraph 15).

(a) Representation: The following real estate brokers (collectively, the "Brokers") and brokerage relationships exist in this transaction (check appropriate boxes):

[] _____ represents Lessor exclusively ("Lessor's Broker");

[X] Commercial Properties Services Company (CPS) represents Lessee exclusively ("Lessor's Broker"); or

[X] _____ represents both Lessor and Lessee ("Dual Agency").

(b) Payment to Brokers: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Broker the fee agreed to in their separate written agreement.

1.11 Guarantor. The obligations of the Lessee under this Lease are to be guaranteed by N/A ("Guarantor"). (See also Paragraph 37)

1.12 Addenda and Exhibits. Attached hereto is an Addendum or Addenda consisting of Paragraphs ___ through ___ and Exhibit _____, all of which constitute a part of this Lease.

2. Premises.

2.1 Letting. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. Unless otherwise provided herein, any statement of size set forth in this Lease, or that may have been used in calculating rental, is an approximation which the Parties agree is

reasonable and the rental based thereon is not subject to revision whether or not the actual size is more or less.

2.2 Condition. Lessor shall deliver the Premises to Lessee broom clean and free of debris on the Commencement Date or the Early Possession Date, whichever first ("Start Date"). Landlord warrants that the structural elements of the roof, bearing walls and foundation of any buildings on the Premises (the "Building") shall be free of material defects. If a non-compliance with said warranty exists as of the Start Date, Lessor shall, as Lessor's sole obligation with respect to such matter, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify same at Lessor's expense. If, after the Start Date, Lessee does not give Lessor written notice of any non-compliance with this warranty within: (i) one year as to the surface of the roof and the structural portions of the roof, foundations and bearing walls, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense. See "AS IS" Provision in Paragraph 3 of Addendum.

2.3 Compliance. As used in this Lease, "Applicable Requirements" means all applicable laws, covenants, or restrictions of record, building codes, regulations and ordinances in effect on the Start Date.

2.4 Acknowledgements. Lessee acknowledges that: (a) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements), and their suitability for Lessee's intended use, (b) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, and (c) neither Lessor, Lessor's agents, nor any Broker has made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (a) Broker has made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (b) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

3. Term.

3.1 Term. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 Early Possession. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such early possession. All other terms of this Lease, however, (including but not limited to the obligations to pay Real Property Taxes and insurance premiums and to maintain the Premises) shall be in effect during such period. Any such early possession shall not affect the Expiration Date.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

3.3 Delay in Possession. Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Execution Date. If, despite said efforts, Lessor is unable to deliver possession as agreed, Lessee shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until it receives possession of the Premises. If possession is not delivered within sixty (60) days after the Execution Date, Lessee may, at its option, by notice in writing to Lessor within ten (10) days after the end of such sixty (60) day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said ten (10) day period, Lessee's right to cancel shall terminate. Except as otherwise provided, if possession is not tendered to Lessee by the Start Date and Lessee does not terminate this Lease, as aforesaid, any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession of the Premises is not delivered within four (4) months after the Execution Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 Lessee Compliance. Lessor shall not be required to tender possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Commencement Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such receipt of such

evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. Rent.

4.1 Rent Defined. All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 Payment. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. Rent for any period during the term hereof which is for less than one (1) full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating.

5. Security Deposit. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of Lessee's obligations under this Lease. If Lessee fails to pay Rent after any applicable cure period, or otherwise Breaches under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due Lessor or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of said Security Deposit, Lessee shall within ten (10) days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within fourteen (14) days after the expiration or termination of this Lease, if Lessor elects to apply the Security Deposit only to unpaid Rent, and otherwise within thirty (30) days after the Premises have been vacated pursuant to Paragraph 7.4(c) below, Lessor shall return to that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. Use.

6.1 Use. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs owners and/or occupants of, or causes damage to neighboring properties. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements on the Premises or the mechanical or electrical systems therein, is not significantly more burdensome to the Premises. If Lessor elects to withhold consent, Lessor shall within five (5) business days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in use. See Paragraph 5, Addendum)

6.2 Hazardous Substances.

(a) Reportable Uses Require Consent. The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substance shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding

the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used by Lessee in the normal course of the Agreed Use, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring properties to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination or injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or earlier termination) of protective modifications and/or increasing the Security Deposit.

(b) Duty to Inform Lessor. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which is has concerning the presence of such Hazardous Substance.

(c) Lessee Remediation. Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) Lessee Indemnification. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, permits and attorney's and consultant's fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from adjacent properties). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or earlier termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) Lessor Indemnification. Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which existed as a result of Hazardous Substances on the Premises prior to the Start Date or which are caused by the negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) Investigations and Remediations. Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdictions with respect to the existence of Hazardous Substances on the Premises prior to the Start Date, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises,

in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's Investigative and remedial responsibilities.

(g) Lessor Termination Option. If a Hazardous Substance Condition occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13). Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds \$2,000,000.00 given written notice to Lessee, within thirty (30) days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date sixty (60) days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within ten (10) days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the

cost of the remediation of such Hazardous Substance Condition \$2,000,000.00. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within thirty (30) days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 Lessee's Compliance with Applicable Requirements. Except as otherwise provided in this Lease, Lessee, shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the reasonable recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Start Date. Lessee shall, within ten (10) days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving failure of Lessee or the Premises to comply with any Applicable Law.

6.4 Inspection; Compliance. Lessor and Lessor's "Lender" (as defined in Paragraph 30 below) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a contamination is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspections, so long as such inspection is reasonably related to the violation or contamination. Notwithstanding the foregoing, Lessor shall not be allowed to enter the Premises without providing Lessee with at least twenty-four (24) hours prior notice and being escorted by one or Lessee's representatives, except in case of an emergency.

7. Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.

7.1 Lessee's Obligations.

(a) In General. Subject to the provisions of Paragraph 2.2 (Condition), 6.3 (Lessor's Compliance with Applicable Requirements), 7.2 (Lessor's Obligations), 9 (Damage and Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole cost and expense, keep the Premises, Utility Installations, and Alterations in good order, condition and repair (whether or not such portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, heating, air conditioning, electrical, lighting facilities, boilers, pressure vessels, fire protection system, fixtures, walls (interior and exterior), foundations, ceilings, roofs, floors, windows, doors, plate glass, skylights, landscaping, driveways, parking lots, fences, retaining walls, signs, sidewalks and parkways located in, on, about, or adjacent to the Premises. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair. Lessee shall, during the term of this Lease, keep the exterior appearance of the Building in a first-class condition consistent with the exterior appearance of other similar facilities of comparable age and size in the vicinity, including, when necessary, the exterior repainting of the Building.

(b) Service Contracts. Lessee shall, at Lessee's sole cost and expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) fire sprinkler systems, including fire alarm and/or smoke detection, (iii) landscaping and irrigation systems, (iv) roof covering and drains, (v) driveways and parking lots, (vi) basic utility feed to the perimeter of the Building, if reasonably required by Lessor.

7.2 Lessor's Obligations. Subject to the provisions of Paragraphs 2.2 (Condition), 9 (Damage or Destruction) and 14 (Condemnation), it is intended by the Parties hereto that Lessor have no obligation, in any manner whatsoever, to repair and maintain the Premises, or the equipment therein, all of which obligations are intended to be that of the Lessee. It is the intention of the Parties that the terms of this Lease govern the respective obligations of the

Parties as to maintenance and repair of the Premises and they expressly waive the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 Utility Installations; Trade Fixtures; Alterations.

(a) Definitions; Consent Required. The term "Utility Installations" refers to all floor and window coverings, air lines, power panels, electrical distribution, security, fire protection systems, communication systems, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a). Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Utility Installations to the interior of the Premises (excluding the roof), without such consent but not upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing walls, and the cumulative cost thereof during the term of this Lease as extended does not exceed \$50,000 in the aggregate or \$10,000 in any one year. See Paragraph 4 Addendum.

(b) Consent. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consents shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount equal to the quarter of one month's Base Rent, or \$10,000, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to one and one-half times the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor. See Paragraph 4 Addendum.

(c) Indemnification. Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanics' or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than ten (10) days' notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to one and one-half times the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. In Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 Ownership; Removal; Surrender; and Restoration.

(a) Ownership. Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be owner of all or any specified part of the Lessee Owned Alterations, and Utility Installations. Unless otherwise instructed per Paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or earlier termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises. See Paragraph 4 of Addendum.

(b) Removal. By delivery to Lessee of written notice from Lessor not earlier than ninety (90) and not later than thirty (30) days prior to the end of the term of this Lease. Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or

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termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent. See Paragraph 4 of Addendum.

(c) Surrender/Restoration. Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear, casualty, condemnation, and damage attributable to the willful misconduct or

negligence of Lessor, its agents, employees and contractors, and damage attributable to Lessor's default hereunder excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee Owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee, and the removal, replacement, or remediation of any soil, material or groundwater contaminated by Lessee. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. Insurance; Indemnity.

8.1 Payment For Insurance. Lessee shall pay for all insurance required under Paragraph 8. Premiums for policy periods commencing prior to or extending beyond the Lease term shall be prorated to correspond to the Lease term. Payment shall be made by Lessee to Lessor within ten (10) days following receipt of an invoice.

8.2 Liability Insurance.

(a) Carried by Lessee. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$2,000,000 per occurrence with an "Additional Insured-Managers or Lessors of Premises Endorsement" and contain the "Amendment of the Pollution Exclusion Endorsement" for damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. All insurance to be carried by Lessee shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

8.3 Property Insurance-Building, Improvements and Rental Value.

(a) Building and Improvements. The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor, with loss payable to Lessor, any groundlessor, and to any Lender(s) insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full replacement cost of the Premises, as the same shall exist from time to time, but not less than the amount required by Lenders, but in no event more than the commercially reasonable and available insurable value thereof. If Lessor is the Insuring Party, however, Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee under Paragraph 8.4 rather than by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage the perils of flood and/or earthquake, if desired by Lessor, including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$1,000 per occurrence, and Lessee shall be liable for such deductible amount in the event of an Insured Loss. Lessor shall use insurance proceeds as necessary, to rebuild the Premises, unless this Lease is terminated pursuant to Paragraph 9 hereof.

(b) Rental Value. The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor, with loss payable to Lessor and Lender, insuring the loss of the full Rent for one (1) year. Said insurance shall provide that in the event the Lease is terminated by reason of an insured loss, the period of indemnity for such coverage shall be extended beyond the date of the completion of repairs or replacement of the Premises, to provide for one full year's loss of Rent from the date of any such loss. Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next twelve (12) month period. Lessee shall be liable for any deductible amount in the event of such loss.

8.4 Lessee's Property/Business Interruption Insurance. ** subject to its Lender's rights therein and as Lessee otherwise elects.

(a) Property Damage. Lessee shall obtain and maintain insurance

coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$25,000 per occurrence. The proceeds from any such insurance shall be used by Lessee** for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) Business Interruption. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(c) No Representation of Adequate Coverage. Lessor makes no representation that the limits or forms of coverage of insurance specified therein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 Insurance Policies. Insurance required hereunder shall be in companies duly licensed to transact business in the state where the Premises are located, and maintaining during the policy term a "General Policyholders Rating" of at least B+, V, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after thirty (30) days prior written notice to Lessor. Lessee shall, at least thirty (30) days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not be limited by the amount of insurance carried or required, or by any deductibles applicable thereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 Indemnity. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, permits, attorney's and consultant's fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 Exemption of Lessor from Liability. Lessor shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, tire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, weather the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building of which the Premises are a part, or from other sources or places. Lessor shall not be liable for any damages arising from any act or neglect of any other tenant of Lessor. Notwithstanding Lessor's negligence or breach of this Lease, Lessor shall under no circumstances be liable for injury of Lessee's business or for any loss of income or profit therefrom.

9. Damage or Destruction.

9.1 Definitions.

(a) "Premises Partial Damage" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in six (6) months or less from the date of the of the damage or destruction. Lessor shall notify Lessee in writing within thirty (30) days from the date of the damage or destruction as to

whether or not the damage is Partial or Total.

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(b) "Premises Total Destruction" shall mean damage or destruction to the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in six (6) months or less from the date of the damage or destruction. Lessor shall notify Lessee in writing within thirty (30) days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) "Insured Loss" shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits Involved.

(d) "Replacement Cost" shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable building codes, ordinances or laws, and without deduction for depreciation.

(e) "Hazardous Substance Condition" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance as defined in Paragraph 6.2(a), in, on, or under the Premises.

9.2 Partial Damage-Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$10,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds (except as to the deductible which is Lessee's responsibility) as and when required to complete said repairs. In the event, however, the shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within ten (10) days following receipt of written notice of such shortage and request therefore. If Lessor receives said funds or adequate assurance thereof within said ten (10) day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within ten (10) days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or have this Lease terminate thirty (30) days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage-Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within thirty (30) days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective sixty (60) days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within ten (10) days after the receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within thirty (30) days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible and the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate sixty (60) days following the date of such Destruction. If the damage or destruction was caused by the gross negligent or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as released and waived in

Paragraph 8.6.

9.5 Damage Near End of Term. If at any time during the last six (6) months of this Lease there is damage for which the cost to repair exceeds one (1) month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective sixty (60) days following the date of occurrence of such damage by giving a written termination notice to Lessee within thirty (30) days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is ten days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during the period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Abatement of Rent; Lessee's Remedies.

(a) Abatement. In the event of Premises Partial Damage or Premised Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) Remedies. If Lessor shall be obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within ninety (90) days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than sixty (60) days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within thirty (30) days thereafter, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 Termination--Advance Payments. Upon termination of this Lease pursuant to this Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

9.8 Waive Statutes. Lessor and Lessee agree that the terms of this Lease shall govern the effect of any damage to or destruction of the Premises with respect to the termination of this Lease and hereby waive the provisions of any present or future statute to the extent inconsistent herewith.

10. Real Property Taxes.

10.1 Definition of "Real Property Taxes." As used herein, the term "Real Property Taxes" shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or level against any legal or equitable interest of Lessor in the Premises, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Building address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Premises are located. The term "Real Property Taxes" shall also include tax, fee, levy, assessment or charge, or any license therein, imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Premises.

10.2 (a) Payment of Taxes. Lessee shall pay the Real Property Taxes applicable to the Premises during the term of this Lease. Subject to Paragraph 10.2(b), all such payments shall be made at least ten (10) days prior to the delinquency date. Lessee shall promptly furnish Lessor with satisfactory evidence that such taxes have been paid. If any such taxes shall cover any period of time prior to or after the expiration or termination of this Lease, Lessee's share of such taxes shall be prorated to cover only the portion of the tax bill applicable to the period that this Lease is in effect, and Lessor shall reimburse Lessee for any overpayment. If Lessee shall fail to pay any required Real Property Taxes, Lessor shall have the right to pay the same, and Lessee

shall reimburse Lessor therefor upon demand.

(b) Advance Payment. In the event Lessee incurs a late charge on any Rent payment, Lessor may, at Lessor's option, estimate the current Real Property Taxes, and require that such taxes be paid in advance to Lessor by Lessee, either: (i) in a lump sum amount equal to the installment due, at least twenty (20) days prior to the applicable delinquency date, or (ii) monthly in advance with the payment of the Base Rent. If Lessor elects to require payment monthly in advance, the monthly payment shall be an amount equal to the amount of the estimated installment of taxes divided by the number of months remaining before the month in which said installment becomes delinquent. When the actual amount of the applicable tax bill is known, the amount of such equal monthly advance payments shall be adjusted as required to provide the funds needed to pay the applicable taxes. If the amount of collected by Lessor is insufficient to pay such Real Property Taxes when due, Lessee shall pay Lessor, upon demand, such additional sums as are necessary to pay such obligations. All moneys paid to Lessor under this Paragraph may be intermingled with other moneys of

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Lessor and shall not bear interest. In the event of a Breach by Lessee in the performance of its obligations under this Lease, then any balance of funds paid to Lessor under the provisions of this Paragraph may at the option of Lessor, be treated as an additional Security Deposit.

10.3 Joint Assessment. If the Premises are not separately assessed, Lessee's liability shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be conclusively determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available.

10.4 Personal Property Taxes. Lessee shall pay, prior to delinquency, all taxes assessed against and levied upon Lessee Owned Alterations, Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee. When possible, Lessee shall such property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said personal property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within ten (10) days after receipt of a written statement.

11. Utilities. Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. If any such services are not separately metered to Lessee, Lessee shall pay a reasonable proportion, to be determined by Lessor, of all charges jointly metered. (All subject to Paragraphs 6 through 6.3 of Exhibit "A" to Addendum hereto.)

12. Assignment and Subletting. (All subject to Paragraph 10 of Exhibit "A" to Addendum hereto)

12.1 Lessor's Consent Required.

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or otherwise transfer or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) A change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of twenty-five percent (25%) or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than twenty-five percent (25%) of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon thirty (30) days written notice, increase the monthly Base Rent to one hundred ten percent (110%) of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held

by Lessee shall be subject to similar adjustment to one hundred ten percent (110%) of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to One Hundred Ten Percent (110%) of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

12.2 Terms and Conditions Applicable to Assignment and Subletting.

(a) Regardless of Lessor's consent, any assignment or subletting shall not: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept any Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for the Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach of Lessee, Lessor may proceed directly against Lessee, any Guarantors or any one else responsible for the performance of the Lessee's obligations under this Lease, including the sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefor to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises. If any, together with a fee of \$1,000, as consideration for Lessor's consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested.

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment or entering into such sublease, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented in writing.

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. Lessor shall not, by reason of the foregoing or any other assignment of such sublease, nor by reason of the collection of the Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee.. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor the Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under the sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by

Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or rules under this Lease. A "Breach" is defined as the occurrence of any one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of five (5) business days following written notice to Lessee.

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(c) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized or subletting, (iv) a Tenancy Statement, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 42 (easements), or (viii) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of ten (10) days following written notice to Lessee.

(d) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 40 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of thirty (30) days after written notice; provided, however, that if the nature of Lessee's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

(e) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. (S) 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within sixty (60) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not within thirty (30) days; provided; however, in the event that any provision of this subparagraph (e) is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(f) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

13.2 Remedies. If Lessee fails to perform any affirmative duties or obligations, within ten (10) days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of a reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by Lessor shall be due and payable by Lessee upon receipt of invoice therefor. If any check given to Lessor by Lessee shall not be honored by the bank upon which it is drawn, Lessor, at its option, may require all future payments to be made by Lessee to be made only by cashier's check. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of

award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent (1%). Efforts by Lessor to mitigate damages caused by Lessee's Default or Breach of this Lease shall not waive Lessor's right to recover damages under this Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding the unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraphs 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the required by Paragraphs 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as It becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's rights to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions" shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee to Lessor of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within ten (10) days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall pay to Lessor a one-time late charge equal to five percent (5%) of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within thirty (30) days following the date on which it was due for non-scheduled payment, shall bear interest from the date when due, as to scheduled payments, or the thirty-first (31st) day after it was due as to non-scheduled payments. The interest ("Interest") charged shall be equal to the prime rate reported in the Wall Street Journal as published closest prior to the date when due is plus four percent (4%), but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 Breach by Lessor.

(a) Notice of Breach. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than thirty (30) days after receipt by Lessor, and any lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than thirty (30) days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such thirty (30) day period and thereafter diligently pursued to completion.

(b) Performance by Lessee on Behalf of Lessor. In the event that neither Lessor nor Lender cures said breach within thirty (30) days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent and amount equal to the greater of one month's Base Rent or the Security Deposit, and to pay an excess of such expense under protest, reserving Lessee's right to reimbursement from Lessor. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than ten percent (10%) of any building portion of the premises, or more than twenty-five percent (25%) of the land area portion of the premises not occupied by any building, is taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within ten (10) days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold,

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the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokers Fee.

15.1 Deleted

15.2 Deleted

15.3 Representations and Indemnities of Broker Relationships. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with the Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend, and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "Responding Party") shall within ten (10) business days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "Tenancy Statement" form published by the American Industrial Real Estate Association plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such ten day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting

Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrances may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance up to four (4) times in any given twelve (12) month period or sell the Premises, or any part thereof, Lessee and all Guarantors shall deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past three (3) years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Definition of Lessor. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Except as provided in Paragraph 15, upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined. Notwithstanding the above, the subject to the provisions of Paragraph 20 below, the original Lessor under this Lease, and all subsequent holders of the Lessor's interest in this Lease shall remain liable and responsible with regard to the potential duties and liabilities of Lessor pertaining to Hazardous Substances as outlined in Paragraph 6 above.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of an other provision hereof.

19. Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

20. Limitation on Liability. Subject to the provisions of Paragraph 17 above, the obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, the individual partners of Lessor or its or their individual partners, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against the individual partners of Lessor, or its or their individual partners, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. No Prior or Other Agreements; Broker Disclaimer. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Broker that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to the Lease and as to the nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party. The liability (including court costs and Attorneys' fees), of any Broker with respect to negotiation, execution, delivery or performance by either Lessor or Lessee under this Lease or any amendment or modification hereto shall be limited to an amount up to the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

23. Notices.

23.1 Notice Requirements. All notices required or permitted by this Lease shall be in writing and may be delivered in person (by hand or by courier) or may be sent by, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. Notices delivered by United States Express Mail or overnight courier that guarantee next

day delivery shall be deemed given twenty-four (24) hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt, provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. Waivers. No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent. The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

25. Recording. Either Lessor or Lessee shall, upon request of the other, execute, acknowledge and deliver to the other a short form memorandum of this Lease for recording purposes. The Party requesting recordation shall be responsible for payment of any fees applicable thereto.

26. No Right To Holdover. Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or earlier termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to one hundred twenty-five percent (25%) of the Base Rent applicable during the month immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. Covenants and Conditions; Construction of Agreement. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In consulting this Lease, all headings and titles are for the convenience of the parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the parties, but rather according to its fair meaning as a whole, as if both parties had prepared it.

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29. Binding Effects; Choice of Law. This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. Subordination; Attornment; Non-Disturbance.

30.1 Subordination. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed by upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "Lessor's Lender") shall have no liability or obligation to perform any of the obligations of Lessee under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 Attornment. Subject to the non-disturbance provision of Paragraph 30.3, Lessee agrees to attorn to a Lender or any other party who acquires ownership of the Premises by reason of a foreclosure of a Security Device, and that in the event of such foreclosure, such new owner shall not: (i) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership, (ii) be subject to any offsets or defenses which Lessee might have against any prior lessor, or (iii) be bound by prepayment of more than one month's rent.

30.3 Non-Disturbance. With respect to Security Devices now existing or hereafter entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable agreement (a "Non-Disturbance Agreement") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and

this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within sixty (60) days after the execution of this Lease, Lessor shall use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said sixty (60) days, then Lessee may, at Lessee's option, directly contact Lessor's lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 Self-Executing. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided however, that, upon written request from Lessor or a Lender or Lessee in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any such subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. Attorney's Fees. If any Party brings an action or proceeding involving the Premises to enforce the terms hereof or declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorney's fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "Prevailing Party" shall include, without limitation, a Party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party of its claim or defense. The attorney's fee award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorney's fees reasonably incurred. In addition, Lessor shall be entitled to attorney's fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach.

32. Lessor's Access; Showing Premises; Repairs. Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times (subject to last sentence of Section 6.4 above) for the purpose of showing the same to prospective purchasers, lenders, or lessees, and making such alterations, repairs, improvements or additions to the Premises as Lessor may reasonably deem necessary. All such activities shall be without abatement of rent or liability to Lessee may at any time place on the Premises any ordinary "For Sale" signs and Lessor may during the last six (6) months of the term hereof place on the Premises any ordinary "For Lease" signs. Lessee may at any time place on or about the Premises any ordinary "For Sublease" sign.

33. Auctions. Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard reasonableness in determining whether to permit an auction.

34. Signs. Except for ordinary "For Sublease" signs, Lessee shall not place any sign upon the Premises without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. Termination; Merger. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all of any existing subtenancies. Lessor's failure within ten (10) days following any such event to elect to the contrary by written notice to the holder of any lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. Consents. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' or other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgement that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests for reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within ten (10) business days following such request.

37. Guarantor. deleted

37.1 deleted.

37.2 deleted.

38. Quiet Possession. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. Options.

39.1 Definition. "Option" shall mean: (a) the right to extend the term of or renew this Lease or to extend or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase or the right of first refusal to purchase the Premises or other property of Lessor. See Option to Extend Addendum - Attached.

39.2 Options Personal To Original Lease. Each Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 Multiple Options. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 Effect of Default on Options.

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid monetary (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given three (3) or more notices of monetary Default, whether or not the Defaults are cured, during the twelve (12) month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term, (i) Lessee fails to pay Rent for a period of thirty (30) days after such Rent becomes due (without any necessity of Lessor to give notice thereof), (ii) Lessor gives to Lessee three (3) or more notices of monetary Default during any twelve month period, whether or not the Defaults are cured, or (iii) if Lessee commits a Breach of this Lease.

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40. Multiple Buildings. deleted.

41. Security Measures. Lessee hereby acknowledges that the rental payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees, and their property from the acts of third parties.

42. Reservations. Lessor reserves to itself the right, from time to time, to grant, without the consent or joinder of Lessee, such easements, rights, and dedications that Lessor deems necessary, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights, dedications, maps, and restrictions do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate any such easement rights, dedication, map or restrictions.

43. Performance Under Protest. If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay.

44. Authority. If either Party hereto is a corporation, trust, limited

partnership company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each party, within thirty (30) days after request, deliver to the other party satisfactory evidence of such authority.

45. Conflict. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

46. Offer. Preparation of this Lease by either Party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed by all Parties hereto.

47. Amendments. This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification.

48. Multiple Parties. If more than one person or entity is named herein as either Lessor or Lessee, such multiple Parties shall be the joint and several responsibility to comply with the terms of this Lease.

49. Mediation and Arbitration of Disputes. An Addendum requiring the Mediation and/or the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease [] is [X] is not attached to this Lease.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATIVE OR RECOMMENDATIONS IS MADE BY THE AMERICAN INDUSTRIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

- 1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL TAX CONSEQUENCES OF THIS LEASE.
- 2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES, SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES IS LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE STATE IN WHICH THE PREMISES IS LOCATED.

The parties hereto have executed this Lease at the place on the dates specified above to their respective signatures.

Executed at Cupertino, California on _____	Executed at _____ on _____
by LESSOR:	by LESSEE:
ROSE VENTURES II, INC., -----	EQUINIX, INC. -----
a California corporation -----	a California corporation -----

By: /s/ Stephen P. Diamond -----	By: _____
Name Printed: Stephen P. Diamond Title: President -----	Name Printed: Title:

By: _____	By: /s/ [signature illegible] -----
Name Printed: _____ Title: _____ Address: _____ Telephone: (408) 247-1111 -----	Name Printed: _____ Title: _____ Address: _____ Telephone: () _____ -----
Facsimile: (408) 247-8811 -----	Facsimile: () _____
Federal ID No. _____	Federal ID No. _____

NOTE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AMERICAN INDUSTRIAL REAL ESTATE ASSOCIATION, 700 So. Flower Street, Suite 600, Los Angeles, California 90017. (213) 687-8777. Fax No. (213) 687-8616

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OPTION(S) TO EXTEND

STANDARD LEASE ADDENDUM

Dated June 20, 1999

By and Between (Lessor) Rose Ventures II, Inc.

(Lessee) EQUINIX, Inc.

Address of Premises: [*], San Jose, CA

Paragraph 39.1.1

A. OPTION(S) TO EXTEND:

Lessor hereby grants to Lessee the option to extend the term of this Lease for three (3) additional sixty (60) month period(s) commencing when the prior term expires upon each and all of the following terms and conditions:

(i) In order to exercise an option to extend, Lessee must give written notice of such election to Lessor and Lessor must receive the same at least six months prior to the date that the option period would commence, time being of the essence. If proper notification of the exercise of an option is not given and/or received, such option shall automatically expire. Options (if there are more than one) may only be exercised consecutively.

(ii) The provisions of paragraph 39, including those relating to Lessee's Default set forth in paragraph 39.4 of this Lease, are conditions of this Option.

(iii) Except for the provisions of this Lease granting an option or options to extend the term, all of the terms and conditions of this Lease except where specifically modified by this option shall apply.

(iv) This Option is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and without the intention of thereafter assigning or subletting.

(v) The monthly rent for each month of the option period shall be calculated as follows, using the method(s) indicated below:

(Check Method(s) to be Used and Fill In Appropriately)

I. Cost of Living Adjustment(s) (COLA)

a. On (Fill in COLA Dates):

the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): CPI W (Urban Wage Earners and Clerical Workers) or CPI U (All Urban Consumers), for (Fill in Urban Area):

All Items (1982-1984 = 100), herein referred to as "CPI"

b. The monthly rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month two months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is two months prior to (select one): the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or (Fill in Other "Base Month"): _____. The sum so calculated shall constitute the new monthly rent hereunder, but in no event, shall any such new monthly rent be less than the rent payable for the month immediately preceding the rent adjustment.

c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or

shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.

[X] II. Market Rental Value Adjustment(s) (MRV)

a. On (Fill in MRV Adjustment Date(s)) proposed commencement dates of each Option Term following due notice of Lessee's exercise of said Option, the Base Rent shall be adjusted to the "Market Rental Value" of the properly as follows:

1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached, within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next thirty days. Any associated costs will be split equally between the Parties, or

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in writing, to arbitration in accordance with the following provisions:

(i) Within fifteen days thereafter, Lessor and Lessee shall each select an appraiser or broker ("Consultant" - check one) of their choice to act as an arbitrator. The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The three arbitrators shall within thirty days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor's or Lessee's submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) If either of the Parties fails to appoint an arbitrator within the specified fifteen days, the arbitrator timely appointed by one of them shall reach a decision on his or her own, and said decision shall be binding on the Parties.

(iv) The entire cost of such arbitration shall be paid by the party whose submitted MRV is not selected, i.e., the one that is NOT the closest to the actual MRV.

2) Notwithstanding the foregoing, the new MRV shall not be less than the rent payable for the month immediately preceding the rent adjustment.

b. Upon the establishment of each New Market Rental Value:

1) The new MRV will become the new "Base Rent" for the purpose of calculating any further Adjustments, and

2) the first month of each Market Rental Value term shall become the new "Base Month" for the purpose of calculating any further Adjustments.

3) Annual upward adjustments of rent during Option Terms shall be determined when Market Rent Value Adjustments are determined hereunder.

[_] III. Fixed Rental Adjustment(s) (FRA)

The Base Rent shall be increased to the following amounts on the dates set forth below:

On (Fill in FRA Adjustment Date(s)): The New Base Rent shall be:
----- \$ -----
----- \$ -----
----- \$ -----
----- \$ -----

B. NOTICE:

Unless specified otherwise herein, notice of any rental adjustments, other than Fixed Rental Adjustments, shall be made as specified in paragraph 23 of the Lease.

EXHIBIT "A"

All that certain real property situate in the City of San Jose, County of Santa Clara, State of California, described as follows:

Parcel 2, as shown on that certain Parcel Map filed for record on November 16, 1982 in the office of the Recorder of the County of Santa Clara, State of California in Book [*] of Maps at Pages [*] and [*].

Together with the following described "Transfer Area"

Beginning at the most Westerly corner of Parcel 1, as shown on that certain Parcel Map filed for record on November 16, 1982 in Book [*] of Maps at Pages [*] & [*], Santa Clara County Records;

Thence from said Point of Beginning, North 37(degrees) 00' 37" East 150.00 feet along the Northwesterly line of said Parcel 1;

Thence South 52(degrees) 59' 50" East 412.39 feet along a line parallel and 105.00 feet Northeasterly, measured at right angles, to the Southwesterly line of said Parcel 1;

Thence North 37(degrees) 99' 10" East 13.40 feet;

Thence South 52(degrees) 59' 50" East 399.20 feet along a line parallel and 163.40 feet Northeasterly, measured at right angles, to the Southwesterly line of said Parcel 1, to a point in a non-tangent curve in the Southeasterly common boundary between said Parcel 1 and said Parcel 2;

Thence Southwesterly along said non-tangent curve to the right, the center of which bears North 26(degrees) 32' 24" West, having a radius of 3485.00 feet, through a central angle of 3(degrees) 02' 33" for an arc length of 185.05 feet to the most Southerly corner of said Parcel 1;

Thence along said Southwesterly line of said Parcel 1 North 52(degrees) 59' 50" West 724.80 feet to the point of beginning.

Excepting therefrom all that portion thereof as conveyed to the State of California by instrument recorded December 31, 1986 in book [*] at Page [*] of Official Records, being more particularly described as follows:

A portion of Parcel 2 as shown on that certain Parcel Map filed for record in the office of the Recorder of Santa Clara County on November 16, 1982 in Book [*] of Maps, at pages [*] and [*], more particularly described as follows:

Commencing at the Southerly corner of said Parcel 2; thence along the Southwesterly line of said Parcel 2 N. 52(degrees) 59' 50" W., 512.23 feet; thence leaving said line, from a tangent that bears N. 74(degrees) 14' 29" E., along a curve to the left with a radius of 3520.00 feet, through an angle of 8(degrees) 03' 39", an arc length of 495.22 feet to the Northeasterly line of said Parcel 2; thence along last said line S. 52(degrees) 59' 50" E., 240.02 feet to the Southeasterly line of said Parcel 2; thence along last said line S. 36(degrees) 50' 07" W., 414.00 feet to the point of commencement.

And Excerpting therefrom that portion of land as granted to the State of California by Deed filed for record in the office of the Recorder for the County of Santa Clara on December 10, 1992 in Book M [*] at Page [*] Official Records, and being more particularly described as follows:

Being a portion of Parcel 2, as shown on that certain Parcel Map filed for record on November 16, 1982 in Book [*] of Maps at Pages [*] and [*], Santa Clara County Records, described as follows:

Beginning at the most Westerly corner of that certain 64.00 foot wide Parcel of land shown as "[*] to be dedicated" on said Parcel Map; thence from said Point of Beginning along the Southwesterly line of said 64.00 foot wide Parcel S. 52(degrees) 23' 23" E. 55.12 feet to the most Northerly corner of Parcel 3, as shown on said Parcel Map; thence leaving said Southwesterly line along the Northwesterly line of said Parcel 3 from a tangent bearing of S. 60(degrees) 26' 43" W. along a curve to the right with a radius of 3519.83 feet through a central angle of 0(degrees) 25' 29" for an arc length of 26.09 feet to a point in a line parallel with and distant Southwesterly 24.00 feet, measured at right angles, from said Southwesterly line; thence along said parallel line N. 52(degrees) 23' 23" W. 44.91 feet to a point on the general Southwesterly line of Parcel 1 as shown on said Parcel Map; thence leaving said parallel line along said Southwesterly line N. 37(degrees) 36' 37" E. 24.00 feet to the point of beginning.

Addendum to Lease

This is an Addendum to the foregoing Lease dated June 10, 1999, between ROSE VENTURES II, INC., a California Corporation, as Lessor, and EQUINIX, INC., a California Corporation, as Lessee. The provisions of this Addendum shall be in addition to and shall supersede and control any contrary provisions of the foregoing Lease.

1. Rental Adjustments. The initial Base Rent of \$[*] per month

shall commence on the Commencement Date and apply during Months 1 through 6. Thereafter, said base rent shall be adjusted as follows:

- a. \$[*] per month for Months 7-12;
- b. \$[*] per month for Months 13-18;
- c. \$[*] per month for Months 19-24; and
- d. For each 12-month period thereafter, monthly Base Rent shall be adjusted upward by [*] percent ([*]%) of the monthly Base Rent payable in the last month preceding each such 12-month period.

2. Security Deposit. Upon execution hereof, Lessee shall deliver to

Lessor a \$[*] irrevocable standby letter of credit to be held by Lessor as and for a security deposit pursuant to paragraph 5 of the foregoing Lease. Said letter of credit shall be in a standard form reasonably acceptable to Lessor. Lessor may only draw upon said letter of credit to cure a monetary Breach by Lessee which has not been timely cured by Lessee under this Lease. In the event of any draw upon said letter of credit, Lessor shall provide to Lessee a written accounting of the amount of such draw, the Breach to which it has been applied and such Breach shall be deemed cured as of the date of such application, provided that the full amount available originally under said Letter of Credit is restored by Lessee within ten (10) business days after the date of such accounting notice. Upon delivery of proof satisfactory to Lessor that Lessee has constructed, or caused to be constructed, and has paid for, tenant improvements for the building on the leased premises, as previously approved by Lessor, costing at least \$10,000,000.00 in the aggregate, then Lessee may pay Lessor cash in the sum of \$[*] to be held as the Security Deposit under paragraph 5 of the foregoing Lease, and Lessor shall thereupon surrender the letter of credit for cancellation.

3. Lessee Accepts Premises AS IS. Except as otherwise provided in

paragraph 2.2 of the foregoing Lease, Lessee agrees to accept the leased premises and all of the improvements thereon IN THEIR PRESENT "AS IS" CONDITION ON THE DATE OF EXECUTION OF THIS LEASE, AND WITHOUT WARRANTY, EXPRESS OR IMPLIED, FROM THE LESSOR. Lessee acknowledges the importance of, and takes responsibility for, obtaining full and comprehensive inspections of the leased premises and improvements thereon by competent, professional contractors, inspectors and other experts, and affirms Lessee's decision to lease the same is being made in reliance thereon, and not on any representations made by Lessor or Lessor's agent.

4. Lessee-Owned Alterations and/or Utility Installations.

Notwithstanding anything to the contrary contained in paragraphs 7.3 and 7.4 of the foregoing Lease, all Lessee-installed equipment shall remain the property of Lessee and owned by Lessee throughout the Lease term, and any option terms thereafter exercised, and shall be deemed trade fixtures, even if affixed to the leased premises, the building thereon, or the land surrounding said building. In addition, all of the terms and conditions contained in Exhibit "A" hereto, entitled "Special Tenant Requirements," hereby are consented to by Lessor and made a part hereof by reference.

5. Use. In addition to the uses allowed under paragraph 6.1 of the

foregoing Lease, Lessee may use the leased premises for executive and general office use, the installation, operation, modification and maintenance of equipment and facilities in connection with the Lessee's telecommunications businesses and any other legally permitted uses. Other uses allowable include those further described in paragraph sections one (1) through one-point-ten (1.10) on the attached Exhibit "A" entitled "Special Tenant Requirements," including but not limited to use of conduits, fiber entrances and risers, copper entrances and risers, roof space for ancillary equipment, antenna pad and riser, overhead space use, exterior lighting, floor loading capacity and other associated rights, fire protection and drainage, non-exclusive use of wet, waste, vent and drainage piping, and use of batteries.

6. Parking/Truck Access. Lessee shall be allowed one (1) on-site

parking space for each 1,000 square feet of rentable space provided the same are available on the site of the leased premises. Lessee shall also be provided vehicular access for trucks delivering or removing equipment to and from the

building on the leased premises.

7. Compliance With Applicable Laws. Nothing contained in this

Addendum or in Exhibit "A" hereto shall in any way limit or negate Lessee's obligation to comply with laws in accordance with the terms of this Lease.

8. Expansion of Building. In the event Lessee needs additional

space on the site, Lessor, at its expense, shall construct a building in the existing parking area for Lessee. The building shall be in shell condition in accordance with the appropriate building/zoning codes. The rent shall be the rent Lessee is paying per square foot under the Lease in the year the building is completed and during each lease year thereafter through the Lease Term under the terms and conditions of the Lease.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

9. Additional Revisions to Lease:

Section Number -----	Revisions to Section -----
Par. 6.2(a)	At the end of the fifth sentence (which begins with "Notwithstanding the foregoing ..." the following phrase is hereby inserted: "provided that Lessee also may, without Lessor's prior consent, but in compliance with all Applicable Requirements, use any ordinary and customary materials reasonably required to be used by Lessee in the normal course of Lessee's business permitted on the Premises even if such use constitutes a Reportable Use."
Par. 6.2(b)	In the first sentence, after the words "previously consented to by Lessor," the following phrase is hereby inserted: "(or other than as permitted by the fifth sentence of Paragraph 6.2(a) above)."
Par. 6.2(d)	Add to the end of this paragraph the following sentences: "Lessor may not enter into any settlement or other compromise with respect to any claim covered by the indemnity set forth in this section in which Lessee has expressly agreed to indemnify and defend Lessor and is actively doing so, without Lessee's prior written consent, which shall not be unreasonably withheld, conditioned or delayed, and if a claim is settled or compromised without such consent, Lessee shall not be obligated to provide indemnification under this section. If Lessor or any other indemnified party obtains recovery of any of the amounts that Lessee has paid to them pursuant to the indemnity set forth in this section, then Lessor or such other indemnified party, as applicable, shall promptly pay to Lessee the amount of such recovery."
Par. 7.3(b)	Lessor shall not require a bond for alterations unless such alterations exceed \$250,000 and no bonds will be required for Lessee's initial tenant improvements.
Par. 8.3(a)	Notwithstanding anything to the contrary in this Lease, Lessee shall not be obligated to pay the premium for any earthquake insurance carried by Lessor on the Premises unless Lessor's lender requires Lessor to maintain such earthquake insurance. Lessor represents and warrants that its current lender does not require such insurance under its loan documents and Lessor agrees to use its best faith efforts to not have any modifications to the existing loan documents or any future lender on the Premises require earthquake insurance to be obtained by Lessor. If Lessor's lender does require earthquake insurance to be obtained on the Premises, Lessee agrees to reimburse Lessor for the cost of the premium for such earthquake insurance up to a maximum of Twenty-Five Thousand Dollars (\$25,000) per calendar year in which such earthquake insurance is required. Lessee shall reimburse Lessor for Lessee's portion of any such earthquake insurance

premium within ten (10) business days of Lessor providing Lessee with a written receipt of Lessor's payment of such premium.

Par. 8.6 At the beginning of the first sentence, the phrase "Notwithstanding any other provision of this Lease and" is hereby inserted. At the end of the first sentence the phrase "or actually insured by the parties" is hereby inserted.

Par. 8.7 The opening clause of this paragraph is revised to read as follows: "Except for the negligence and/or willful misconduct of Lessor, its agents, employees, contractors, and invitees, or Lessor's breach of this Lease." Also, in the first sentence, the phrase "involving, or in connection with," is hereby deleted. Insert at the end of this paragraph the following: "Lessor may not enter into any settlement or other compromise with respect to any claim covered by the indemnity set forth in this section in which Lessee has expressly agreed to indemnify and defend Lessor and is actively doing so, without Lessee's prior written consent, which shall not be unreasonably withheld, conditioned or delayed, and if a claim is settled or compromised without such consent, Lessee shall not be obligated to provide indemnification under this section. If Lessor or any other indemnified party obtains recovery of any of the amounts that Lessee has paid to them pursuant to the indemnity set forth in this section, then Lessor or such other indemnified party, as applicable, shall promptly pay to Lessee the amount of such recovery."

Par. 8.8 At the beginning of this paragraph, the phrase "Except for the negligence and/or willful misconduct of Lessor, its agents, employees, employees, contractors, and invitees occurring before the Start Date, or Lessor's breach of this Lease," is hereby inserted.

Par. 9 Add the following to Paragraph 9: "In the event Lessor elects to terminate this Lease pursuant to this Paragraph 9, Lessee shall have the right, within ten (10) days after receipt of such notice, to agree in writing on a basis satisfactory to Lessor to pay for the entire cost of repairing such damage less only the amount of insurance proceeds, if any, received by Lessor, in which event the notice of termination shall be ineffective and this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible. If Lessee does not give such notice within such ten (10) day period this Lease shall be terminated pursuant to such notice of termination by Lessor."

Par. 10.1(b) In the first line, after the words "payment", insert the words "more than 2 times during any calendar year." Delete item (ii) and all references to that option in the rest of this paragraph.

Par. 12 The following provision is hereby added to this paragraph: "Notwithstanding any other provision of this Lease to the contrary, Lessee may grant a security interest in its rights under this Lease to the entity that provides the equipment financing to Lessee. The entity holding the security interest in this Lease as authorized under this section may foreclose on such security interest and transfer this Lease to the party purchasing at the foreclosure, provided that Lessor consents to such party as the new tenant hereunder, which consent shall not be unreasonably withheld or delayed. In addition, the entity that provides the equipment financing to Lessee shall have the right to enter the Premises for purposes of inspecting its collateral and conducting a foreclosure sale if Lessee defaults on such financing. Lessor disclaims any right or title in the equipment financed by Lessee, and such equipment can be removed from the Premises at any time, provided that Lessee repairs any damage

caused by such removal."

- Par. 12.1(a) In the second line, Lessor shall not unreasonably withhold or condition its consent, and if Lessor does not respond to Lessee's request for consent within fifteen (15) days, Lessee shall give Lessor another such request, and if Lessor does not respond to Lessee's second request for consent within ten (10) days following Lessee's request, then Lessor shall be deemed to have consented to the assignment.
- Par. 12.3 This paragraph is hereby revised to provide for a 50/50 split of any excess rent. In the third line of this paragraph, after the word "herein", insert the following: ", except such terms and conditions shall not apply to the transactions with Tenant's Customers as set forth in Paragraph 8 of the Special Tenant Requirements attached hereto as Exhibit A to the Addendum."
- Par. 17 In the event of a transfer by Lessor, Lessor shall nevertheless be liable for its indemnification obligations under the Lease and any breach of the Lease existing as of the date of the transfer, provided that written notice of such indemnification obligations for such breach has been given to such Lessor before such transfer of title occurs.
- Par. 24 The provisions of the first sentence hereby are made mutual to both Lessor and Lessee.
- Par. 30 For the sole benefit of Lessee and as a condition to the effectiveness of this Lease (which may be waived solely by Lessee), Lessor shall deliver to Lessee a draft non-disturbance agreement on or before execution of this Lease by Lessor and Lessee.
- Par. 30.1 Add the following sentence to Paragraph 30.1: "Any subordination agreement entered into by Tenant pursuant to this Paragraph 30 must provide that absent a Breach by Tenant under this Lease or termination of this Lease, any insurance proceeds associated with any damage and destruction of the Premises shall be made available for restoration of the Premises in accordance with the provisions of Paragraph 9 of this Lease."
- Par. 39.2 In recognition of the fact that Lessee remains obligated for the performance of this Lease following any "assignment," Lessee shall have the right to transfer each Option to any transferee under Paragraph 10 of the Special Tenant Requirements attached to the Addendum as Exhibit A.
- Option(s) to Extend Paragraph A(iv) is hereby revised to make it inapplicable to Extend any transfer pursuant to Paragraph 10 of Exhibit A to the Addendum, any agreements with the Customers as more particularly provided in paragraph 12.3, and the requirement that the Lessee be in full possession at the time the Option is exercised is hereby changed to a minimum of 50% possession.
- Par. 7.1 of Exhibit A to Addendum Add the word "Equipment" after the word "Antenna" in this paragraph.

This Addendum is executed concurrently with, and as a part of, the foregoing Lease.

Lessor:
- -----

Lessee:

ROSE VENTURES II, INC.
a California Corporation

EQUINIX, INC.
a Delaware Corporation

By: _____
Stephen P. Diamond
Its President

By: _____
Its: _____

By: _____
Its: _____

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Exhibit "A"
to ADDENDUM
Special Tenant Requirements

Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be included as part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in this Exhibit to the Lease shall be construed to mean the Lease and all exhibits thereto, as amended and supplemented by the Exhibit. All terms not otherwise defined in the Exhibit shall have the same meanings as set forth in the Lease.

1. Use.

1.1 Tenant's Use of Premises and Building and Land. Tenant is

permitted (a) to construct, maintain, operate and repair electronic, transmitting and receiving equipment and supporting structures on the Premises, including the roof of the Building, (b) to construct, maintain, operate and repair an equipment room on the Premises, including the construction of an upgraded fire suppression system, (c) to install, upgrade, maintain, operate, and repair utility lines, transmission lines, and telecommunications conduit and cabling (collectively, the "Conduits") in such locations on the Building and Land as set forth in plans and specifications, which shall be subject to Landlord's approval which shall not be unreasonably withheld, conditioned or delayed, (d) reasonable ingress and egress over existing roadways on the Land for Tenant's trucks and other vehicles, to maintain Tenant's equipment and the Conduits (collectively, "Equipment"). The Equipment shall include, without limitation, the antenna, batteries, uninterruptable power supply and such other equipment, necessary thereto and more particularly as set forth hereafter. Tenant shall have access to and use of the Premises, the Building and Land and the Conduits, 24 hours per day, 365 days per year.

1.2 Tenant's Use of Conduit Ducts. Tenant shall have the

right to install, maintain, operate and repair the Conduits in any of Landlord's conduit ducts located on the Building and Land, so long as Tenant's use of the Conduits does not interfere with Landlord's use of Landlord's conduit ducts located on the Building and Land. If required by any service provider to the Building or by Landlord, Tenant shall install separate conduits where applicable.

1.2.1 Fiber Entrances and Risers. Tenant shall have the

right to install, maintain, operate, augment and repair the Conduits in any of Landlord's conduit ducts located on the Property, so long as Tenant's use of the Conduits does not interfere with Landlord's use of Landlord's conduit ducts located on the Property. At a minimum Tenant shall have the right to utilize two utility entrances within the Building and the right to install from these dual, diverse entrances eight (8), exclusive, four (4") inch conduits for a total of sixteen conduit ducts to the Leased Premises.

1.2.2 Copper Entrances and Risers. Tenant shall have the

right to install, maintain, operate, augment and repair the conduit ducts and risers from the existing copper telephone point of entry to Tenant's Leased Premises.

1.3 Roof Space for Ancillary Equipment. Tenant shall have the

right as part of their Lease interest in the Building or Land to utilize space on the Roof or other space as required and approved in advance by Landlord, for the purpose of installing and maintaining equipment used in conjunction with Tenant's use of the Premises. Tenant's use of such space shall be exclusive in nature and Tenant shall have the right to accrue such space and equipment from others. Tenant's use of this space shall be in conjunction with the Leased Premises.

1.4 Antenna Pad and Riser. Tenant shall have the right as

part of their Lease interest in the Building or Land to utilize space on the Roof or other space as required and approved in advance by Landlord, for the purpose of installing and maintaining equipment used in conjunction with Tenant's use of the Premises. Tenant's use of such space shall be exclusive in nature and Tenant shall have the right to accrue such space and equipment from others. Tenant's use of this space shall be in conjunction with the Leased Premises.

1.5 Overhead Space Use. Tenant shall have the right to

utilize all space from above seven (7") feet to the bottom of any beam ("Overhead Space") for any of Tenant's equipment. Utilization of this space is at Tenant's sole discretion. Tenant may also elect, to relocate any existing piping, ventilation, sprinkler, waste, drainage or any and all other piping, collectively ("Piping") from this Overhead Space. Relocation of such Piping will be at Tenant's sole cost and expense and approved in advance by Landlord. Landlord approval of such relocation may not be unreasonably withheld.

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1.6 Exterior Lighting. Tenant shall have the right to install,

maintain, operate, augment and repair exterior lighting at the Building. Tenant will do so at Tenant's sole cost and expense and within governmental boundaries.

1.7 Floor Loading Capacity and Augmentation, Ceiling and Access

to Space Above and Below - Tenant shall have the right to install and augment
- -----
existing floor and ceiling loading capacity of the Tenant's Premises, including but not limited to work necessary to complete this task within Tenant's Premises. Such augmentation of floor and ceiling loading shall be at Tenant's sole cost and expense and subject to Landlord's reasonable approval of plans for such installation or augmentation.

1.8 Fire Protection and Drainage - Tenant shall have the right

to install, maintain, augment and operate a separate Gas Fire Protection System ("Gas Fire Protection System") on the Premises. Such Gas Fire Protection System shall be in addition to any existing system on the Premises, shall be installed at Tenant's sole cost and expense, and shall meet all Local, State and Federal Governmental regulation. Further, if a Water-based Fire Protection System ("Water-based Fire Protection System") exists on the Property, Tenant shall have the right to augment the current system, at Tenant's sole costs and expense, to operate as a Pro-action, Dry Pipe, Water-based Fire Protection System. Tenant shall have the to install, operate, maintain, a new Water-based Fire Protection System, at Tenant's sole cost and expense, in any space adjacent, below or above Tenant's Premises or any where on the (Property, Building or Land), and Tenant shall have the right to augment or repair the existing Water-based Fire Protection System any where on the (Property, Building or Land). Additionally, Tenant reserves the right to install, operate, maintain, repair and augment, at Tenant's sole cost and expense, drainage, existing or new, within Tenant's Premises or any where on the (Property, Building or Land) that would be necessary to divert water from the Water-based Fire Protection System from Tenant's Premises.

1.9 Non-exclusive Use of Wet, Waste Vent and Drainage piping -

Tenant shall have the right to install, maintain, augment and operate on the Premises any and all piping necessary and customary for utilizing water, waste, vent and drainage. Further, Landlord agrees that Tenant shall have the right to a non-exclusive easement for the installation of such piping in common areas or through others space as deemed necessary and appropriate for Tenant use of water, waste, vent and drainage.

1.10 Battery - Tenant shall have the right to install, maintain,

and operate on the Premises a battery power plant ("Battery Power Plant"). Such battery power plant shall be for the sole use of Tenant and for the operations of the Premises for Tenant's intended use. The installation and operation of the Battery Power Plant shall be a Tenant's sole cost and expense and shall meet all Local, State and Federal Governmental requirements.

2. HVAC, Special Requirement and Rights. Landlord understands that

Tenant's intended use of the HVAC property involve special requirements for the heating, cooling and ventilation ("HVAC") of the Premises. Therefore, in addition to the existing heating, cooling and ventilation located at the Building, at Tenant's option, instead of, the HVAC utilities supplied to the Premises by Landlord. Tenant shall have the right at Tenant's option, to install in the Premises or elsewhere on the Property, in such location as reasonably approved by Landlord, a separate self-contained twenty-four (24) hour a day heating, ventilation and air-conditioning HVAC unit ("Tenant's HVAC Unit") subject to Landlord's prior approval of the plans and specifications for the

work and electrical requirements of Tenant's HVAC Unit, which approval shall not be unreasonably withheld, conditioned, or delayed. Tenant shall pay all costs of electrical power for such unit in the manner set forth in above.

3. Compliance With Law. Nothing contained in this Exhibit shall

in any way limit or negate Tenant's obligation to comply with laws in accordance with the terms of the Lease.

4. Initial Installation and Testing. Tenant shall have the right,

at Tenant's sole cost and expense, at any time following the execution of this Lease by Tenant in a form mutually acceptable to Landlord and Tenant, to enter upon the Building and Land and to carry out any tests, inspections, pre-installation and installation activities on the Building and Land as necessary for the construction and installation of the Equipment, including without limitation, engineering and environmental surveys, physical inspections, soil test borings, and underground trenching. Immediately following the completion of such tests, inspections or pre-installation activities, Tenant shall, at Tenant's sole cost and expense, repair any damage to the Building and Land caused by such inspections or pre-installation activities, including repaving and re-landscaping any affected areas of the Building and Land. Any such entry onto the Building and Land prior to the Commencement Date of the Lease shall be on all of the terms and provisions of the Lease, except for Tenant's obligation to pay rent.

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5. Equipment Ownership; Surrender. The Equipment shall be the

property of and owned by Tenant throughout the Lease Term, and shall in all event be deemed trade fixtures, even if affixed to the Premises or Building or Land. On or before the Expiration Date or earlier termination of this Lease. Tenant shall remove its Equipment from the Premises and Building and Land. Landlord hereby expressly waives and releases any and all contractual liens and security interest or constitutional and/or statutory liens and security interests arising by operation of law or under the Lease to which Landlord might now or hereafter be entitled on any of the Equipment, Tenant's HVAC Unit or Tenant's Generator. Landlord further agrees that the Equipment, Tenant's HVAC Unit, and Tenant's Generator shall be exempt from execution, foreclosure, sale, levy, attachment, for any Tenant default hereunder, and that the Equipment, Tenant's HVAC Unit, and Tenant's Generator may be removed at any time from the Premises or the Building and Land by Tenant.

6. Utilities; Emergency Power Generator. Tenant shall have the

right, at any time during the Lease Term, at Tenant's option and at Tenant's sole cost and expense: (a) install an emergency power generator(s) ("Tenant's Generator") on the Premises or elsewhere on the Land, as noted in Exhibit A, in such location as reasonably approved by Landlord, to provide back-up emergency power for the Equipment and for Tenant's HVAC Unit, and (b) store fuel above ground, on the Premises or elsewhere on the Land, as noted in Exhibit A, in such locations as reasonably approved by Landlord, in such amounts as Tenant reasonably determines necessary for Tenant's Generator.

7. No Interference; Relocation.

7.1 No Interference. Neither Landlord nor any of Landlord's

agents, employees, or contractors (collectively, the "Landlord Parties") shall interfere in any way with the Equipment or with Tenant's access to the Equipment and Antennas, the Conduits, Tenant's HVAC Unit, or Tenant's Generator (the "Interference"). Landlord agrees that prior to carrying out any construction, maintenance or repair activities which are in the vicinity of the Premises, the Antennas, the Conduits, Tenant's HVAC Unit, or Tenant's Generator (if such are not located within the Premises), Landlord shall provide three (3) days' prior written notice of Landlord's or Landlord Parties' intent to carry out such construction, maintenance or repair work including the date, time and location in which such work will take place. Tenant shall have the right to monitor and inspect such work at Tenant's own risk, and at Tenant's sole cost and expense. Landlord and Landlord Parties shall exercise all due care in carrying out such work. Landlord shall use reasonable efforts to immediately notify the Tenant's designated contact person by telephone or facsimile in the event of fire, power failure, bomb threats, or other unplanned events which could adversely impact Tenant's operations.

7.2 Remedies. Upon written notice from Tenant, stating with

specificity that Landlord or one or more of the Landlord Parties is creating an Interference in violation of Section 7.1 above, Landlord shall take immediately all necessary measures at Landlord's sole cost and expense to eliminate the Interference, including hiring agents to work extended hours, until the Interference is eliminated. If Landlord does not eliminate the Interference, Tenant shall have the right, at Tenant's option, in addition to any other remedy

at law or in equity, to (a) eliminate the Interference, and deduct the cost of eliminating the Interference from the Base Rent next due, (b) obtain injunctive relief enjoining or restraining whatever Interference may have occurred or be occurring, without posting a bond or other security and without proving damages, it being expressly recognized by Landlord that any Interference will cause irreparable harm to Tenant which cannot be fully compensable by damages, or (c) immediately terminate this Lease, in which event, this Lease shall be of no further force and effect and Tenant shall have no further obligations hereunder.

7.3 Relocation. In no event shall Landlord relocate Tenant or

the Equipment to other premises, or require Tenant to relocate its Equipment for any length of time to any other location, either in or on the Building or Land or elsewhere.

8. Customer Equipment. Landlord acknowledges that Tenant's

business to be conducted on the Premises requires the installation of certain communications equipment by certain licensees and customers of Tenant (collectively, "Customers") in order for such Customers to interconnect with Tenant's terminal facilities or to permit Tenant to manage or operate such Customers' equipment, or otherwise as may be required pursuant to applicable statutes and regulations. These contracts or licenses with the Customers shall not be deemed subject to the Assignment and Sublease section of the Lease and these Customer contracts or licenses do hereby have the Landlord's consent at no consideration to Landlord for the limited purpose of permitting the services and uses described above.

9. Sound Control. Tenant is responsible for taking the necessary

measures to reduce the sound transmissions caused by the Equipment. In addition, Tenant's Generator shall be installed in a weatherproof, walk-around type, sound attenuating enclosure which shall limit the sound

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to no more than 85 dBA as measured at three (3) feet from any side, top to bottom, under all operating conditions.

10. Transferability. Without Landlord's prior consent to

consideration to Landlord but with notice to Landlord, Tenant shall have the right to assign the Lease to any affiliate, division or corporation, controlling, controlled by or under common control with Tenant or a successor entity related to Tenant by merger, consolidation, nonbankruptcy reorganization or governmental action, or a purchaser of substantially all of Tenant's assets located at the premises. For purposes of the Lease, the sale of the Tenant's capital stock through any public exchange or any issuance for purposes of raising financing shall not be deemed an assignment or any other transfer of the Lease or the Premises.

11. Confidentiality. Landlord shall keep all Confidential

Information of Tenant confidential. For the purposes of this Lease, "Confidential Information" includes any data or information pertaining to Tenant or Tenant's business, regardless of medium, that is provided by Tenant to Landlord, including Tenant's plans and specifications or electrical power requirements, site plans, or copies of any such information, but excludes any information (a) approved in writing by Tenant for release to third parties, (b) that Landlord possesses independently of Tenant, or (c) that Tenant places in the public domain.

12. Condition at Surrender. On or before Lease termination and

Tenant's surrender of the Premises to Landlord, Tenant shall remove all of its equipment, personal property and any of the special tenant improvement installations set forth in this Exhibit, for which Landlord notifies Tenant in writing that they are to be removed at Lease termination when Landlord approves the plans for the improvements. Tenant shall repair and restore the Premises from any damages caused by the removal of any equipment, personal property or tenant improvements.

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TELECOMMUNICATIONS OFFICE LEASE

[*] LOS ANGELES

600 SEVENTH STREET ASSOCIATES, INC.,

a California corporation

as Landlord,

and

EQUINIX, INC.,

a Delaware corporation,

as Tenant

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED
SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

CARRIER CENTER LOS ANGELES

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CARRIER CENTER LOS ANGELES

TELECOMMUNICATIONS OFFICE LEASE

This Telecommunications Office Lease (the "Lease"), dated as of the date set forth in Section 1 of the Summary of Basic Lease Information (the

"Summary"), below, is made by and between 600 SEVENTH STREET ASSOCIATES, INC., a California corporation ("Landlord"), and EQUINIX, INC., a Delaware corporation ("Tenant").

SUMMARY OF BASIC LEASE INFORMATION

TERMS OF LEASE	DESCRIPTION
-----	-----
1. Date:	August 6, 1999 (the "Effective Date)
2. Premises (Article 1). -----	
2.1 Building:	[*] Los Angeles, California 90014 Building RSF: _____
2.2 Premises:	Approximately [*] rentable square feet of space consisting of (i) approximately [*] rentable square feet of space comprising the entire sixth (6th) floor of the Building, and known as Suite 600 (the "Suite 600 Space"), and (ii) approximately [*] rentable square feet of space located on the roof of the Building

(the "Roof Space"), both as further set forth in Exhibit A-1 and

Exhibit A-2 to this

Telecommunications Office Lease.

3. Lease Term
(Article 2).

- 3.1 Length of Term: One Hundred Eighty (180) months.
- 3.2 Lease Commencement Date: June 1, 2000
- 3.3 Lease Expiration Date: The date immediately preceding the one hundred eightieth (180th) month anniversary of the Lease Commencement Date.

4. Base Rent (Article 3):

4.1 Base Rent:

Months of Lease Term	Annual Base Rent	Monthly Installment of Base Rent	Annual Rental Rate per Rentable Square Foot
-----	-----	-----	-----
1 - 12	\$[*]	\$[*]	\$[*]
13 - 24	\$[*]	\$[*]	\$[*]
25 - 36	\$[*]	\$[*]	\$[*]
37 - 48	\$[*]	\$[*]	\$[*]
49 - 60	\$[*]	\$[*]	\$[*]
61 - 72	\$[*]	\$[*]	\$[*]
73 - 84	\$[*]	\$[*]	\$[*]
85 - 96	\$[*]	\$[*]	\$[*]
97 - 108	\$[*]	\$[*]	\$[*]
109 - 120	\$[*]	\$[*]	\$[*]

*CONFIDENTIAL TREATMENT REQUESTED CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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121 - 132	\$[*]	\$[*]	\$[*]
133 - 144	\$[*]	\$[*]	\$[*]
145 - 156	\$[*]	\$[*]	\$[*]
157 - 168	\$[*]	\$[*]	\$[*]
169 - 180	\$[*]	\$[*]	\$[*]

4.2 Base Rent Abatement (Section 3.2): Tenant shall be entitled to an abatement of Base Rent for a portion of the Premises during the first (1st) [*] months of the Lease Term pursuant to the terms and conditions of Section 3.2.

5. Base Year (Article 4): Calendar year 2000.

6. Tenant's Share (Article 4): Approximately [*]%.

7. Permitted Use (Article 5): General office use and operation of telecommunications equipment consistent with a first-class telecommunications building

8. Security Deposit (Article 21): \$[*]

9. Address of Tenant (Section 29.18): 901 Marshall Avenue, 2nd Floor
Redwood City, CA 94063

Attention: Art Chinn

with a copy to:

[*]
Suite 600
Los Angeles, CA 90014

10. Address of Landlord (Section 29.18): See Section 29.18 of the Lease.

11. Parking (Article 28) Subject to the terms and conditions of Section

28, Tenant shall be permitted to rent up to
--
fifteen (15) undesignated and unreserved parking
passes in the Parking Structure.
12. Broker(s) (Section 29.24): Landlord's Representative:

Telecom Real Estate Services, Inc.

*CONFIDENTIAL TREATMENT REQUESTED CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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ARTICLE 1

PREMISES, BUILDING, PROJECT, AND COMMON AREAS

1.1 Premises, Building, Project and Common Areas.

1.1.1 The Premises. Landlord hereby leases to Tenant and Tenant

hereby leases from Landlord the premises set forth in Section 2.2 of the Summary

(the "Premises"). The outline of the Premises is set forth in Exhibit A-1 and

Exhibit A-2 attached hereto. The parties hereto agree that the lease of the

Premises is upon and subject to the terms, covenants and conditions herein set forth, and Tenant covenants as a material part of the consideration for this Lease to keep and perform each and all of such terms, covenants and conditions by it to be kept and performed and that this Lease is made upon the condition of such performance. The parties hereto hereby acknowledge that the purpose of Exhibits A-1, A-2 and A-3 is to show the approximate location of the Premises

and the Must Take Space and the First Offer Space in the "Building," as that term is defined in Section 1.1.2, below, only, and such Exhibits are not meant

to constitute an agreement, representation or warranty as to the construction of the Premises or the Must Take Space, the precise area thereof or the specific location of the "Common Areas," as that term is defined in Section 1.1.3, below,

or the elements thereof or of the accessways to the Premises, Must Take Space or the "Project," as that term is defined in Section 1.1.2, below. Except as

specifically set forth in this Lease and in the work letter attached hereto as

Exhibit B (the "Tenant Work Letter"), Landlord shall not be obligated to provide

or pay for any improvements, work or services related to the improvement, remodeling or refurbishment of the Premises, and Tenant shall accept the Premises in its "AS IS" condition on the Lease Commencement Date. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the Premises, the Building or the Project or with respect to the suitability of any of the foregoing for the conduct of Tenant's business. The taking of possession of the Premises by Tenant shall conclusively establish that the Premises and the Building were at such time in good and sanitary order, condition and repair.

1.1.2 The Building and The Project. The Premises are a part of that

certain seven (7) story office building set forth in Section 2.1 of the Summary

(the "Building"). The Building is part of an office project known as "Carrier Center Los Angeles. The term "Project," as used in this Lease, shall mean (i) the Building and the Common Areas, and (ii) the land (which is improved with landscaping and other improvements) upon which the Building and the Common Areas are located, and (iii) at Landlord's reasonable discretion, any additional real property, areas, land, buildings or other improvements added thereto outside of the Project, which Landlord reasonably anticipates will directly benefit Tenant.

1.1.3 Common Areas. Tenant shall have the non-exclusive right to use

in common with other tenants in the Project, and subject to the rules and

regulations referred to in Article 5 of this Lease, those portions of the

Project which are provided, from time to time, for use in common by Landlord, Tenant and any other tenants of the Project (such areas, together with such other portions of the Project designated by Landlord, in its discretion, including certain areas designated for the exclusive use of certain tenants, or to be shared by Landlord and certain tenants, are collectively referred to herein as the "Common Areas"). The manner in which the Common Areas are maintained and operated shall be consistent with other similarly situated telecommunications buildings in the downtown Los Angeles area and Tenant's use thereof shall be subject to such rules, regulations and restrictions as Landlord may make from time to time. Landlord reserves the right to close temporarily, make alterations or additions to, or change the location of elements of the Project and the Common Areas, provided that Landlord shall use commercially reasonable efforts to ensure that any such alterations or additions to the Common Areas do not unreasonably interfere with Tenant's use and occupancy of the Premises.

1.1.4 Access. Landlord agrees that, subject to Landlord's reasonable

rules and regulations, and access control systems and procedures, Tenant shall have access to the Premises 24 hours a day, 365 days a year during the Lease Term.

1.2 Must Take Space.

1.2.1 Description of Must Take Space. Commencing as of [*] (the

"Must Take Space Commencement Date") the Premises shall be expanded to include a portion of the seventh (7th) floor of the Building consisting of approximately [*] rentable square feet of space as more particularly shown on the floor plan attached hereto as Exhibit A-3 (the "Must Take Space"). The Must Take Space shall not include the areas shown as the "Leasing and Management Office" and "Historic Suite" on Exhibit A-3.

1.2.2 Base Rent. In addition to the Base Rent payable by Tenant to

Landlord for the Premises, commencing upon the Must Take Commencement Date (as defined above), Tenant shall pay to Landlord, as Base Rent for each rentable square foot of the Must Take Space, an amount equal to the

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Base Rent paid by Tenant for each rentable square foot of the original Premises as of the Must Take Space Commencement Date and shall be subject to adjustment as set forth in Section 4 of the Summary. Tenant shall not be entitled to any

Base Rent Abatement for the Must Take Space pursuant to Section 3.2 below. In

addition, for purposes of calculating Tenant's Share of Directing Expenses in excess of Direct Expenses for the Base Year, effective as of the Must Take Commencement Date, Tenant's Share shall be increased to [*]%, calculated by dividing the rentable square feet of the Premises and Must Take Space by the total rentable square feet within the Project.

1.2.3 Term. The lease term for the Must-Take Space shall commence as

of the Must Take Commencement Date, and shall expire at the expiration of the Lease Term (as may be extended pursuant to Section 2.2 below).

1.2.4 Improvement of Must Take Space. The Must Take Space shall be

delivered to Tenant on the Must-Take Commencement Date in its "AS IS" condition, without any obligation on Landlord's part to construct or pay for any Tenant Improvements or alterations for the Must-Take Space; provided, however, Landlord shall provide Tenant with a tenant improvement allowance for the Must Take Space ("Must Take Improvement Allowance") equal to \$25.00 per square foot of the Must Take Space for the construction of certain Tenant Improvements in the Must-Take Space pursuant to the provisions of Exhibit B attached to this Lease, except for purposes of the Must-Take Space only, the following modifications to Exhibit B shall apply with respect to the Must Take Space: (i) all references in Exhibit B to the "Premises" shall, for purposes of this Section 1.2, mean the "Must Take Space" .1.2.5 Other Terms. The Must Take Space shall become part of the

Premises for all purposes of this Lease as of the Must Take Commencement Date, and except as otherwise expressly provided in this Section 1.2, all of the terms and conditions of this Lease shall apply to the Must Take Space following the Must Take Commencement Date as though the Must Take Space was originally part of the Premises. Following delivery of the Must-Take Space to Tenant, Tenant shall execute an amendment adding such Must-Take Space to this Lease upon the

foregoing terms and conditions within thirty (30) days of delivery of such amendment to Tenant by Landlord.

1.2.6 Additional Roof Rights: Commencing on the Must Take space commencement date defined in Section 1.2.1 above, Tenant shall be entitled to utilize the portion of the roof system support pad designated as Portion B on Exhibit A-2 attached hereto for the installation of additional Tenants to service the Must Take space.

1.4 Rentable Square Feet. The rentable square feet of the Premises are

approximately as set forth in Section 2.2 of the Summary, and the rentable

square feet of the Building is approximately as set forth in Section 2.1 of the

Summary. For purposes hereof, the "rentable square feet" of the Premises, and the Must Take Space shall be calculated by Landlord pursuant to the Standard Method for Measuring Floor Area in Office Buildings, ANSI Z65.1-1996 ("BOMA"), as modified for the Project pursuant to Landlord's standard rentable area measurements for the Project, to include, among other calculations, (i) a portion of the Common Areas and service areas of the Project, and (ii) the vertical penetrations of the Project used for telecommunications and utility purposes (i.e. the bus duct risers and conduit chases). The rentable square feet of the Premises, the rentable square feet of the Must Take Space and the rentable square feet of the Building are not subject to adjustment or remeasurement by Tenant, but shall be remeasured by Landlord within ninety (90) days following the delivery of the respective Premises, Expansion Space and any First Offer Space to Tenant, and which measurements are subject to verification from time to time by Landlord through Landlord's planner/designer, and such verification shall be made in accordance with the provisions of this Section

1.4. The determination of Landlord's planner/designer shall be conclusive and
- - -
binding upon the parties. In the event that Landlord's planner/designer determines that the rentable square footage shall be different from those set forth in this Lease, all amounts, percentages and figures appearing or referred to in this Lease based upon such incorrect rentable square feet (including, without limitation, the amount of the Base Rent and Tenant's Share) shall be modified in accordance with such determination. If such determination is made, it will be confirmed in writing by Landlord to Tenant.

*CONFIDENTIAL TREATMENT REQUESTED CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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ARTICLE 2

LEASE TERM; OPTION TERMS

2.1 Lease Term. The terms and provisions of this Lease shall be effective

as of the date of this Lease. The term of this Lease (the "Lease Term") shall be as set forth in Section 3.1 of the Summary, shall commence on the date set

forth in Section 3.2 of the Summary (the "Lease Commencement Date"), and shall

terminate on the date set forth in Section 3.3 of the Summary (the "Lease

Expiration Date") unless this Lease is sooner terminated as hereinafter provided. For purposes of this Lease, the term "Lease Year" shall mean each consecutive twelve (12) month period during the Lease Term; provided, however, that the last Lease Year shall end on the Lease Expiration Date. At any time during the Lease Term, Landlord or Tenant may deliver to the other party a notice in the form as set forth in Exhibit C, attached hereto, as a confirmation

only of the information set forth therein, which receiving party shall execute and return such notice to the other party within ten (10) days of receipt thereof.

2.2 Option Term.

2.2.1 Option Right. Landlord hereby grants to Tenant two (2)

consecutive options to extend the Lease Term for a period of five (5) years each (each, an "Option Term"), each of which options shall be exercisable only by written notice delivered by Tenant to Landlord as provided below, provided that, as of the date of delivery of any such notice, Tenant is not in default under this Lease and Tenant has not previously been in default under this Lease beyond any applicable cure periods more than three (3) times. Upon the proper exercise of any such option to extend, and provided that, as of the end of the initial Lease Term or initial Option Term, Tenant is not in default under this Lease

beyond any applicable cure periods and Tenant has not previously been in default under this Lease beyond any applicable cure periods more than three (3) times, the Lease Term, as it applies to the Premises, shall be extended for the applicable Option Term. The rights contained in this Section 2.2 shall be

personal to the Original Tenant (and any Permitted Affiliates) and may only be exercised by the Original Tenant and any assignee (including any Permitted Affiliate) to which Tenant's entire interest in this Lease has been assigned pursuant to Article 14 below, and may only be exercised by the Original Tenant

or such assignee, as the case may be (but not by any sublessee or other transferee of Tenant's interest in this Lease or the Premises) if the Original Tenant or such assignee, as the case may be, occupies at least seventy percent (70%) of the Premises as of the date Tenant purports to exercise the right to lease the Expansion Space.

2.2.2 Option Rent. The "Rent," as that term is defined in Section

4.1, below, payable by Tenant during the applicable Option Term (the "Option

Rent") shall be equal to the greater of (i) the "Fair Rental Value" for the Premises as of the commencement of the then applicable Option Term, and (ii) the Rent payable by Tenant for the period immediately prior to the end of the Lease Term or then applicable Option Term. The "Fair Rental Value" shall mean the rent (including the obligation to directly pay electrical and janitorial expenses and including additional rent and considering any "base year" or "expense stop" applicable thereto), including all escalations, at which tenants using their premises predominantly for telecommunications oriented purposes (including without limitation the One Wilshire and 611 Wilshire buildings located in Los Angeles, California), as of the commencement of the applicable Option Term, are leasing non-sublease, non-encumbered, non-equity space comparable in size, location and quality to the Premises for a term of five (5) years, which comparable space is located in the Building or in comparable buildings in the downtown Los Angeles office market.

2.2.3 Exercise of Option. The applicable option contained in this

Section 2.2 shall be exercised by Tenant, if at all, and only in the following

manner: (i) Tenant shall deliver written notice to Landlord not more than eighteen (18) months nor less than nine (9) months prior to the expiration of the applicable Lease or Option Term, stating that Tenant may be interested in exercising its option; (ii) Landlord, after receipt of Tenant's notice, shall deliver notice (the "Option Rent Notice") to Tenant not less than seven (7) months prior to the expiration of the applicable Lease or Option Term, setting forth Landlord's determination of the Option Rent; and (iii) if Tenant wishes to exercise such option, Tenant shall, on or before the date (the "Exercise Date") which is the earlier of (A) the date occurring six (6) months prior to the expiration of the applicable Lease or Option Term, and (B) the date occurring thirty (30) days after Tenant's receipt of the Option Rent Notice, exercise the option by delivering written notice thereof to Landlord ("Tenant's Exercise Notice"), and concurrent with, such exercise, and in Tenant's Exercise Notice, Tenant may, at its option, object to the Option Rent contained in the Option Rent Notice, in which case the parties shall follow the procedure, and the Option Rent shall be determined, as set forth in Section 2.2.4 below. Tenant's failure to deliver Tenant's Exercise Notice on or before the Exercise Date, shall be deemed to constitute Tenant's waiver of its extension rights hereunder.

2.2.4. Determination of Option Rent. In the event Tenant timely and

appropriately objects in Tenant's Exercise Notice to the Option Rent initially determined by Landlord, Landlord and

Tenant shall attempt to agree upon the Option Rent, using their best good-faith efforts. If Landlord and Tenant fail to reach agreement within thirty (30) days following Landlord's receipt of Tenant's Exercise Notice objecting to the Option Rent (the "Outside Agreement Date"), then each party shall submit to the other party a separate written determination of the Option Rent within ten (10) business days after the Outside Agreement Date, and such determinations shall be submitted to arbitration in accordance with Sections 2.2.4.1 through 2.2.4.8 below. Failure of Tenant or Landlord to submit a written determination of the Option Rent within such ten (10) business day period shall conclusively be deemed to be the non-determining party's approval of the Option Rent submitted within such ten (10) business day period by the other party.

2.2.4.1 Landlord and Tenant shall each appoint one arbitrator who

shall by profession be an independent real estate broker who shall have been active over the five (5) year period ending on the date of such appointment in the leasing of comparable commercial office buildings in Los Angeles County, California. The determination of the arbitrators shall be limited solely to the issue of whether Landlord's or Tenant's submitted Option Rent is the closest to the actual Fair Market Rent for the Premises as determined by the arbitrators, taking into account the requirements of Section 2 above. Each such arbitrator shall be appointed within thirty (30) days after the Outside Agreement Date.

2.2.4.2 The two (2) arbitrators so appointed shall within ten (10) days of the date of the appointment of the last appointed arbitrator agree upon and appoint a third arbitrator who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two (2) arbitrators.

2.2.4.3 The three (3) arbitrators shall within thirty (30) days after the appointment of the third arbitrator reach a decision as to whether the parties shall use Landlord's or Tenant's submitted Option Rent and shall notify Landlord and Tenant thereof.

2.2.4.4 The decision of the majority of the three (3) arbitrators shall be binding upon Landlord and Tenant.

2.2.4.5 If either Landlord or Tenant fails to appoint an arbitrator within thirty (30) days after the applicable Outside Agreement Date, the arbitrator appointed by one of them shall reach a decision, notify Landlord and Tenant thereof, and such arbitrator's decision shall be binding upon Landlord and Tenant.

2.2.4.6 If the two (2) arbitrators fail to agree upon and appoint a third arbitrator within the time period provided in Section 2.2.4.2 above, then the parties shall mutually select the third arbitrator. If Landlord and Tenant are unable to agree upon the third arbitrator within ten (10) days, then either party may, upon at least five (5) days prior written notice to the other party, request the Presiding Judge of the Los Angeles County Superior Court, acting in his private and nonjudicial capacity, to appoint the third arbitrator. Following the appointment of the third arbitrator, the panel of arbitrators shall within thirty (30) days thereafter reach a decision as to whether Landlord's or Tenant's submitted Option Rent shall be used and shall notify Landlord and Tenant thereof.

2.2.4.7 The cost of the arbitrators and the arbitration proceeding shall be paid by Landlord and Tenant equally, except that each party shall pay for the cost of its own witnesses and attorneys.

2.2.4.8 Notwithstanding any such determination of Fair Market Rent by any such arbitrators, in no event shall the Annual Base Rent payable by Tenant during the Option Term be less than the Annual Base Rent payable by Tenant for the Lease Year immediately preceding Tenant's exercise of the applicable Option Term.

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2.3 Delay in Delivery of Possession/Early Occupancy.

2.3.1 Delay in Delivery of Possession. Landlord shall endeavor to

deliver possession of the Premises to Tenant on or before December 1, 1999 (the "Scheduled Delivery Date"). If Landlord fails to deliver the Premises to Tenant on or before the Scheduled Delivery Date, Landlord shall not be in default under this Lease, and shall not be liable to Tenant for any damages or expenses resulting therefrom. In such event the Lease Commencement Date shall be delayed (i) day for day for each such day of Landlord Delay for the first sixty (60) days of such delay beyond the Scheduled Delivery Date (the "First Delay Period"), (ii) two (2) days for each such day of Landlord Delay beyond the First Delay Period until the date which is one hundred twenty (120) days following the Scheduled Delivery Date (the "Second Delay Period"), and (iii) three (3) days for each such day of Landlord Delay beyond the Second Delay Period until the date which is one hundred eighty (180) days following the Scheduled Delivery Date (the "Third Delay Period"). Notwithstanding the foregoing limitation on Landlord's liability to the contrary, if Landlord fails to deliver possession of the Premises to Tenant on or before June 1, 2000 (the "Outside Delivery Date"), then Tenant, as its sole and exclusive remedy, shall have the right to terminate this Lease by written notice delivered to Landlord by no later than June 15, 2000. Notwithstanding the foregoing, Tenant shall not be entitled to either (i) the Lease Commencement Date delays set forth in this Section 2.3.1(ii) and (iii) hereinabove, or (ii) the termination right set forth in this Section 2.3.1, if Landlord's inability to deliver the Premises to Tenant on the Scheduled Delivery Date or Outside Delivery Date, as applicable, results from a Force Majeure Event described in Section 29.16 below.

2.3.2 Early Occupancy. If Landlord delivers possession of the

Premises to Tenant prior to the Lease Commencement Date, all the provisions of this Lease shall apply with respect to Tenant's possession and/or occupancy of the Premises, except that Tenant shall not be obligated to pay Base Rent during any such early occupancy period.

BASE RENT

3.1 Base Rent. Subject to Section 3.2 below, Tenant shall pay, without

prior notice or demand, to Landlord or Landlord's agent at the management office
of the Project, or, at Landlord's option, at such other place as Landlord may
from time to time designate in writing, by a check for currency which, at the
time of payment, is legal tender for private or public debts in the United
States of America, base rent for the Premises ("Base Rent") as set forth in
Section 4 of the Summary, payable in equal monthly installments as set forth in

Section 4 of the Summary in advance on or before the first day of each and every

calendar month during the Lease Term, without any setoff or deduction whatsoever
except as otherwise set forth herein. The Base Rent for the first full month of
the Lease Term shall be paid at the time of Tenant's execution of this Lease.
If any Rent payment date (including the Lease Commencement Date) falls on a day
of the month other than the first day of such month or if any payment of Rent is
for a period which is shorter than one month, the Rent for any fractional month
shall accrue on a daily basis for the period from the date such payment is due
to the end of such calendar month or to the end of the Lease Term at a rate per
day which is equal to 1/365 of the applicable annual Rent. All other payments
or adjustments required to be made under the terms of this Lease that require
proration on a time basis shall be prorated on the same basis.

3.2 Base Rent Abatement. Notwithstanding anything to the contrary

contained in Section 3.1, Landlord hereby waives Tenant's obligation to pay Base

Rent for [*] rentable square feet of the initial Premises (the "Rent Abatement
Space") for the first [*] ([*]) months after the Lease Commencement Date (the
"Abatement Period"); provided, however, that if at any time during the Abatement
Period (i) Tenant commences to utilize any portion of the Rent Abatement Space
for installation or operation of Customer or Tenant's telecommunications
equipment, or (ii) Landlord issues a notice to Tenant respecting a default on
the part of Tenant which default is not cured within the applicable grace
period, if any, Landlord's agreement to waive payment of Base Rent shall (a) in
the event of item (i) above, be immediately revoked without further notice to
Tenant and the rights of Tenant pursuant to this Section 3.2 shall be null and

void with respect to the portion of the Rent Abatement Space from which Tenant
has commenced business operations, and (b) in the event of item (ii) above, be
completely and immediately revoked without further notice to Tenant and the
rights of Tenant pursuant to this Section 3.2 shall be null and void. In any

such notice given by Landlord, Landlord shall have the right to demand any and
all Base Rent which would have been due and payable in accordance with the Lease
absent the waiver contained in this Section 3.2. Notwithstanding anything to

the contrary contained in this Section 3.2, Tenant shall be required to make all

payments of Direct Expenses and Additional Rent during the Abatement Period and
throughout the Lease Term.

*CONFIDENTIAL TREATMENT REQUESTED CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY
WITH THE SECURITIES AND EXCHANGE COMMISSION.

ARTICLE 4

ADDITIONAL RENT

4.1 General Terms. In addition to paying the Base Rent specified in

Article 3 of this Lease, Tenant shall pay "Tenant's Share" of the annual "Direct

Expenses," as those terms are defined in Sections 4.2.6 and 4.2.2 of this Lease,

respectively allocated to the tenants of the Building, to the extent such Direct
Expenses allocated to the tenants of the Building are in excess of Tenant's
share of Direct Expenses applicable to the "Base Year," as that term is defined
in Section 4.2.1 of this Lease. Such payments by Tenant, together with any and

all other amounts payable by Tenant to Landlord pursuant to the terms of this
Lease (including without limitation the Conduit Rental described in Section 6.4

below), are hereinafter collectively referred to as the "Additional Rent", and
the Base Rent and the Additional Rent are herein collectively referred to as
"Rent." All amounts due under this Article 4 as Additional Rent shall be

payable for the same periods and in the same manner as the Base Rent. Without
limitation on other obligations of Tenant which survive the expiration of the
Lease Term, the obligations of Tenant to pay the Additional Rent provided for in

this Article 4 shall survive the expiration of the Lease Term.

4.2 Definitions of Key Terms Relating to Additional Rent. As used in this

Article 4, the following terms shall have the meanings hereinafter set forth:

4.2.1 "Base Year" shall mean the period set forth in Section 5 of the

Summary.

4.2.2 "Direct Expenses" shall mean "Operating Expenses" and "Tax Expenses."

4.2.3 "Expense Year" shall mean each calendar year in which any portion of the Lease Term falls, through and including the calendar year in which the Lease Term expires, provided that Landlord, upon notice to Tenant, may change the Expense Year from time to time to any other twelve (12) consecutive month period, and, in the event of any such change, Tenant's Share of Direct Expenses shall be equitably adjusted for any Expense Year involved in any such change.

4.2.4 "Operating Expenses" shall mean all expenses, costs and amounts of every kind and nature which Landlord pays or accrues during any Expense Year because of or in connection with the ownership, management, maintenance, security, repair, replacement, restoration or operation of the Project, or any portion thereof. Without limiting the generality of the foregoing, Operating Expenses shall specifically include any and all of the following: (i) the cost of supplying all utilities (except for utilities provided to the Premises or to the premises of other tenants in the Building), the cost of operating, repairing, maintaining, and renovating the utility, telephone, mechanical, sanitary, storm drainage, and elevator systems, and the cost of maintenance and service contracts in connection therewith; (ii) the cost of licenses, certificates, permits and inspections and the cost of contesting any governmental enactments which may affect Operating Expenses, and the costs incurred in connection with a transportation system management program or similar program; (iii) the cost of all insurance carried by Landlord in connection with the Project, and the amounts of insurance deductibles to the extent otherwise includable in Operating Expenses; (iv) the cost of landscaping, relamping, and all supplies, tools, equipment and materials used in the operation, repair and maintenance of the Project, or any portion thereof; (v) costs incurred in connection with any parking areas servicing the Building (including without limitation the Parking Structure); (vi) fees and other costs, including management fees, consulting fees, legal fees and accounting fees, of all contractors and consultants in connection with the management, operation, maintenance and repair of the Project (including city sidewalks); (vii) payments under any equipment rental agreements and the fair rental value of any management office space; (viii) wages, salaries and other compensation and benefits, including taxes levied thereon, of all persons engaged in the operation, maintenance and security of the Project; (ix) costs under any instrument pertaining to the sharing of costs by the Project; (x) operation, repair, maintenance and replacement of all systems and equipment and components thereof of the Building; (xi) the cost of janitorial (except for janitorial services provided to the Premises or to the premises of other tenants in the Building), alarm, security and other services, replacement of wall and floor coverings, ceiling tiles and fixtures in the Project and in the Common Areas, maintenance and replacement of curbs and walkways, repair to roofs and re-roofing; (xii) amortization (including interest on the unamortized cost at a rate equal to the floating commercial loan rate announced from time by Bank of America, a national banking association, or its successors, as its prime rate, plus two percent (2%) per annum (the "Interest Rate")) of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Project, or any portion thereof; (xiii) the cost of capital improvements or other costs incurred in connection with the Project (A) which are intended to effect economies in the operation or maintenance of the Project, or any portion thereof, to the extent of any reasonably anticipated savings by Landlord (B) that are required to comply with present or anticipated conservation programs, (C) which are replacements or modifications of nonstructural items located in the Project required to keep the Project in good order or condition, or (D) that are required under any governmental law or regulation enacted after the Lease Commencement Date; provided, however, that any capital expenditure shall be amortized (including interest on the

unamortized cost at the Interest Rate in effect at the time such expenditure is placed in service) over its useful life as Landlord shall reasonably determine; (xiv) costs, fees, charges or assessments imposed by, or resulting from any mandate imposed on Landlord by, any federal, state or local government for fire and police protection, trash removal, community services, or other services which do not constitute "Tax Expenses" as that term is defined in Section 4.2.5,

below; and (xv) payments under any easement, license, operating agreement, declaration, restrictive covenant, or instrument pertaining to the sharing of costs by the Building. If the Project is not at least ninety-five percent (95%) occupied during all or a portion of any Expense Year, Landlord shall make an

adjustment to the components of Operating Expenses for such year to determine the amount of Operating Expenses that would have been incurred had the Building been ninety-five percent (95%) occupied; and the amount so determined shall be deemed to have been the amount of Operating Expenses for such year. Operating Expenses for the Base Year shall not include market-wide labor-rate increases due to extraordinary circumstances, including, but not limited to, boycotts and strikes, and utility rate increases due to extraordinary circumstances including, but not limited to, conservation surcharges, boycotts, embargoes or other shortages, or amortized costs relating to capital improvements provided that, upon written request by Tenant, Landlord shall give Tenant notice of any such items which were not included in Operating Expenses for the Base Year. In no event shall the components of Direct Expenses for any Expense Year related to electrical costs be less than the components of Direct Expenses related to electrical costs in the Base Year.

In the event Landlord does not carry earthquake insurance during the Base Year, and if Landlord adds earthquake insurance during any subsequent Expense Year, then from and after the date upon which such earthquake insurance is so added and continuing throughout the period during which such earthquake insurance is carried, Operating Expenses for the Base Year shall be deemed to be increased during the period of the Lease Term for which such earthquake insurance is maintained by Landlord in an amount equal to the actual cost of such earthquake insurance in the Expense Year it was implemented by Landlord,

Notwithstanding the foregoing, for purposes of this Lease, Operating Expenses shall not, however, include:

(A) bad debt expenses, rent loss or reserves for bad debts and interest, principal payments, attorneys' fees, points and fees on debts, including lender costs and closing costs (except in connection with the financing of items which may be included in Operating Expenses) or amortization on any ground lease, mortgage or mortgages or any other debt instrument encumbering the Building or Project;

(B) marketing costs, including leasing commissions, incurred in connection with lease, sublease and/or assignment transactions with present or prospective tenants or other occupants of the Building;

(C) legal fees incurred in negotiating and enforcing tenant leases or other occupancy agreements or the defense of Landlord's title to or interest in the Project;

(D) costs, including permit, license and inspection costs or architects and engineers fees, incurred with respect to the installation of other tenants' or occupants' improvements made for tenants or other occupants in the Project or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space for tenants or other occupants in the Project;

(E) the cost of providing any service directly to and paid directly by any tenant of the Building;

(F) costs of any items (including, but not limited to, costs incurred by Landlord for the repair of damage to the Project or for items which are reimbursable under any contractor, manufacturer or supplier warranty), to the extent Landlord receives reimbursement from insurance proceeds (or would have received had Landlord maintained the insurance required under this Lease), condemnation proceeds or from a contractor, manufacturer, supplier or any other third party (other than reimbursement by tenants pursuant to the Operating Expenses pass-through provisions of their leases); such proceeds shall be credited to Operating Expenses in the year in which received, except that any deductible amount under any insurance policy shall be included within Operating Expenses in an amount of up to but not exceeding twenty thousand dollars (\$20,000) per Expense Year;

(G) costs of capital additions, capital alterations or capital improvements (including any replacements) in excess of a total of \$25,000 for the Building per Expense Year, except those set forth in Section 4.2.4 (xiii)

above;

(H) depreciation, amortization and interest payments, except as set forth in Sections 4.2.4 (vii), (xii) and (xiii) above, and except on materials,

tools, supplies and vendor-type equipment purchased by Landlord to enable Landlord to supply services Landlord might otherwise contract for with

a third party, where such depreciation, amortization and interest payments would otherwise have been included in the charge for such third party's services, all as determined in accordance with standard accounting practices and when depreciation or amortization is permitted or required, the item shall be amortized over its reasonably anticipated useful life;

(I) Tax Expenses;

(J) expenses in connection with services, utilities or other benefits which are not offered to Tenant or for which Tenant is charged for directly but which are provided to another tenant or occupant of the Project without charge;

(K) costs and the overhead and profit increment paid to Landlord or to subsidiaries or affiliates of Landlord for goods and/or services in the Project to the extent the same exceeds the costs of such by unaffiliated third parties on a competitive basis;

(L) Landlord's general corporate overhead and general and administrative expenses, including without limitation, all compensation above that which is normal and customary in the Los Angeles market to employees of Landlord above the level of building manager;

(M) advertising and promotional expenditures, and costs of signs in or on the Project identifying the owner of the Project or other tenants' signs;

(N) tax penalties on the Project arising out of Landlord's acts or omissions incurred as a result of Landlord's negligence, inability or unwillingness to make payments or file returns when due;

(O) costs arising from Landlord's charitable or political contributions;

(P) costs, penalties, fines, awards or interest necessitated by or resulting from the gross negligence or willful misconduct of Landlord, or any of its agents, employees or independent contractors;

(Q) rent and other payments under any ground or underlying lease of the Building or Project;

(R) the cost of correcting any latent defects in the initial design or construction of the Building or the Project improvements other than any cost arising out of the Tenant Improvements or Alterations;

(S) costs of removing or remediating any asbestos or asbestos containing materials in the Project;

(T) costs incurred to remove, remedy, contain, or treat Hazardous Materials (defined in Section 5.2.4 below), which (i) were in existence in the

Building or Project prior to the Lease Commencement Date, (ii) are brought into the Building or Project after the Lease Commencement Date by Landlord or Landlord's employees, agents, contractors or other tenants and which are of such a nature, at the time of such introduction, that a federal, state or municipal governmental authority, if it had then had knowledge of such hazardous materials would have then required the removal of such hazardous materials or other remedial or containment action with respect thereto or (iii) migrated onto the Project after the Lease Commencement Date, and which are of such a nature, at the time of such introduction, that a federal, state, or municipal government authority, if it had knowledge of such Hazardous Material migration at the time of such migration would have then required the removal of such Hazardous Material or other remedial or containment action with respect thereto;

(U) wages or salaries of employees or attendants in parking garages, newsstands or other commercial concessions, if any, operated by Landlord in the Building;

(V) costs of purchasing, installing and replacing artwork; and

(W) the cost of any management fees paid to the manager of the Project in excess of the management fee being charged or paid by other landlords for first class office buildings in the downtown Los Angeles office market.

4.2.5 Taxes.

4.2.5.1 "Tax Expenses" shall mean all federal, state, county, or local governmental or municipal taxes, fees, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary, (including, without limitation, real estate taxes, general and special assessments, transit taxes, leasehold taxes or taxes based upon the receipt of rent, including gross receipts or sales taxes applicable to the receipt of rent, unless required to be paid by Tenant, personal

property taxes imposed upon the fixtures, machinery, equipment, apparatus, systems and equipment, appurtenances, furniture and other personal property used in connection with the Project, or any portion thereof), which shall be paid or accrued during any Expense Year (without regard to any different fiscal year used by such governmental or municipal authority) because of or in connection with the ownership, leasing and operation of the Project, or any portion

thereof.

4.2.5.2 Tax Expenses shall include, without limitation: (i) any tax on the rent, right to rent or other income from the Project, or any portion thereof, or as against the business of leasing the Project, or any portion thereof; (ii) any assessment, tax, fee, levy or charge in addition to, or in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax, it being acknowledged by Tenant and Landlord that Proposition 13 was adopted by the voters of the State of California in the June 1978 election ("Proposition 13") and that assessments, taxes, fees, levies and charges may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, refuse removal and for other governmental services formerly provided without charge to property owners or occupants, and, in further recognition of the decrease in the level and quality of governmental services and amenities as a result of Proposition 13, Tax Expenses shall also include any governmental or private assessments or the Project's contribution towards a governmental or private cost-sharing agreement for the purpose of augmenting or improving the quality of services and amenities normally provided by governmental agencies; (iii) any assessment, tax, fee, levy, or charge allocable to or measured by the area of the Premises or the Rent payable hereunder, including, without limitation, any business or gross income tax or excise tax with respect to the receipt of such rent, or upon or with respect to the possession, leasing, operating, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises, or any portion thereof; and (iv) any assessment, tax, fee, levy or charge, upon this transaction or any document to which Tenant is a party, creating or transferring an interest or an estate in the Premises.

4.2.5.3 Any costs and expenses (including, without limitation, reasonable attorneys' fees) incurred in attempting to protest, reduce or minimize Tax Expenses shall be included in Tax Expenses in the Expense Year such expenses are paid. Tax refunds shall be credited against Tax Expenses and refunded to Tenant regardless of when received, based on the Expense Year to which the refund is applicable, provided that in no event shall the amount to be refunded to Tenant for any such Expense Year exceed the total amount paid by Tenant as Tax Expenses under this Article 4 for such Expense Year. If Tax

Expenses for any period during the Lease Term or any extension thereof are increased after payment thereof for any reason, including, without limitation, error or reassessment by applicable governmental or municipal authorities, Tenant shall pay Landlord upon demand Tenant's Share of any such increased Tax Expenses included by Landlord as Building Tax Expenses pursuant to the terms of this Lease. Notwithstanding anything to the contrary contained in this Section

4.2.5 there shall be excluded from Tax Expenses (i) all excess profits taxes, - - - - -
franchise taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal and state income taxes, and other taxes to the extent applicable to Landlord's general or net income (as opposed to rents, receipts or income attributable to operations at the Project), (ii) any items included as Operating Expenses, and (iii) any items paid by Tenant under Section

4.5 of this Lease.
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4.2.5.4 The amount of Tax Expenses for the Base Year attributable to the valuation of the Project, inclusive of tenant improvements, shall be known as "Base Taxes." If in any comparison year subsequent to the Base Year, the amount of Tax Expenses decreases below the amount of Base Taxes, then for purposes of all subsequent comparison years, including the comparison year in which such decrease in Tax Expenses occurred, the Base Taxes shall be decreased by an amount equal to the decrease in Tax Expenses.

4.2.6 "Tenant's Share" shall mean the percentage set forth in Section 6 of the Summary, and is based on the ratio of the rentable square footage of - -
the Premises to the total rentable square footage of the Building.

4.3 Allocation of Direct Expenses; Cost Pools. Landlord shall have the right, from time to time, to equitably allocate some or all of the Direct Expenses for the Project among different portions or occupants of the Project (the "Cost Pools"), in Landlord's reasonable discretion. Such Cost Pools may include, but shall not be limited to, the office space tenants and telecommunications tenants of the Project. The Direct Expenses within each such Cost Pool shall be allocated and charged to the tenants within such Cost Pool in an equitable manner.

4.4 Calculation and Payment of Additional Rent. Tenant shall pay to Landlord, in the manner set forth in Section 4.4.1 below, the Additional Rent as follows:

4.4.1 Calculation of Excess. If for any Expense Year ending or

commencing within the Lease Term, Tenant's Share of Direct Expenses for such Expense Year exceeds Tenant's Share of the amount of Direct Expenses applicable to the Base Year, then Tenant shall pay to Landlord, in the manner

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set forth in Section 4.4.2, below, and as Additional Rent, an amount equal to

such excess of the Direct Expenses, as applicable (the "Excess").

4.4.2 Statement of Actual Direct Expenses and Payment by Tenant.

Landlord shall endeavor to give to Tenant following the end of each Expense Year, a statement (the "Statement") which shall state the Direct Expenses incurred or accrued for such preceding Expense Year, and which shall indicate the amount of the Excess. Within ten (10) days of receiving the Statement for each Expense Year, if an Excess is present, Tenant shall pay the full amount of the Excess for such Expense Year, less the amounts, if any, paid during such Expense Year as "Estimated Excess," as that term is defined in Section 4.4.3

below. If the Statement indicates that the amount of Estimated Excess paid by Tenant to Landlord for the applicable Expense Year exceeds the actual amount of the Excess for such year, Landlord shall refund to Tenant such overpayment within thirty (30) days after such Statement is delivered to Tenant. The failure of Landlord to timely furnish the Statement for any Expense Year shall not prejudice Landlord or Tenant from enforcing its rights under this Article 4.

Even though the Lease Term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's Share of Direct Expenses for the Expense Year in which this Lease terminates, if an Excess is present, Tenant shall immediately pay to Landlord such amount (or Landlord shall, within such thirty (30) day period, refund to Tenant any overpayment of any Estimated Excess paid by Tenant for such Expense Year). The provisions of this Section 4.4.2

shall survive the expiration or earlier termination of the Lease Term.

4.4.3 Statement of Estimated Direct Expenses. In addition, Landlord

shall endeavor to give Tenant a yearly expense estimate statement (the "Estimate Statement") which shall set forth Landlord's reasonable estimate (the "Estimate") of what the total amount of Direct Expenses for the then-current Expense Year shall be and the estimated excess (the "Estimated Excess") as calculated by comparing the Direct Expenses for such Expense Year, which shall be based upon the Estimate, to the amount of Direct Expenses for the Base Year. The failure of Landlord to timely furnish the Estimate Statement for any Expense Year shall not preclude Landlord from enforcing its rights to collect any Estimated Excess under this Article 4, nor shall Landlord be prohibited from

revising any Estimate Statement or Estimated Excess theretofore delivered to the extent necessary. Thereafter, Tenant shall pay, with its next installment of Base Rent due, a fraction of the Estimated Excess for the then-current Expense Year (reduced by any amounts paid pursuant to the next to last sentence of this Section 4.4.3). Such fraction shall have as its numerator the number of months

which have elapsed in such current Expense Year, including the month of such payment, and twelve (12) as its denominator. Until a new Estimate Statement is furnished (which Landlord shall have the right to deliver to Tenant at any time), Tenant shall pay monthly, with the monthly Base Rent installments, an amount equal to one-twelfth (1/12) of the total Estimated Excess set forth in the previous Estimate Statement delivered by Landlord to Tenant.

4.5 Taxes and Other Charges for Which Tenant Is Directly Responsible.

4.5.1 Tenant shall be liable for and shall pay ten (10) days before delinquency, taxes levied against Tenant's equipment (including without limitation Tenant's switching and antenna equipment), furniture, fixtures and any other personal property located in or about the Premises. If any such taxes on Tenant's equipment, furniture, fixtures and any other personal property are levied against Landlord or Landlord's property or if the assessed value of Landlord's property is increased by the inclusion therein of a value placed upon such equipment, furniture, fixtures or any other personal property and if Landlord pays the taxes based upon such increased assessment, which Landlord shall have the right to do regardless of the validity thereof but only under proper protest if requested by Tenant, Tenant shall upon demand repay to Landlord the taxes so levied against Landlord or the proportion of such taxes resulting from such increase in the assessment, as the case may be.

4.5.2 If the tenant improvements in the Premises, whether installed and/or paid for by Landlord or Tenant and whether or not affixed to the real property so as to become a part thereof, are assessed for real property tax purposes at a valuation higher than the valuation at which tenant improvements

conforming to Landlord's "building standard" in other space in the Building are assessed, then the Tax Expenses levied against Landlord or the property by reason of such excess assessed valuation shall be deemed to be taxes levied against personal property of Tenant and shall be governed by the provisions of Section 4.5.1, above.

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4.5.3 Notwithstanding any contrary provision herein, Tenant shall pay prior to delinquency any (i) rent tax or sales tax, service tax, transfer tax or value added tax, or any other applicable tax on the rent or services herein or otherwise respecting this Lease, (ii) taxes assessed upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion of the Project, including the Project parking facility; or (iii) taxes assessed upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises.

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4.6 Tenant Audit. In the event Tenant disputes the amount of the Direct

Expenses set forth in the Statement delivered by Landlord to Tenant pursuant to Section 4.4.2 above, Tenant shall have the right, at Tenant's cost, after reasonable notice to Landlord, to inspect, at Landlord's office during normal business hours, Landlord's books and records directly relevant to the Direct Expenses set forth in such Statement; provided, however, Tenant shall have no right to conduct such inspection, have an audit performed by the Accountant as described below, or object to or otherwise dispute the amount of the Direct Expenses set forth in any Statement, unless Tenant does so within one (1) year immediately following Landlord's delivery of the particular Statement in question (the "Review Period"); provided, further, that notwithstanding any such timely objection, dispute, inspection and/or audit, and as a condition precedent to Tenant's exercise of its right of objection, dispute, inspection and/or audit as set forth in this Section 4.6, Tenant shall not be permitted to withhold

payment of, and Tenant shall timely pay to Landlord, the full amounts as required by the provisions of this Article 4 in accordance with such Statement. However, such payment may be made under protest pending the outcome of any audit which may be performed by the Accountant as described below. If after such inspection, Tenant still disputes the amount of the Direct Expenses set forth in the Statement, Tenant shall have the right, within the Review Period, to cause an independent certified public accountant which shall be one of the "Big 5" national accounting firms selected by Tenant which (i) has not represented or been engaged by Tenant on Tenant's behalf in the past ten (10) years, and (ii) is not paid on a contingent fee basis (the "Accountant"), to commence and complete an audit of Landlord's books and records directly relevant to Landlord's calculation of the Direct Expenses to determine the proper amount of the Direct Expenses incurred and amounts payable by Tenant for the Expense Year which is the subject of such Statement, which audit shall be final and binding upon Landlord and Tenant. If such audit reveals that Landlord has over-charged Tenant, then within thirty (30) days after the results of such audit are made available to Landlord, Landlord shall reimburse to Tenant the amount of such over-charge. If the audit reveals that the Tenant was under-charged, then within thirty (30) days after the results of such audit are made available to Tenant, Tenant shall reimburse to Landlord the amount of such under-charge. Tenant agrees to pay the cost of such audit unless it is subsequently determined that Landlord's original Statement which was the subject of such audit was in error to Tenant's disadvantage by more than five percent (5%), in which case Landlord shall reimburse Tenant for the reasonable cost of such audit. The payment by Tenant of any amounts pursuant to this Article 4 shall not preclude Tenant from questioning the correctness of any Statement provided by Landlord at any time during the Review Period, but the failure of Tenant to object thereto, conduct and complete its inspection and request that Landlord have the Accountant conduct and finalize the audit as described above prior to the expiration of the Review Period shall be conclusively deemed Tenant's approval of the Statement in question and the amount of Direct Expenses shown thereon.

ARTICLE 5

USE OF PREMISES

5.1 Use. Tenant shall use the Premises solely for the Permitted Use set

forth in Section 7 of the Summary, and Tenant shall not use or permit the

Premises to be used for any other purpose or purposes whatsoever. Tenant further covenants and agrees that it shall not use, or suffer or permit any person or persons to use, the Premises or any part thereof for any use or purpose contrary to the Rules and Regulations, or in violation of the laws of the United States of America, the State of California, or the ordinances, regulations or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Project (including laws pertaining to Hazardous Materials, as defined below). Tenant shall comply with

the Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of such Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project. Tenant shall comply with all recorded covenants, conditions, and restrictions now or hereafter affecting the Project.

5.2 Hazardous Materials.

5.2.1 Prohibition on Use. Tenant shall not use or allow another

person or entity to use any part of the Premises for the storage, use, treatment, manufacture or sale of Hazardous Materials. Landlord acknowledges, however, that Tenant will maintain products in the Premises which are incidental to the operation of its telecommunications and ancillary offices, such as dry or gel cell batteries, photocopy supplies, secretarial supplies and limited janitorial supplies, which products contain chemicals which are categorized as Hazardous Materials. Landlord agrees that the use of such products in the Premises in compliance with all applicable laws and in the manner in which such products are designed to be used shall not be a violation by Tenant of this Section 5.2.1.
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5.2.2 Indemnity. Tenant agrees to indemnify, defend, protect and

hold Landlord and the Landlord Parties (as defined in Section 10.1 below)

harmless from and against any and all claims, actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities, interest or losses, including reasonable attorneys' fees and expenses, consultant fees, and expert fees, together with all other costs and expenses of any kind or

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nature, that arise during or after the Lease Term directly or indirectly from or in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, surface water or groundwater at, on, about, under or within the Premises or Project or any portion thereof, caused by Tenant, its customers, assignees or subtenants and/or their respective agents, employees, contractors, licensees or invitees (collectively, "Tenant Parties").

5.2.3 Remedial Work. In the event any investigation or monitoring of

site conditions or any clean-up, containment, restoration, removal or other remedial work (collectively, the "Remedial Work") is required under any applicable federal, state or local laws or by any judicial order, or by any governmental entity as the result of operations or activities upon, or any use or occupancy of any portion of the Premises by Tenant or the Tenant Parties, Tenant shall perform or cause to be performed the Remedial Work in compliance with such laws or order. All Remedial Work shall be performed by one or more contractors, selected by Tenant and approved in advance in writing by Landlord. All costs and expenses of such Remedial Work shall be paid by Tenant, including, without limitation, the charges of such contractor(s), the consulting engineers, and Landlord's reasonable attorneys' fees and costs incurred in connection with monitoring or review of such Remedial Work.

5.2.4 Definition of Hazardous Materials. As used herein, the term

"Hazardous Materials" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government, including, without limitation, any material or substance which is (i) defined or listed as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance" or "hazardous material" under any applicable federal, state or local law or administrative code promulgated thereunder, (ii) petroleum, or (iii) asbestos.

ARTICLE 6

SERVICES AND UTILITIES

6.1 Standard Tenant Services.

6.1.1 Heating and air conditioning ("HVAC") service in the Premises will be provided by Tenant, at Tenant's sole cost and expense, through separate package units which shall be subject to the direct control of Tenant. Subject to Landlord's prior written approval of Tenant's plans and specifications, such approval not to be unreasonably withheld or delayed, Tenant shall have the right to install in a location within the Premises and/or Project designated in writing by Landlord "Tenant's HVAC Equipment" pursuant to Article 22 below. The

acquisition and operation of Tenant's HVAC Equipment (including without limitation the purchase, installation, and maintenance thereof) shall be at Tenant's sole cost and expense, and the electrical consumption resulting from Tenant's usage of Tenant's HVAC equipment shall be separately metered, billed to Tenant and paid by Tenant pursuant to Section 6.1.2 below.

6.1.2 Tenant shall install in the Premises, at Tenant's sole cost and expense and subject to Landlord's prior approval of the plans and specifications therefore such approval not be unreasonably withheld or delayed, a transformer tying into the Building's bus duct system to obtain an electrical supply for the Premises providing up to 10,000 amps at 480 volts, three-phase wiring, through two (2) separate bus ducts run to the Premises. The cost of such electrical supply and all other electricity provided to the Premises shall be separately metered to the Premises at Tenant's sole cost and expense (including without limitation, the cost of any metering equipment or the installation cost thereof). Tenant shall pay directly to Landlord within ten (10) days after receipt of written demand and as Additional Rent under this Lease (and not as part of Operating Expenses) the cost of all electricity and HVAC provided to and/or consumed in the Premises and by all of Tenant's equipment (including without limitation Tenant's HVAC Equipment) plus a Landlord administration fee equal to two and one-half percent (2 1/2%) of the total utility bill for Tenant at the Project. In addition, Tenant shall bear the cost of replacement of lamps, starters and ballasts for lighting fixtures within the Premises. In the event Tenant desires electric power in excess of the level set forth in the first sentence in this Section 6.1.2 or available from Landlord ("Additional

Electrical Supply"), Tenant may, at its own expense, elect to make direct arrangements with the Los Angeles Department of Water and Power to obtain such Additional Electric Supply directly from the Department of Water and Power, if feasible. Landlord makes no representations or warranties regarding such arrangements (including their feasibility), but agrees to cooperate with Tenant and the Department of Water and Power reasonably and in good faith in this regard. The plans and specifications for any new vault or transformer space (including, but not limited to, the location of such space within the Building, which shall be designated by Landlord in its discretion, provided that Landlord is willing to make such space available) and for any transformer, related equipment, facilities or connections to provide the Additional Electrical Supply, shall be subject to Landlord's prior written approval. Tenant agrees to pay all bills from the Department of Water and Power for such direct electrical service when due and shall pay a reasonable rental as established by Landlord in its good faith, but sole, discretion for any new vault or transformer space used by Tenant to provide the Additional Electrical Supply. The initial

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transformer to be installed by Tenant as described above, and any subsequent transformers and other electrical equipment which Tenant elects to install to provide Additional Electrical Supply to the Premises, shall sometimes be referred to herein collectively as the "Electrical Equipment." Notwithstanding anything in this Lease to the contrary, commencing on the earlier to occur of (i) the date which is the thirty-sixth (36th) month of the Lease Term, and (ii) the date upon which Tenant has placed ninety percent (90%) of its collocation Customers in the Premises, Landlord shall have the right to meter and test Tenant's connected peak amperage load used at the Premises, and in the event that over a thirty (30) day period, Landlord's metering and testing procedures demonstrate that Tenant is not utilizing on a daily average business day basis, all of the amps initially reserved by Tenant in this Section 6.1.2, Landlord may

reclaim up to seventy-five percent of any amperage Landlord reasonably determines through such process is being unused by Tenant.

6.1.3 Landlord shall not provide janitorial services to the Premises. Tenant shall be solely responsible, at Tenant's sole cost and expense, for keeping all areas of the Project used by Tenant, in a neat, clean and safe condition, and for performing all janitorial services and other cleaning of the Premises appropriate to maintain the Premises in a manner consistent with a first-class telecommunications building; provided that Tenant shall use a janitor on Landlord's designated Building janitorial list (which list shall contain two or more janitorial companies) for all janitorial services within the Project.

6.1.4 Landlord shall furnish unheated water from mains for drinking, lavatory and toilet purposes drawn through fixtures installed by Landlord, or by Tenant with Landlord's prior written consent, and heated water for lavatory purposes from regular building supply in such quantities as required in Landlord's judgment for the comfortable and normal use of the Premises. Tenant shall pay Landlord, as Additional Rent, for any additional water which is furnished for any other purpose. The amount that Tenant shall pay Landlord for such additional water shall be the average price per gallon charged to the Landlord for the Building by the entity providing water.

6.2 Interruption of Use. Tenant agrees that Landlord shall not be liable

for damages, by abatement of Rent (except as expressly provided in Section 6.3

below) or otherwise, for failure to furnish or delay in furnishing any service (including without limitation telephone, telecommunication and emergency power services), or for any diminution or interruption in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by repairs, replacements, or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Building or Project after commercially reasonable effort to do so, by any accident or casualty whatsoever, by act or default of Tenant or other parties, or by any other cause; and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease. Furthermore, Landlord shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article

6. Landlord may comply with voluntary controls or guidelines promulgated by any
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governmental entity relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions without creating any liability of Landlord to Tenant under this Lease, provided that such voluntary compliance with such controls shall not unreasonably interfere with Tenant's use or occupancy of the Premises. As a material inducement to Landlord's entry into this Lease, Tenant waives and releases any rights it may have to make repairs at Landlord's expense under Sections 1941 and 1942 of the California Civil Code.

6.3 Special Abatement of Rent. Notwithstanding the provisions of Section

6.2 above to the contrary, in the event that during the Lease Term Tenant is
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prevented from using, and does not use, the Premises or any portion thereof as a result of (i) any failure by Landlord to provide any of the essential utilities and services to the Premises required to be provided by Landlord under Section

6.1 of this Lease, (ii) any failure by Landlord to provide access to the
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Premises (including as a result of any Renovations undertaken by Landlord pursuant to Section 29.30 of this Lease or construction pursuant to Section

29.32), (iii) any act by Landlord which unreasonably prevents Tenant from
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conducting its business in the Premises (and Tenant does not conduct its business in the Premises as a result of such act) or (iv) Landlord's failure to promptly, timely and diligently perform any repairs, maintenance or alterations required by this Lease to be performed by Landlord, after the Lease Commencement Date, which substantially interferes with Tenant's use of the Premises (any such set of circumstances as set forth in items (i) through (iv), above, to be known as an "Abatement Event"), then Tenant shall give Landlord notice of such Abatement Event. If such Abatement Event continues for five (5) consecutive business days after Landlord's receipt of any such notice from Tenant ("Eligibility Period"), then the Base Rent shall be abated or reduced, as the case may be, during such time after the Eligibility Period that Tenant continues to be so prevented from using, and does not use, the Premises or a portion thereof, in the proportion that the rentable area of the portion of the Premises that Tenant is prevented from using, and does not use, bears to the total rentable area of the Premises; provided, however, in the event that Tenant is prevented from using, and does not use, a portion of the Premises for a period of time in excess of the

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Eligibility Period, then for such time after expiration of the Eligibility Period during which Tenant is so prevented from effectively conducting its business therein, the Base Rent shall be abated for such time as Tenant continues to be so prevented from using, and does not use, the Premises. If, however, Tenant re-occupies any portion of the Premises during such period, the Base Rent allocable to such re-occupied portion, based on the proportion that the rentable square feet of such re-occupied portion of the Premises bears to the total rentable square feet of the Premises, shall be payable by Tenant from the date Tenant re-occupies such portion of the Premises. For purposes of this Section 6.3, Tenant shall not be deemed to be occupying or using the Premises
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merely by having Tenant's furniture or personal property remaining in the Premises. Such right to abate Base Rent shall be Tenant's sole and exclusive remedy at law or in equity for an Abatement Event; provided, however, that if Landlord does not cure such Abatement Event within one hundred eighty (180) days after Landlord's receipt from Tenant of notice of the occurrence of the Abatement Event, Tenant shall have the right to terminate this Lease during the first five (5) business days in each calendar month following the end of such one hundred eighty (180) day period until such time as Landlord has cured the Abatement Event, which right may be exercised only by delivery of thirty (30) days notice to Landlord (the "Abatement Event Termination Notice") during such

ten (10) business day period and shall be effective as of the date set forth in the Abatement Event Termination Notice (the "Abatement Event Termination Date"), which Abatement Event Termination Date shall not be less than thirty (30) days and not more than one hundred twenty (120) days, following the delivery of the Abatement Event Termination Notice. The foregoing abatement and termination rights shall not be applicable if the Abatement Event is caused by damage or destruction or an eminent domain taking described in Articles 11 and 13 of this

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Lease, since Tenant's rent abatement rights with respect to such events are set forth in Articles 11 and 13 of this Lease. Except as expressly provided in this

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Section 6.3, nothing contained herein shall be interpreted to mean that Tenant

is excused from paying Rent due hereunder.

ARTICLE 7

REPAIRS

7.1 Landlord's Repairs. Landlord shall maintain in good order, repair and

condition (i) the structural portions of the Building, including the foundation, roof, curtain wall, mullions, columns, beams, shafts (including elevator shafts), stairwells, elevator cabs, and Building mechanical, electrical and telephone closets (collectively, "Building Structure"), (ii) the Building's mechanical, electrical, life safety, plumbing, sprinkler and HVAC systems located outside the Premises (collectively, the "Building Systems"), and (iii) the Common Areas. Notwithstanding anything in this Lease to the contrary, Tenant shall be required to pay for the cost of repairs to the Building Structure, the Building Systems and/or the Common Areas to the extent required because of (1) Tenant's use of the Premises for other than normal and customary business office operations, and/or (2) Tenant's Alterations (as defined in Section 8.1 below).

7.2 Tenant's Repairs. Subject to Landlord's repair obligations set forth

in Section 7.1 above, Tenant shall, at Tenant's own expense, pursuant to the

terms of this Lease, including without limitation Article 8 hereof, keep the

Premises, including all improvements, fixtures, equipment (including without limitation the Supplemental Equipment) and furnishings therein, in good order, repair and condition at all times during the Lease Term. In addition, Tenant shall, at Tenant's own expense, but under the supervision and subject to the prior approval of Landlord, and within any reasonable period of time specified by Landlord, pursuant to the terms of this Lease, including without limitation Article 8 hereof, promptly and adequately repair all damage to the Premises and

replace or repair all damaged, broken, or worn fixtures and appurtenances, except for damage caused by ordinary wear and tear or beyond the reasonable control of Tenant; provided however, if Tenant fails to make such repairs following any applicable notice and cure rights of Tenant, Landlord may, but need not, make such repairs and replacements, and Tenant shall pay Landlord the cost thereof, including an administration fee equal to five percent (5%) of the cost thereof (to be uniformly established for the Building and/or the Project) sufficient to reimburse Landlord for all overhead, general conditions, fees and other costs or expenses arising from Landlord's involvement with such repairs and replacements forthwith upon being billed for same. Tenant hereby waives any and all rights under and benefits of subsection 1 of Section 1932 and Sections 1941 and 1942 of the California Civil Code or under any similar law, statute, or ordinance now or hereafter in effect.

ARTICLE 8

ADDITIONS AND ALTERATIONS

8.1 Landlord's Consent to Alterations. Tenant may not make any

improvements, alterations, additions or changes to the Premises or any mechanical, plumbing or HVAC facilities or systems pertaining to the Premises (collectively, the "Alterations") without first procuring the prior written consent (the "Alteration Consent Request") of Landlord to such Alterations, which consent shall be requested by Tenant not less than thirty (30) days prior to the commencement thereof, and which

consent shall not be unreasonably withheld by Landlord, provided it shall be deemed reasonable for Landlord to withhold its consent to any Alteration which adversely affects the structural portions or the systems or equipment of the

Building or is visible from the exterior of the Building. Landlord shall notify Tenant of its approval or denial of any Alterations within fifteen (15) days of receipt of the applicable Alteration Consent Request, and Landlord's failure to respond within such fifteen (15) day period shall be deemed Landlord's consent to the Alteration described in the applicable Alteration Consent Request. The construction of the initial improvements to the Premises shall be governed by the terms of the Tenant Work Letter and not the terms of this Article 8.

Notwithstanding the foregoing, Tenant may make non-structural changes to the Premises (such non-structural changes to be referred to hereafter collectively as the "Acceptable Changes") without Landlord's prior consent provided (i) Tenant delivers to Landlord written notice of such Acceptable Changes at least fifteen (15) days prior to the commencement thereof, (ii) such Acceptable Changes do not cost in excess of Twenty Five Thousand Dollars (\$25,000.00) for any one (1) job, (iii) such Acceptable Changes do not affect the exterior appearance of the Building or Common Areas, the structural aspects of the Building, or the Building systems and equipment of the Premises or Building, and (iv) Tenant obtains and delivers to Landlord prior to commencement of construction of such Acceptable Changes, all permits and approvals required by any local, state or federal authorities for such Acceptable Changes.

8.2 Manner of Construction. Landlord may impose, as a condition of its

consent to any and all Alterations or repairs of the Premises or about the Premises, such requirements as Landlord in its reasonable discretion may deem desirable, including, but not limited to, the requirement that Tenant utilize for such purposes only contractors, subcontractors, materials, mechanics and materialmen selected by Tenant from a list provided and approved by Landlord (provided such list shall include more than one (1) contractor and shall also include Carlson and/or any other Carlson entity reasonably approved by Landlord), the requirement that upon Landlord's request, Tenant shall, at Tenant's expense, remove such Alterations upon the expiration or any early termination of the Lease Term if Landlord gave Tenant written notice that such removal would be required at the time Landlord consented to such Alteration. If such Alterations will involve the use of or disturb Hazardous Materials or substances existing in the Premises, Tenant shall comply with Landlord's rules and regulations concerning such Hazardous Materials or substances. Tenant shall construct such Alterations and perform such repairs in a good and workmanlike manner, in conformance with any and all applicable federal, state, county or municipal laws, rules and regulations and pursuant to a valid building permit, issued by the City of Los Angeles, all in conformance with Landlord's construction rules and regulations. In the event Tenant performs any Alterations in the Premises which require or give rise to governmentally required changes to the "Base Building," as that term is defined below, then Landlord shall, at Tenant's expense, make such changes to the Base Building. The "Base Building" shall include the structural portions of the Building, and the public restrooms and the systems and equipment located in the internal core of the Building on the floor or floors on which the Premises are located. In performing the work of any such Alterations, Tenant shall have the work performed in such manner so as not to obstruct access to the Project or any portion thereof, by any other tenant of the Project, and so as not to obstruct the business of Landlord or other tenants in the Project. Tenant shall not use (and upon notice from Landlord shall cease using) contractors, services, workmen, labor, materials or equipment that, in Landlord's reasonable judgment, would disturb labor harmony with the workforce or trades engaged in performing other work, labor or services in or about the Building or the Common Areas. In addition to Tenant's obligations under Article 9 of this Lease, upon completion

of any Alterations, Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of the County of Los Angeles in accordance with Section 3093 of the Civil Code of the State of California or any successor statute, and Tenant shall deliver to the Project management office a reproducible copy of the "as built" drawings of the Alterations as well as all permits, approvals and other documents issued by any governmental agency in connection with the Alterations.

8.3 Payment for Improvements. If payment is made directly to contractors,

Tenant shall comply with Landlord's requirements for final lien releases and waivers in connection with Tenant's payment for work to contractors. Whether or not Tenant orders any work directly from Landlord, Tenant shall reimburse Landlord for any and all reasonable costs and expenses arising from Landlord's involvement with such work.

8.4 Construction Insurance. In addition to the requirements of Article 10

of this Lease, in the event that Tenant makes any Alterations, prior to the commencement of such Alterations, Tenant shall provide Landlord with evidence that Tenant carries "Builder's All Risk" insurance in an amount approved by Landlord covering the construction of such Alterations, and such other insurance as Landlord may reasonably require, it being understood and agreed that all of such Alterations shall be insured by Tenant pursuant to Article 10 of this Lease

immediately upon completion thereof. In addition, Landlord may, in its discretion, require Tenant to obtain a lien and completion bond or some

alternate form of security satisfactory to Landlord in an amount sufficient to ensure the lien-free completion of such Alterations and naming Landlord as a co-obligee.

8.5 Landlord's Property. All Alterations, improvements, fixtures,

conduit, (excluding Tenant's Generator, generator enclosures, paralleling gear,
DC plant or UPS system and Tenant HVAC

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Equipment, Liebert units and chillers [collectively, "Tenant's Trade Fixtures"]) and/or appurtenances which may be installed or placed in or about the Premises, from time to time, including any non-general office use improvements made at the time of Tenant's initial occupancy of the Premises, shall be at the sole cost of Tenant and shall be and become the property of Landlord, and 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 Landlord agreed to its removal at the time Landlord consented to such Alteration. Such fixtures, alterations, additions, repairs, improvements and/or appurtenances shall include, without limitation, the Base, Shell and Core (as defined in the Tenant Work Letter) and improvements, built-in utilities such as heating, ventilating and air conditioning units in the Premises, floor coverings, drapes, paneling, molding, doors, kitchen and dishwashing fixtures, plumbing systems, electrical systems, lighting systems, silencing equipment, switching conduit and cabling, all fixtures and outlets for the systems mentioned above and for all telephone, radio, telegraph and television purposes, and any special flooring or ceiling installations. Notwithstanding the foregoing, Landlord may, by written notice to Tenant at the time Tenant requests Landlord's consent to any Alteration pursuant to Section

8.1 or Section 22, or given following any earlier termination of this Lease,
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require Tenant, at Tenant's expense, to remove any Alterations, improvements, fixtures, conduits and/or appurtenances (not including the initial Tenant Improvements to be constructed by Tenant pursuant to the Tenant Work Letter) in the Premises and Project, and to repair any damage to the Premises and Building caused by such removal and return the affected portion of the Premises and Project to a building standard tenant improved condition as determined by Landlord. If Tenant fails to complete such removal and/or to repair any damage caused by the removal of any Alterations, improvements, fixtures, conduits and/or appurtenances in the Premises and Project, and returns the affected portion of the Premises and Project to a building standard tenant improved condition as determined by Landlord, Landlord may do so and may charge the cost thereof to Tenant. Tenant hereby protects, defends, indemnifies and holds Landlord harmless from any liability, cost, obligation, expense or claim of lien in any manner relating to the installation, placement, removal or financing of any such Alterations, improvements, fixtures, conduit, and/or appurtenances in, on or about the Premises and Project, which obligations of Tenant shall survive the expiration or earlier termination of this Lease.

8.6 Landlord Lien Waivers. Subject to Article 9 below, within a reasonable

period of time after receipt of written request therefor from a lender and/or a vendor under a conditional sales agreement or other agreement requiring a security interest in any furniture, trade fixtures or equipment installed or to be installed in the Premises, Landlord shall execute a commercially reasonable form of landlord lien waiver agreement which shall assure the vendor of the seniority of the vendor's lien claim relative to such furniture, trade fixtures and equipment in relation to Landlord's interest therein; such agreement shall permit the removal of such affected furniture, fixtures and equipment at any time during the Lease Term upon prior written notice to Landlord and shall require such vendor to repair any damage resulting from such removal.

ARTICLE 9

COVENANT AGAINST LIENS

Except as provided in Section 8.6 above, Tenant shall keep the Project and

Premises free from any liens or encumbrances arising out of the work performed, materials furnished or obligations incurred by or on behalf of Tenant, and shall protect, defend, indemnify and hold Landlord harmless from and against any claims, liabilities, judgments or costs (including, without limitation, reasonable attorneys' fees and costs) arising out of same or in connection therewith. Tenant shall give Landlord notice at least twenty (20) days prior to the commencement of any such work on the Premises (or such additional time as may be necessary under applicable laws) to afford Landlord the opportunity of posting and recording appropriate notices of non-responsibility. Tenant shall remove any such lien or encumbrance by bond or otherwise within ten (10) days after notice by Landlord, and if Tenant shall fail to do so, Landlord may pay the amount necessary to remove such lien or encumbrance, without being responsible for investigating the validity thereof. The amount so paid shall be deemed Additional Rent under this Lease payable upon demand, without limitation

as to other remedies available to Landlord under this Lease. Nothing contained in this Lease shall authorize Tenant to do any act which shall subject Landlord's title to the Premises to any liens or encumbrances whether claimed by operation of law or express or implied contract. Any claim to a lien or encumbrance upon the Premises arising in connection with any such work or respecting the Premises not performed by or at the request of Landlord shall be null and void, or at Landlord's option shall attach only against Tenant's interest in the Premises and shall in all respects be subordinate to Landlord's title to the Project, Building and Premises.

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ARTICLE 10

INSURANCE

10.1 Indemnification.

10.1.1 Tenant's Indemnification of Landlord and Waiver. Subject to

the limitations, exclusions and Landlord's indemnity of Tenant as set forth in Sections 10.1.2 and 10.1.3 below, Tenant hereby (i) assumes all risk of damage

to property or injury to persons in, upon or about the Premises from any cause whatsoever and (ii) agrees that Landlord, its partners, subpartners and their respective officers, agents, servants, employees, and independent contractors (collectively, "Landlord Parties") shall not be liable for, and are hereby released from any responsibility for, any damage either to person or property or resulting from the loss of use thereof, which damage is sustained by Tenant or by other persons claiming through Tenant. Tenant shall indemnify, defend, protect, and hold harmless the Landlord Parties from any and all loss, cost, damage, expense and liability including without limitation court costs and reasonable attorneys' fees (collectively, "Claims") incurred in connection with or arising from any cause in, on or about the Premises, any acts, omissions or negligence of Tenant or of any person claiming by, through or under Tenant, or of any of Tenant's Customers (as defined in Section 14.6 below) (except to the

extent such Customer is a tenant of the Project and the Claims do not arise as a result of such Customer's activities in the Premises), the contractors, agents, servants, employees, invitees, guests or licensees of Tenant or any such person, in, on or about the Project or any breach of the terms of this Lease, provided that the terms of the foregoing indemnity shall not apply to any Claims to the extent caused by the gross negligence or willful misconduct of Landlord and not insured or required to be insured by Tenant under this Lease. Should Landlord be named as a defendant in any suit brought against Tenant in connection with or arising out of Tenant's occupancy of the Premises, Tenant shall pay to Landlord its costs and expenses incurred in such suit, including without limitation, its actual professional fees such as appraisers', accountants' and attorneys' fees. Further, Tenant's agreement to indemnify Landlord pursuant to this Section 10.1

is not intended and shall not relieve any insurance carrier of its obligations under policies required to be carried by Tenant pursuant to the provisions of this Lease, to the extent such policies cover the matters subject to Tenant's indemnification obligations; nor shall they supersede any inconsistent agreement of the parties set forth in any other provision of this Lease. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this

Lease with respect to any claims or liability arising in connection with any event occurring prior to such expiration or termination.

10.1.2 Exclusion from Tenant's Indemnity; Landlord's Indemnification

of Tenant. The terms of the assumption of risk, waiver, release and indemnification by Tenant of Landlord set forth in Section 10.1.1 above shall

not, however, include any Claims to the extent resulting from (i) the negligence or willful misconduct of the Landlord Parties in connection with the Landlord Parties' activities in the Building and/or breach by Landlord of the Landlord's obligations under this Lease (except for damage to the Tenant Improvements, and all Alterations and leasehold improvements in the Premises, and Tenant's personal property, fixtures, furniture and equipment in the Premises, to the extent such Claims are covered by insurance maintained by Tenant pursuant to this Lease or would have been covered had Tenant maintained the insurance required pursuant to this Lease), or (ii) damage to any portion of the Building or Common Areas located outside the Premises to the extent such Claims are covered by Landlord's insurance pursuant to Section 10.2 of this Lease (or would

have been covered had Landlord maintained such insurance), even if resulting from the negligence or willful misconduct of the Tenant Parties, and, subject to the limitations in Section 10.1.3 below, Landlord shall indemnify, defend,

protect and hold Tenant and Tenant's partners, subpartners, and their respective officers, agents, employees and independent contractors, harmless from and against any and all such excluded Claims.

10.1.3 Limitation on Consequential Damages. Notwithstanding anything

to the contrary contained in the foregoing provisions of this Article 10 or

elsewhere in this Lease, nothing in this Article 10 or this Lease shall impose

any obligations on Tenant or Landlord to be responsible or liable for, and each hereby releases the other from all liability for, consequential damages other than those consequential damages (i) permitted to be recovered by Landlord following a termination of this Lease after a default by Tenant pursuant to Section 19.2.1 above, (ii) incurred by Landlord in connection with a holdover of

the Premises by Tenant after the expiration or earlier termination of this Lease, or (iii) incurred by Landlord in connection with any repair, physical construction or improvement work performed by or on behalf of Tenant in the Project.

10.1.4 Survival. The provisions of this Section 10.1 shall survive

the expiration or sooner termination of this Lease with respect to any claims or liability occurring prior to such expiration or termination.

10.2 Landlord's Insurance.

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10.2.1 Property Damage. Landlord shall, from and after the date

hereof until the expiration of the Lease Term, maintain "All Risk" or "Special Causes of Loss" Physical Damage covering the Building (including the Building Structure and Building Systems, but excluding the Tenant Improvements, Alterations, and leasehold improvements in the Premises, Tenant's personal property, the Supplemental Equipment and other property Tenant is required to insure pursuant to Section 10.3.2 below). Such insurance shall be in an amount

not less than one hundred percent (100%) of the full replacement cost of the property insured, exclusive of architectural and engineering fees, excavation, footing and foundations, and in amounts that meet any co-insurance clauses of the policy. Landlord shall also have the right, but not the obligation, to maintain earthquake and/or flood insurance, and insurance against such other risks and perils as Landlord may from time to time determine.

10.2.2 Liability Insurance. Landlord shall, from and after the date

hereof until the expiration of the Lease Term, also maintain Commercial General Liability Insurance covering Landlord's liability for all claims or losses for bodily injury and property damage arising out of Landlord's operations or use of the Real Property.

10.2.3 Tenant's Compliance With Landlord's Fire and Casualty

Insurance. Tenant shall, at Tenant's expense, comply with all customary

insurance company requirements pertaining to the use of the Premises, provided that such insurance requirements shall not unreasonably interfere with Tenant's use and occupancy of the Premises. If Tenant's conduct or use of the Premises other than for normal office purposes causes any increase in the premium for any insurance policies carried by Landlord, then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body.

10.3 Tenant's Insurance. Tenant shall maintain the following coverages in

the following amounts.

10.3.1 Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury and property damage (including loss of use thereof) arising out of Tenant's operations (and the operations of any Customers (defined in Section 14.6 below) of Tenant), and contractual

liabilities (covering the performance by Tenant of its indemnity agreements) including a Broad Form endorsement covering the insuring provisions of this Lease and the performance by Tenant of the indemnity agreements set forth in

Section 10.1 of this Lease, for limits of liability not less than:

Bodily Injury and \$5,000,000 each occurrence
Property Damage Liability \$5,000,000 annual aggregate

Personal Injury Liability \$5,000,000 each occurrence
 \$5,000,000 annual aggregate
 0% Insured's participation

10.3.2 Physical Damage Insurance covering (i) all office furniture, business and trade fixtures, office equipment, free-standing cabinet work, movable partitions, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant, (ii) the "Base, Shell and Core," as that term is defined in the Tenant Work Letter, attached hereto as Exhibit B and incorporated by this reference, and any other improvements which

exist in the Premises as of the Lease Commencement Date (excluding the Base Building), (iii) the Supplemental Equipment, and (iv) the "Tenant Improvements," as that term is defined in the Tenant Work Letter attached hereto as Exhibit B

and incorporated herein by this reference, and all other improvements, alterations and additions to the Premises. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the full replacement cost value (subject to reasonable deductible amounts) new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include coverage for damage or other loss caused by fire or other peril including, but not limited to, vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion, and providing business interruption coverage for a period of one year.

10.3.3 Worker's Compensation and Employer's Liability or other similar insurance pursuant to all applicable state and local statutes and regulations.

10.4 Form of Policies. The minimum limits of policies of insurance

required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall (i) with respect to the coverages required under Sections 10.3.2(ii) and (iv) above, name Landlord, and any other

party the Landlord so specifies, as an additional insured, including Landlord's managing agent, if any; (ii) specifically cover the liability assumed by Tenant under this Lease, including, but not limited to, Tenant's obligations under Section 10.1 of this Lease; (iii) be issued by an insurance company having a

rating of not less than A-X in Best's Insurance Guide or which is otherwise acceptable to Landlord and

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licensed to do business in the State of California; (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is excess and is non-contributing with any insurance requirement of Tenant; (v) be in form and content reasonably acceptable to Landlord; and (vi) provide that said insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to Landlord and any mortgagee of Landlord. Tenant shall deliver said policy or policies or certificates thereof to Landlord on or before the Lease Commencement Date and at least thirty (30) days before the expiration dates thereof. In the event Tenant shall fail to procure such insurance, or to deliver such policies or certificate, Landlord may, at its option, procure such policies for the account of Tenant, and the cost thereof shall be paid to Landlord within five (5) days after delivery to Tenant of bills therefor.

10.5 Subrogation. Landlord and Tenant intend that their respective

property loss risks shall be borne by reasonable insurance carriers to the extent above provided, and Landlord and Tenant hereby agree to look solely to, and seek recovery only from, their respective insurance carriers in the event of a property loss to the extent that such coverage is agreed to be provided hereunder. The parties each hereby waive all rights and claims against each other for such losses, and waive all rights of subrogation of their respective insurers, provided such waiver of subrogation shall not affect the right to the insured to recover thereunder. The parties agree that their respective insurance policies are now, or shall be, endorsed such that the waiver of subrogation shall not affect the right of the insured to recover thereunder, so long as no material additional premium is charged therefor. Landlord or Tenant shall immediately notify the other if such party is unable to obtain the above required waiver of subrogation.

10.6 Additional Insurance Obligations. Tenant shall carry and maintain

during the entire Lease Term, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Article 10 and such other reasonable types of insurance coverage and in such

reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord provided that Landlord shall not require

Tenant to change its insurance requirements more than one time in any Lease Year.

ARTICLE 11

DAMAGE AND DESTRUCTION

11.1 Repair of Damage to Premises by Landlord. Tenant shall promptly

notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises or any Common Areas serving or providing access to the Premises shall be damaged by fire or other casualty, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, and subject to all other terms of this Article 11, restore the Base Building and such Common Areas. Such

restoration shall be to substantially the same condition of the Base Building and the Common Areas prior to the casualty, except for modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Building or Project or any other modifications to the Common Areas deemed desirable by Landlord, provided that access to the Premises and any common restrooms serving the Premises shall not be materially impaired. Upon the occurrence of any damage to the Premises, upon notice (the "Landlord Repair Notice") to Tenant from Landlord, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Sections 10.3.2(ii) and (iv) of this Lease,

and Landlord shall repair any injury or damage to tenant improvements and Alterations in the Premises (but not any Supplemental Equipment or any of Tenant's personal property which shall be promptly and with due diligence repaired and restored by Tenant at Tenant's sole cost and expenses, unless and to the extent Landlord elects in its sole discretion to restore all or a part of the Supplemental Equipment) installed in the Premises and shall return the Base, Shell and Core, Tenant's Work and any such tenant improvements and Alterations in the Premises (and any Supplemental Equipment Landlord elects to repair in its sole discretion) to their original condition; provided that if the cost of such repair by Landlord exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, as assigned by Tenant, the cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's commencement of repair of the damage. Except as otherwise set forth in Section 7.1, in the event that

Landlord does not deliver the Landlord Repair Notice within sixty (60) days following the date the casualty becomes known to Landlord, Tenant shall, at its sole cost and expense, repair any injury or damage to the Tenant's Work and the Base, Shell and Core installed in the Premises and shall return such Tenant's Work and Base, Shell and Core to their original condition. In the event Landlord delivers a Landlord Repair Notice, prior to the commencement of construction, Tenant shall submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord shall select and Tenant shall reasonably approve the contractors to perform such improvement work. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty shall have damaged the Premises or Common Areas necessary to Tenant's occupancy, Landlord shall allow Tenant a proportionate abatement of Base Rent, during the time and to the extent the Premises are unfit for occupancy for the purposes permitted under this Lease, and not occupied by Tenant as a

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result thereof; provided, further, however, that if the damage or destruction is due to the negligence or willful misconduct of Tenant or any of its agents, employees, contractors, invitees or guests, Tenant shall be responsible for any reasonable, applicable insurance deductible (which shall be payable to Landlord upon demand) and there shall be no rent abatement. In the event that Landlord shall not deliver the Landlord Repair Notice, Tenant's right to rent abatement pursuant to the preceding sentence shall terminate as of the date which is reasonably determined by Landlord to be the date Tenant should have completed repairs to the Premises assuming Tenant used reasonable due diligence in connection therewith.

11.2 Landlord's Option to Repair. Notwithstanding the terms of Section

11.1 of this Lease, Landlord may elect not to rebuild and/or restore the

Premises, Building and/or Project, and instead terminate this Lease, by notifying Tenant in writing of such termination within sixty (60) days after the date of damage, such notice to include a termination date giving Tenant sixty (60) days to vacate the Premises, but Landlord may so elect only if the Building or Project shall be damaged by fire, earthquake or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) in Landlord's reasonable judgment, repairs cannot

reasonably be completed within one hundred eighty (180) days after the date of discovery of the damage (when such repairs are made without the payment of overtime or other premiums); or (ii) the damage is not fully covered by Landlord's insurance policies; provided, however, that (A) if Landlord does not elect to terminate this Lease pursuant to Landlord's termination right as provided above, (B) the damage constitutes a "Tenant Damage Event" (as defined below), and (C) repair of such damage cannot, in the reasonable judgment of an architect or contractor selected by Landlord, be substantially completed within two hundred seventy (270) days after the date of the damage, then Tenant may elect, not later than ninety (90) days after nor earlier than thirty (30) days after the date Tenant receives notice from the architect or contractor that the repairs cannot be completed within such two hundred seventy (270) day period, to terminate this Lease by written notice to Landlord effective as of the date specified in the notice, which date shall not be less than thirty (30) days nor more than sixty (60) days after the date such notice is given by Tenant. As used herein, a "Tenant Damage Event" shall mean damage by fire or other casualty, to all or any part of the Premises, the Building or of the Common Areas providing access to the Premises, which damage is not the result of the negligence or willful misconduct of Tenant or any of Tenant's employees, agents, contractors, licensees or invitees, and which damage substantially interferes with Tenant's use of or access to the Premises and would entitle Tenant to an abatement of Base Rent pursuant to Section 11.1 above. Furthermore, if neither

Landlord nor Tenant has terminated this Lease, and the repairs of a Tenant Damage Event are not actually completed within the later of the Estimated Repair Period or two hundred seventy (270) days after the date of the damage, Tenant shall have the right (but only on the initial occasion of Tenant sending the Damage Termination Notice) to terminate this Lease within five (5) business days of the end of such period and thereafter during the first five (5) business days of each calendar month following the end of such period until such time as the repairs are substantially complete, by notice to Landlord (the "Damage Termination Notice"), effective as of a date set forth in the Damage Termination Notice (the "Damage Termination Date"), which Damage Termination Date shall not be less than five (5) business days following the end of such period or each such month, as the case may be, and not later than ninety (90) days after the end of such period or each such month, as the case may be. Notwithstanding the foregoing, if Tenant delivers a Damage Termination Notice to Landlord, then Landlord shall have the right to suspend the occurrence of the Damage Termination Date for a period ending thirty (30) days after the Damage Termination Date set forth in the Damage Termination Notice by delivering to Tenant, within five (5) business days of Landlord's receipt of the Damage Termination Notice, a certificate of Landlord's contractor responsible for the repair of the damage certifying that it is such contractor's good faith judgment that the repairs shall be substantially completed within thirty (30) days after the Damage Termination Date. If repairs shall be substantially completed prior to the expiration of such thirty (30) day period, then the Damage Termination Notice shall be of no force or effect, but if the repairs shall not be substantially completed within such thirty-day period, then this Lease shall terminate upon the expiration of such thirty-day period.

11.3 Waiver of Statutory Provisions. The provisions of this Lease,

including this Article 11, 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 the Project, and any statute or regulation of the State of California, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, 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 the Project.

ARTICLE 12

NONWAIVER

No provision of this Lease shall be deemed waived by either party hereto unless expressly waived in a writing signed thereby. The waiver by either party hereto of any breach of any term, covenant or

condition herein contained shall not be deemed to be a waiver of any subsequent breach of same or any other term, covenant or condition herein contained. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No acceptance of a lesser amount than the Rent herein stipulated shall be deemed a waiver of Landlord's right to receive the full amount due, nor shall any endorsement or statement on any check or payment or any letter accompanying such check or payment be deemed an accord and

satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Lease Term or of Tenant's right of possession hereunder, or after the giving of any notice shall reinstate, continue or extend the Lease Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit, or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

ARTICLE 13

CONDEMNATION

If the twenty-five percent (25%) or more of the Premises, Building or Project shall be taken by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose, or if any adjacent property or street shall be so taken or condemned, or reconfigured or vacated by such authority in such manner as to require the use, reconstruction or remodeling of any part of the Premises, Building or Project, or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Landlord shall have the option to terminate this Lease effective as of the date possession is required to be surrendered to the authority. If more than twenty-five percent (25%) of the rentable square feet of the Premises is taken, or if access to the Premises is substantially impaired, in each case for a period in excess of one hundred eighty (180) days, Tenant shall have the option to terminate this Lease effective as of the date possession is required to be surrendered to the authority. Tenant shall not because of such taking assert any claim against Landlord or the authority for any compensation because of such taking and Landlord shall be entitled to the entire award or payment in connection therewith, except that Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, and for moving expenses, so long as such claims do not diminish the award available to Landlord, its ground lessor with respect to the Building or Project or its mortgagee, and such claim is payable separately to Tenant. All Base Rent shall be apportioned as of the date Tenant is physically dispossessed of the Premises. If any part of the Premises shall be taken, and this Lease shall not be so terminated, the Rent shall be proportionately abated. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of The California Code of Civil Procedure. Notwithstanding anything to the contrary contained in this Article 13, in the event of a temporary taking of all

or any portion of the Premises for a period of one hundred and eighty (180) days or less, then this Lease shall not terminate but the Base Rent and the Additional Rent shall be abated for the period of such taking in proportion to the ratio that the amount of rentable square feet of the Premises taken bears to the total rentable square feet of the Premises. Landlord shall be entitled to receive the entire award made in connection with any such temporary taking.

ARTICLE 14

ASSIGNMENT AND SUBLETTING

14.1 Transfers. Except as otherwise provided herein, Tenant shall not,

without the prior written consent of Landlord, assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment, or other transfer of this Lease or any interest hereunder by operation of law, sublet the Premises or any part thereof, or enter into any license, "co-location" or concession agreements or otherwise permit the occupancy or use of the Premises or any part thereof by any persons other than Tenant and its employees and contractors (all of the foregoing are hereinafter sometimes referred to collectively as "Transfers" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "Transferee"). If Tenant desires Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "Transfer Notice") shall include (i) the proposed effective date of the Transfer, which shall not be less than fifteen (15) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred (the "Subject Space"), (iii) all of the terms of the proposed Transfer and the consideration therefor, including calculation of the "Transfer Premium", as that term is defined in Section 14.3 below, in connection with such Transfer, the

name and address of the proposed Transferee, and a copy of all existing executed and/or proposed documentation pertaining to the proposed Transfer, including all existing operative documents to be executed to evidence such Transfer or the agreements incidental or related to such

Transfer, (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, business credit and personal references and history of the proposed Transferee and any other information reasonably required by Landlord which will enable Landlord to determine the financial responsibility, character, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the Subject Space, and (v) an executed estoppel certificate from Tenant in the form attached hereto as Exhibit

E. Any Transfer made without Landlord's prior written consent shall, at

Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute a default by Tenant under this Lease. Whether or not Landlord consents to any proposed Transfer, Tenant shall pay Landlord's review and processing fees, as well as any reasonable professional fees (including, without limitation, attorneys', accountants', architects', engineers' and consultants' fees) incurred by Landlord, within thirty (30) days after written request by Landlord not to exceed \$1,000 per Transfer.

14.2 Landlord's Consent. Landlord shall not unreasonably withhold its

consent to any proposed Transfer of the Subject Space to the Transferee on the terms specified in the Transfer Notice. Without limitation as to other reasonable grounds for withholding consent, the parties hereby agree that it shall be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where one or more of the following apply:

14.2.1 The Transferee is of a character or reputation or engaged in a business which is not consistent with the quality of the Building or the Project, or would be a significantly less prestigious occupant of the Building than Tenant;

14.2.2 The Transferee intends to use the Subject Space for purposes which are not permitted under this Lease;

14.2.3 The Transferee is either a governmental agency or instrumentality thereof;

14.2.4 The Transfer occurs during the period from the Lease Commencement Date until the earlier of (i) the fourth anniversary of the Lease Commencement Date or (ii) the date at least ninety-five percent (95%) of the rentable square feet of the Building is leased, and the rent charged by Tenant to such Transferee during the term of such Transfer (the "Transferee's Rent"), calculated using a net present value analysis, is less than ninety-five percent (95%) of the rent being quoted by Landlord at the time of such Transfer for comparable space in the Building for a comparable term (the "Quoted Rent"), calculated using a present value analysis;

14.2.5 The Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities to be undertaken in connection with the Transfer on the date consent is requested;

14.2.6 The proposed Transfer would cause a violation of another lease for space in the Project, or would give an occupant of the Project a right to cancel its lease;

14.2.7 Either the proposed Transferee, or any person or entity which directly or indirectly, controls, is controlled by, or is under common control with, the proposed Transferee, (i) occupies space in the Project at the time of the request for consent, or (ii) is negotiating or has negotiated with Landlord to lease space in the Project.

If Landlord consents to any Transfer pursuant to the terms of this Section

14.2 (and does not exercise any recapture rights Landlord may have under Section

14.4 of this Lease), Tenant may within six (6) months after Landlord's consent,

but not later than the expiration of said six-month period, enter into such Transfer of the Premises or portion thereof, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to Section 14.1 of this Lease, provided that if there are any

changes in the terms and conditions from those specified in the Transfer Notice (i) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section 14.2, or (ii) which would cause the proposed

Transfer to materially be more favorable to the Transferee than the terms set forth in Tenant's original Transfer Notice, Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article 14

(including Landlord's right of recapture, if any, under Section 14.4 of this

Lease). Notwithstanding anything to the contrary in this Lease, if Tenant or any proposed Transferee claims that Landlord has unreasonably withheld or delayed its consent under Section 14.2 or otherwise has breached or acted

unreasonably under this Article 14, their sole remedies shall be a declaratory judgment and an injunction for the relief sought without any monetary damages (other than reasonable attorneys fees), and Tenant hereby waives all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under all applicable laws, on behalf of the proposed Transferee. Tenant shall indemnify, defend and hold harmless Landlord from any and all liability, losses, claims, damages, costs, expenses, causes of action and proceedings involving any third party or parties (including without limitation Tenant's proposed subtenant or assignee) who claim they were damaged by Landlord's wrongful withholding or conditioning of Landlord's consent.

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14.3 Transfer Premium. If Landlord consents to a Transfer (not including

any Collocation Agreement pursuant to Section 14.6 below), as a condition

thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord fifty percent (50%) of any "Transfer Premium," as that term is defined in this Section 14.3, received by Tenant from such Transferee. "Transfer

Premium" shall mean all rent, additional rent or other consideration payable by such Transferee in connection with the Transfer in excess of the Rent and Additional Rent payable by Tenant under this Lease during the term of the Transfer on a per rentable square foot basis if less than all of the Premises is transferred, after deducting the reasonable expenses incurred by Tenant for (i) any changes, alterations and improvements to the Premises in connection with the Transfer, (ii) any free base rent reasonably provided to the Transferee, (iii) any brokerage commissions in connection with the Transfer, (iv) any reasonable attorneys fees incurred by Tenant in conjunction with documenting such Transfer. "Transfer Premium" shall also include, but not be limited to, key money, bonus money or other cash consideration paid by Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to Transferee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer.

14.4 Landlord's Option as to Subject Space. Notwithstanding anything to

the contrary contained in this Article 14, and except with respect to

"Collocation Agreements" and "Non-Transfers," as those terms are defined in Sections 14.6 and 14.7, below, Landlord shall have the option, by giving written

notice to Tenant within thirty (30) days after receipt of any Transfer Notice involving more than fifty percent (50%) of the Premises, to recapture the Subject Space. Such recapture notice shall cancel and terminate this Lease with respect to the Subject Space as of the date stated in the Transfer Notice as the effective date of the proposed Transfer until the last day of the term of the Transfer as set forth in the Transfer Notice (or at Landlord's option, shall cause the Transfer to be made to Landlord or its agent, in which case the parties shall execute the Transfer documentation promptly thereafter). In the event of a recapture by Landlord, if this Lease shall be canceled with respect to less than the entire Premises, the Rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Premises, and this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or fails to elect in a timely manner to recapture the Subject Space under this Section 14.4, then, provided Landlord has consented

to the proposed Transfer, Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee, subject to provisions of this Article

14. Landlord shall be responsible for the cost of installing any demising walls

to be used to separate any Subject Space recaptured pursuant to this Section 14.4 from the remaining portion of the Premises.

14.5 Effect of Transfer. If Landlord consents to a Transfer, (i) the terms

and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee, (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the Transfer in form reasonably acceptable to Landlord, (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by

an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer, and (v) no Transfer relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of the Lease from any liability under this Lease, including, without limitation, in connection with the Subject Space. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof. If the Transfer Premium respecting any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency, and if understated by more than two percent (2%), Tenant shall pay Landlord's costs of such audit.

14.6 Collocation Agreements. Landlord acknowledges that Tenant's business

to be conducted on the Premises requires the installation on the Premises of certain communications equipment by telecommunications customers of Tenant ("Customers") in order for such Customers to interconnect with Tenant's terminal facilities or to permit Tenant to manage or operate their equipment. Tenant represents to Landlord that such arrangements will require access by each Customer to the Premises only on an infrequent basis, and only when accompanied by a representative of Tenant. Notwithstanding anything contained elsewhere in this Article 14, Landlord hereby consents in advance to any sublease, license

agreement, "Co-Location Agreement" or like agreement (collectively, "Collocation Agreements") between Tenant and such a Customer for the limited purpose of permitting such an arrangement as is described in this Section 14.6. The

effectiveness of such advance consent as to a particular Customer Sublease is conditioned on (a) Tenant not giving such Customer any rights not given Tenant under this Lease, and (b) Tenant providing Landlord with same-day advance facsimile notice of all Customers authorized to enter the Premises and Project during Business Hours, and same-day advance verbal authorization to and approval by the Project manager for any authorized entry of the Premises and Project during hours other than the Business Hours. Tenant shall be liable to Landlord for any violation by its Customers of any provisions of this Lease.

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14.7 Additional Transfers. For purposes of this Lease, the term "Transfer"

shall also include (i) if Tenant is a partnership, the withdrawal or change, voluntary, involuntary or by operation of law, of fifty percent (50%) or more of the partners, or transfer of twenty-five percent or more of partnership interests, within a twelve (12)-month period, or the dissolution of the partnership without immediate reconstitution thereof, and (ii) if Tenant is a closely held corporation (i.e., whose stock is not publicly held and not traded

through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant, or (B) the sale or other transfer of more than an aggregate of fifty percent (50%) of the voting shares of Tenant (other than the original issuance of voting shares by Tenant and/or the transfer of voting shares to immediate family members by reason of gift or death), within a twelve (12)-month period.

14.8 Non-Transfers. Notwithstanding anything to the contrary contained in

this Lease, neither (i) the sale or exchange of any capital stock of Tenant on a public exchange, (ii) an assignment of this Lease to a transferee of all or substantially all of the assets of Tenant, (iii) an assignment of this Lease or sublease of the Premises to a transferee which is either (A) the resulting entity of a merger or consolidation of Tenant with another entity or (B) acquiring all or substantially all of the assets of Tenant, (iv) subject to Landlord's reasonable approval of any leasehold mortgage documentation, the mortgage, pledge or hypothecation of Tenant's interest under the Lease to any institutional lender, nor (v) an assignment or subletting of all or a portion of the Premises to an affiliate of Tenant (an entity which is controlled by, controls, or is under common control with, Tenant), shall be deemed a Transfer under Article 14 of this Lease (and thus shall not be subject to Landlord's

prior consent or recapture rights pursuant to Section 14.1 and 14.4 or rights to

receive any Transfer Premium pursuant to Section 14.3), provided that (1) Tenant

notifies Landlord of any such assignment or sublease at least five (5) days prior to the effective thereof, and thereafter promptly supplies Landlord with any documents or information reasonably requested by Landlord regarding such transfer or transferee, (2) such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (3) such transferee or affiliate (which for purposes of this Lease shall be referred to as a "Permitted Affiliate") shall have a tangible net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles (the "Net Worth") sufficient to satisfy the obligations and responsibilities to be undertaken in connection with such assignment or sublease, (4) such transferee

or affiliate, shall with respect to an Assignment of this Lease, deliver to Landlord an agreement assuming all the obligations of Tenant under this Lease arising after the effective date of such assignment, and (5) with respect to any mortgage, pledge or hypothecation of Tenant's leasehold interest in the Premises, Landlord reasonably approves any financing or mortgage documentation.

14.9 Occurrence of Default. Any Transfer hereunder shall be subordinate

and subject to the provisions of this Lease, and if this Lease shall be terminated during the term of any Transfer, Landlord shall have the right to: (i) treat such Transfer as canceled and repossess the Subject Space by any lawful means, or (ii) require that such Transferee (not including any Customer under a Collocation Agreement) attorn to and recognize Landlord as its landlord under any such Transfer. If Tenant shall be in default under this Lease, Landlord is hereby irrevocably authorized, as Tenant's agent and attorney-in-fact, to direct any Transferee (not including any Customer under a Collocation Agreement) to make all payments under or in connection with the Transfer directly to Landlord (which Landlord shall apply towards Tenant's obligations under this Lease) until such default is cured. Such Transferee shall rely on any representation by Landlord that Tenant is in default hereunder, without any need for confirmation thereof by Tenant. Upon any assignment, the assignee shall assume in writing all obligations and covenants of Tenant thereafter to be performed or observed under this Lease. No collection or acceptance of rent by Landlord from any Transferee shall be deemed a waiver of any provision of this Article 14 or the approval of any Transferee or a release of Tenant from any
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obligation under this Lease, whether theretofore or thereafter accruing. In no event shall Landlord's enforcement of any provision of this Lease against any Transferee be deemed a waiver of Landlord's right to enforce any term of this Lease against Tenant or any other person. If Tenant's obligations hereunder have been guaranteed, Landlord's consent to any Transfer shall not be effective unless the guarantor also consents to such Transfer.

ARTICLE 15

SURRENDER OF PREMISES; OWNERSHIP AND

REMOVAL OF TRADE FIXTURES

15.1 Surrender of Premises. No act or thing done by Landlord or any agent

or employee of Landlord during the Lease Term shall be deemed to constitute an acceptance by Landlord of a surrender of the Premises unless such intent is specifically acknowledged in writing by Landlord. The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated. The voluntary or other surrender of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof,

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shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or subtenancies affecting the Premises or terminate any or all such sublessees or subtenancies.

15.2 Removal of Tenant Property by Tenant. Upon the expiration of the

Lease Term, or upon any earlier termination of this Lease, Tenant shall, subject to the provisions of this Article 15, quit and surrender possession of the

Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, reasonable wear and tear and repairs which are specifically made the responsibility of Landlord hereunder excepted. Upon such expiration or termination, Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, business and trade fixtures, free-standing cabinet work, movable partitions and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal; provided that Tenant shall not be permitted to remove any of the Supplemental Equipment other than Tenant's Trade Fixtures such Supplemental Equipment becoming the sole property of Landlord upon expiration of the Lease Term.

ARTICLE 16

HOLDING OVER

If Tenant holds over after the expiration of the Lease Term or earlier termination thereof, with or without the express or implied consent of Landlord, such tenancy shall be from month-to-month only, and shall not constitute a renewal hereof or an extension for any further term, and in such case Base Rent shall be payable at a monthly rate equal to one hundred twenty-five percent (125%) (the "Percentage Rate") of the Base Rent applicable during the last rental period of the applicable Lease or Option Term for the first ninety (90) days of such holdover tenancy, provided that the Percentage Rate shall be increased to two hundred percent (200%) for any holdover tenancy by Tenant in excess of ninety (90) days. Such month-to-month tenancy shall be subject to every other applicable term, covenant and agreement contained herein. Nothing contained in this Article 16 shall be construed as consent by Landlord to any

holding over by Tenant, and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article 16 shall not be deemed to limit or constitute a waiver of any other

rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender and any lost profits to Landlord resulting therefrom.

ARTICLE 17

ESTOPPEL CERTIFICATES

Within ten (10) days following a request in writing by Landlord or Tenant, the non-requesting party shall execute, acknowledge and deliver to the Requesting Party an estoppel certificate, which, as submitted by the Requesting Party, shall be substantially in the form of Exhibit E, attached hereto (or

such other form as may be required by any prospective mortgagee or purchaser of the Project, or any portion thereof), indicating therein any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by the Requesting Party or The requesting Party's mortgagee or prospective mortgagee. Any such certificate may be relied upon by any prospective mortgagee or purchaser of all or any portion of the Project. The non-requesting party shall execute and deliver whatever other instruments may be reasonably required for such purposes. At any time during the Lease Term, Landlord may require Tenant to provide Landlord with a current financial statement and financial statements of the two (2) years prior to the current year provided that Landlord shall keep such information confidential pursuant to the requirements of Section 29.28 below. Such statements shall be prepared in

accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant. Failure of Tenant to timely execute, acknowledge and deliver such estoppel certificate or other instruments shall constitute an acceptance of the Premises and an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception.

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ARTICLE 18

SUBORDINATION

18.1 Subordination. This Lease is subject and subordinate to all present and future ground or underlying leases of the Building or Project and to the lien of any mortgage, trust deed or other encumbrances now or hereafter in force against the Building or Project or any part thereof, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds, unless the holders of such mortgages, trust deeds or other encumbrances, or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto. Notwithstanding the foregoing to the contrary, Landlord agrees to provide Tenant with commercially reasonable non-disturbance agreement(s) in favor of Tenant from any ground lessors, mortgage holders or deed of trust beneficiaries under any ground lease, mortgage or deed of trust affecting the Project which comes into existence at any time after the date of execution of this Lease but prior to the expiration of the Lease Term ("Future Mortgage") in consideration of, and as a condition precedent to, Tenant's agreement to be bound by the terms of this Article 18

with respect to such Future Mortgage. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage or deed in lieu thereof (or if any ground lease is terminated), to attorn, without any deductions or set-offs whatsoever except as expressly provided for in this Lease, to the lienholder or purchaser or any successors thereto upon any such foreclosure sale or deed in lieu thereof (or to the ground lessor), if so requested to do so by such purchaser or lienholder or ground lessor, and to recognize such purchaser or lienholder or ground lessor as the lessor under this Lease, provided such lienholder or purchaser or ground lessor shall agree to accept this Lease and not disturb Tenant's occupancy, so long as Tenant timely pays the rent and observes and performs the terms, covenants and conditions of this Lease to be observed and performed by Tenant. Landlord's interest herein may be assigned as security at any time to any lienholder. Tenant shall, within ten (10) days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, ground leases or underlying leases, provided Tenant has received or will receive a commercially reasonable nondisturbance agreement in favor of Tenant from any such party requesting such further instruments or assurances. Tenant hereby irrevocably authorizes Landlord to execute and deliver in the name of Tenant any such instrument or instruments if Tenant fails to do so in accordance with the requirements with this Lease; provided that such authorization shall in no way relieve Tenant from the obligation of executing such instruments of subordination or superiority. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event of any foreclosure proceeding or sale.

18.2 Non-Disturbance Agreement From Existing Lender. In the event that as

of the date of execution of this Lease, there exists any deed of trust or ground lease encumbering the Project which is not terminated, released or reconveyed within sixty (60) days thereafter, then Landlord shall obtain and deliver to Tenant a commercially reasonable non-disturbance agreement from the beneficiary under such deed of trust a form of which is attached hereto as Exhibit F.

Tenant shall execute and return such non-disturbance agreement to Landlord within thirty (30) days after Tenant's receipt thereof.

ARTICLE 19

DEFAULTS; REMEDIES

19.1 Events of Default. The occurrence of any of the following shall

constitute a default of this Lease by Tenant:

19.1.1 Any failure by Tenant to pay any Rent or any other charge required to be paid under this Lease, or any part thereof, when due unless such failure is cured within five (5) days after receipt of written notice by Tenant; provided, however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure section 1161 or any similar successor law, or

19.1.2 Except where a specific time period is otherwise set forth for Tenant's performance in this Lease, in which event the failure to perform by Tenant within such time period shall be a default by Tenant under this Section

19.1.2, any failure by Tenant to observe or perform any other provision,

covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for ten (10) days after written notice thereof from Landlord to Tenant; provided that if the nature of such default is such that the same cannot reasonably be cured within a ten (10) day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure such default, but in no event exceeding a period of time in excess of sixty (60) days after written notice thereof from Landlord to Tenant; or

19.1.3 To the extent permitted by law, a general assignment by Tenant or any guarantor of the Lease for the benefit of creditors, or the taking of any corporate action in furtherance of bankruptcy or dissolution whether or not there exists any proceeding under an insolvency or bankruptcy law, or the filing by or against Tenant or any guarantor of any proceeding under an insolvency or bankruptcy law, unless in the case of a proceeding filed against Tenant or any guarantor the same is dismissed within sixty (60) days, or the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any guarantor, unless possession is restored to Tenant or such guarantor within thirty (30) days, or any execution or other judicially

authorized seizure of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease, unless such seizure is discharged within thirty (30) days; or

19.1.4 Abandonment of all or a substantial portion of the Premises by Tenant; or

19.1.5 The failure by Tenant to observe or perform according to the provisions of Articles 5, 14, 17 or 18 of this Lease where such failure

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continues for more than two (2) business days after notice from Landlord; or

The notice periods provided herein are in lieu of, and not in addition to, any notice periods provided by law.

19.2 Remedies Upon Default. Upon the occurrence of any event of default by

Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity (all of which remedies shall be distinct, separate and cumulative), the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

19.2.1 Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim or damages therefor; and Landlord may recover from Tenant the following:

(i) The worth at the time of any unpaid rent which has been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and

(v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "rent" as used in this Section 19.2 shall be deemed to be and to

mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Paragraphs 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the rate set forth in Article 25 of this Lease, but in no

case greater than the maximum amount of such interest permitted by law. As used in Paragraph 19.2.1(iii) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus two percent (2%).

19.2.2 Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

19.2.3 Landlord shall at all times have the rights and remedies (which shall be cumulative with each other and cumulative and in addition to those rights and remedies available under Sections 19.2.1 and 19.2.2, above, or -----
any law or other provision of this Lease), without prior demand or notice except

as required by applicable law, to seek any declaratory, injunctive or other equitable relief, and specifically enforce this Lease, or restrain or enjoin a violation or breach of any provision hereof.

19.3 Subleases of Tenant. Whether or not Landlord elects to terminate this

Lease on account of any default by Tenant, as set forth in this Article 19,

Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. In the event of Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

19.4 Form of Payment After Default. Following the occurrence of two (2) or

more events of monetary default in any twelve (12) month period by Tenant, Landlord shall have the right to require that any or all subsequent amounts paid by Tenant to Landlord hereunder, whether to cure the default in question or otherwise, be paid in the form of cash, money order, cashier's or certified check drawn on an institution acceptable to Landlord, or by other means approved by Landlord, notwithstanding any prior practice of accepting payments in any different form.

19.5 Efforts to Relet. No re-entry or repossession, repairs, maintenance,

changes, alterations and additions, reletting, appointment of a receiver to protect Landlord's interests hereunder, or any other action or omission by Landlord shall be construed as an election by Landlord to terminate this Lease or Tenant's right to possession, or to accept a surrender of the Premises, nor shall same operate to release Tenant in whole or in part from any of Tenant's obligations hereunder, unless express written notice of such intention is sent by Landlord to Tenant. Tenant hereby irrevocably waives any right otherwise available under any law to redeem or reinstate this Lease.

ARTICLE 20

----- COVENANT OF QUIET ENJOYMENT -----

Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, provisions and agreements herein contained on the part of Tenant to be kept, observed and performed, shall, during the Lease Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, provisions and agreements hereof without interference by any persons lawfully claiming by or through Landlord. The foregoing covenant is in lieu of any other covenant express or implied.

ARTICLE 21

----- SECURITY DEPOSIT -----

Concurrent with Tenant's execution of this Lease, Tenant shall deposit with Landlord a security deposit (the "Security Deposit") in the amount set forth in Section 8 of the Summary, as security for the faithful performance by Tenant of

all of its obligations under this Lease. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of Rent, the removal of property and the repair of resultant damage, Landlord may, without notice to Tenant, but shall not be required to apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default and Tenant shall, upon demand therefor, restore the Security Deposit to its original amount. Any unapplied portion of the Security Deposit shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within forty-five (45) days following the expiration of the Lease Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby waives the provisions of Section 1950.7 (excluding 1950.7(b)) of the California Civil Code, or any successor statute.

ARTICLE 22

----- SUPPLEMENTAL EQUIPMENT -----

22.1 Supplemental Equipment. Landlord hereby grants to Tenant and Tenant

hereby accepts from Landlord, on the terms and conditions set forth herein, a

license (the "License") coupled with Tenant's leasehold interest granting Tenant the right (but with respect to Tenant's HVAC Equipment and Electrical Equipment in the Premises, Tenant shall have the obligation), to install, at Tenant's sole cost and expense and subject to the provisions of this Article 22, the

following:

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22.1.1 Subject to the satisfactory completion of the Roof Systems Support Pad (as defined in Section 2.4 of the Tenant work letter), a heating, ventilating and air conditioning system and related connections to the Premises (the "Tenant's HVAC Equipment") on the portion of the Roof System Support Pad shown as "Area A". on Exhibit A-2 attached hereto;

22.1.2 A dry-pipe, FM 200 or gas-based fire suppression system (the "Fire-Suppression System") in the Premises in a location designated in writing by Landlord. In connection with Tenant's installation of the Fire Suppression System, Tenant shall have the right to disconnect and cap, if necessary, in compliance with applicable law, and in accordance with the terms of Section 22.3 below, any existing fire-suppression system in the Premises.;

22.1.3 Subject to the satisfactory completion of the Roof Systems Support Pad (as defined in Section 2.4 of the Tenant Work Letter), four (4) 1,500 Kilowatt emergency generators ("Tenant's Generators") on that portion of the Roof System Support Pad shown as "Area A" on Exhibit A-2 attached hereto.

Tenant shall install Tenant's Generators in compliance with all applicable law, and in accordance with the terms and conditions of this Section 22, and shall be solely responsible for (i) all costs and expenses incurred in connection with the installation, maintenance and operation of Tenant's Generator, and (ii) all permits and other governmental approvals required to install, operate and maintain Tenant's Generator. Tenant shall conduct all testing of Tenant's Generators in accordance with Landlord's testing rules during non-business hours and shall give Landlord not less than forty-eight (48) hours advance written notice of any such tests.

In addition, from and after the Must Take Space Commencement Date (defined in Section 1.2 above) Landlord shall permit Tenant to install, at

Tenant's sole cost and expense one (1) additional 1500-kilowatt emergency generator (the "Expansion Generator") in an area of Landlord's designated project generator room (the "Project Generator Room") approved by Landlord; provided that, if Tenant elects to install the Expansion Generator Tenant shall reimburse Landlord for its proportionate share (to be determined by dividing the number of generator pads used by Tenant by the total number of generator pads in the Project Generator Room) of all reasonable costs incurred by Landlord in constructing the Project Generator Room.

22.1.4 Tenant shall be entitled to utilize up to, but not exceeding 10,000 gallons of Landlord's designated generator stand-by fuel storage tank (the "Generator Fuel Tank") in the Project's fuel storage area to provide fuel for Tenant's Generators. Notwithstanding anything to the contrary contained in this Article 22, Landlord shall acquire and install (i) the Generator Fuel Tank (ii) reasonably sufficient fuel piping from the Generator Fuel Tank to Tenant's fuel tank header in the basement of the Building and to Tenant's Generators, and (iii) a fuel usage meter to measure and record Tenant's fuel consumption from the Generator Fuel Tank, provided that Tenant shall pay Landlord for all costs and expenses (which cost and expenses shall be deducted from the Tenant Improvement Allowance pursuant to the Tenant Work Letter attached hereto), incurred as a result of Landlord's installation and acquisition of the fuel piping, any metering equipment and Tenant's prorata share of the Generator Fuel Tank. Tenant's Generators, the Expansion Generators (if added pursuant to Section 22.1.3 above), shall sometimes herein be collectively referred to as

"Tenant's Generator Equipment."

22.1.5 The Electrical Equipment described in Section 6.1.2 above;

22.1.6 Subject to available capacity of the Building, such connection equipment, such as conduits, cables, risers, feeders and materials (collectively, the "Connecting Equipment") in the shafts, ducts, conduits, chases, utility closets and other facilities of the Building as is reasonably necessary to connect Tenant's HVAC Equipment, Tenant's Generator Equipment, the Generator Fuel Tank, the Electrical Equipment and the Fire-Suppression System to Tenant's other machinery and equipment in the Premises, subject however, to the provisions of Section 22.3 below and subject to the availability of vertical

riser and feeder excess capacity;

22.1.7 Up to (i) eight (8) four inch (4.0") aluminum conduits running

from the Premises to the seventh (7th) floor and basement of the Building, in each of the two (2) main telecommunications riser of the Building (the "Main Telecom Risers") in locations designated or approved in writing by Landlord and in the basement from the main telecommunication riser to the two (2) minimum points of entry in the basement of the Building to connect with the fiberoptic network of Tenant's chosen fiber optic service providers, and (ii) eight (8) four inch (4.0") aluminum conduits in the interconnect riser of the Building (the "Interconnect Riser") running from the second (2nd) floor to the seventh (7th) floor of the Building (collectively "Tenant's Conduit"). Notwithstanding anything in this Lease to the contrary, commencing on the earlier to occur of (i) the date occurring thirty-six (36) months following the Effective Date And (ii) the date upon which Tenant has placed ninety percent (90%) of its collocation Customers in the Premises, Landlord shall have the right to recapture from Tenant up to seventy five

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percent of any of the Tenant's Conduit allocated to Tenant pursuant to this Section 22.1.7, which Landlord reasonably determines is not actually being used to carry Tenant's or Tenant's Customers fiber throughout the Project;

22.1.8 New telecommunications lines and related equipment (collectively the "Lines") in the Tenant's Conduit described in Section 22.1.7

above. Tenant shall install its Lines in the Building and Project in a "backbone" configuration with horizontal Lines on applicable floors of the Building being connected to a single Line in a vertical riser. Once the backbone configuration is constructed, any and all new Lines installed by Tenant pursuant to the terms of this Section 22 shall be attached to such backbone

configuration. Notwithstanding anything to the contrary contained in this Lease, Tenant shall only use Tenant's Lines in the Interconnect Riser to make direct connections with other tenants in the Project.

22.1.9 Tenant's HVAC Equipment, the Fire Suppression System, Tenant's Generator Equipment, the Electrical Equipment, the Connecting Equipment, Tenant's Conduit and the Lines are sometimes collectively referred to as the "Supplemental Equipment."

22.2 License Areas. The areas within the Building and Project which are

outside the Premises and are occupied by the Supplemental Equipment (including without limitation, Tenant's non-exclusive use, in common with one or more other tenants of the Project and Landlord, the vertical shafts and horizontal raceways of the Building to the extent Tenant's use of such areas are approved in writing by Landlord) are referred to herein collectively as the "License Areas". The precise amount and location of the License Areas shall be designated by Landlord. It is expressly understood that Landlord retains the right to use the License Areas for any purpose whatsoever provided that Tenant shall have reasonable access to, and Landlord shall not unduly interfere with the use of, the Supplemental Equipment therein.

22.3 Installation. Except for the Project Radiators and Generator Fuel

Tank which are to be installed by Landlord pursuant to Section 22.1.4, the

installation of the Supplemental Equipment shall constitute Alterations and shall be performed in accordance with and subject to the provisions of Article 8

of this Lease.

22.4 Tenant's Obligations. For the purposes of determining Tenant's

obligations with respect to the License Areas, the License Areas shall be deemed to be a portion of the Premises; consequently, unless otherwise provided in this Article 22, all of the provisions of this Lease with respect to Tenant's
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obligations hereunder shall apply to the installation, use and maintenance of the License Areas and the Supplemental Equipment, including without limitation, provisions relating to compliance with requirements as to insurance, indemnity, janitorial services, repairs, maintenance and compliance with law, except that unless otherwise provided herein Tenant shall have no obligation to pay Base Rent for the License Areas.

22.5 Tenant's Compliance with HVAC Sound/Vibration Specifications.

Notwithstanding anything to the contrary contained herein, in addition to the complying with the other requirements set forth in this Article 22, Tenant shall

comply with Landlord's "Project Sound Requirements and Specifications" set forth on Exhibit G attached hereto and all requirements of the City of Los Angeles

(including without limitation, sound attenuation and vibration mitigation) in the installation and operation of Tenant's HVAC Equipment and Tenant's Generator

Equipment. Provided that Tenant is not in default in any of its obligations under this Lease, Tenant shall be allocated a proportionate share of Landlord's sound budget for the Project.

22.6 Indemnity. Tenant shall install, use, maintain and repair the

Supplemental Equipment, and use the License Areas, so as not to damage or interfere with the operation of the Building, the Building systems or with the occupancy or activities of any other tenant of the Building; and Tenant hereby agrees to indemnify and hold harmless the Landlord Parties from and against any and all claims (including but not limited to claims for bodily injury or property damage), actions, mechanic's liens, losses, liabilities, and expenses (including reasonable attorney fees and costs of defense by Landlord's legal counsel) (collectively, "Claims"), which may arise from the installation, operation, use, maintenance or removal of the Supplemental Equipment and use of the License Areas. Similarly, Tenant shall pay upon demand by Landlord the costs to repair any physical damage to the Building and the License Areas caused by such installation, operation, use, maintenance or removal. Tenant hereby waives and releases the Landlord Parties from any Claims Tenant may have at any time (including but not limited to Claims relating to interruptions in services) arising out of or relating in any way to the installation, operation, use, maintenance, and/or removal of the Supplemental Equipment and/or use of the License Areas. Such waiver and release shall not apply to Claims to the extent caused by Landlord's gross negligence or willful misconduct and not insured or required to be insured by Tenant under this Lease.

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However, in no event shall Landlord or any member of the Landlord Parties be liable to Tenant for lost profits or consequential or incidental damages of any kind.

22.7 Tenant Waiver. Landlord shall not have any obligations with respect

to the Supplemental Equipment or License Areas or compliance with any requirements relating thereto, nor shall Landlord be responsible for any damage that may be caused to the Supplemental Equipment or License Areas except to the extent caused by the gross negligence or willful misconduct of Landlord and not insured or required to be insured by Tenant under this Lease. Landlord makes no representation that the Supplemental Equipment or License Areas will be able to operate without interference or disturbance and Tenant agrees that Landlord shall not be liable to Tenant therefor.

22.8 Protective Installations. Tenant, at Tenant's sole cost and expense,

shall install such fencing and other protective equipment on or about the Supplemental Equipment and License Areas as Landlord may determine.

22.9 Damage to Supplemental Equipment/Taxes on Supplemental Equipment.

Notwithstanding anything in Article 11 to the contrary, Tenant shall (i) be

solely responsible for any damage caused as a result of and/or to the Supplemental Equipment except to the extent such damage arises out of the gross negligence or willful misconduct of Landlord and is not insured or required to be insured by Tenant under this Lease, (ii) promptly pay any tax, license or permit fees charged pursuant to any requirements in connection with the installation, maintenance or use of the Supplemental Equipment and comply with all precautions and safeguards recommended by all governmental authorities, and (iii) make necessary repairs, replacements or to maintenance of the Supplemental Equipment and License Areas (unless and to the extent Landlord has elected in Section 11.1 to repair the Supplemental Equipment) or License Areas.

22.10 Landlord's Rights. If any of the conditions set forth in this

Article 22 are not complied with by Tenant, or if Tenant's use of the

Supplemental Equipment is interfering with the activity or occupancy of any other tenant in the Building, then without limiting Landlord's rights and remedies it may otherwise have under this Lease, Tenant shall, upon written notice from Landlord, have the option either to (i) immediately discontinue its use of the Supplemental Equipment and License Areas, remove the same, and make such repairs and restoration as required under Section 22.10 below, (ii)

reposition any Supplemental Equipment to a location designated by Landlord if Landlord elects to permit such repositioning, and make such repairs and restorations as required under Section 22.10 below, or (iii) correct such

noncompliance within thirty (30) days after receipt of notice. If Tenant fails to correct noncompliance within thirty (30) days after receipt of notice, then, subject to Section 22.10 below, Tenant shall immediately discontinue its use of

the applicable Supplemental Equipment and remove the same and discontinue use of the related License Areas. Tenant acknowledges and agrees that any exercise by

Landlord of its rights under this Section 22.9 shall not relieve Tenant of any

of its obligations under the Lease.

22.11 Removal of Supplemental Equipment. Notwithstanding anything in this

Lease to the contrary (including without limitation Article 15), upon the

expiration of the Lease Term or upon any earlier termination of this Lease,
Landlord shall have the option, but not the obligation, of requiring that
Tenant, subject to the control of and direction from Landlord, remove all or any
portion of the Supplemental Equipment, repair any damage caused thereby, and
restore the License Areas and other facilities of the Building and Project to
their condition existing prior to the installation of the Supplemental
Equipment; provided that Tenant shall be permitted to remove Tenant's Trade
Fixtures upon the expiration of the Lease Term so long as it meets the repair
and restoration requirements set forth hereinabove.

ARTICLE 23

SIGNS

23.1 Full Floors. Subject to Landlord's prior written approval, in its

reasonable discretion, and provided all signs are in keeping with the quality,
design and style of the Building and Project, Tenant, if the Premises comprise
an entire floor of the Building, at its sole cost and expense, may install
identification signage anywhere in the Premises including in the elevator lobby
of the Premises, provided that such signs must not be visible from the exterior
of the Building.

23.2 Multi-Tenant Floors. If other tenants occupy space on the floor on

which the Premises is located, Tenant's identifying signage shall be provided by
Landlord, at Tenant's cost, and such signage shall be comparable to that used by
Landlord for other similar floors in the Building and shall comply with
Landlord's Building standard signage program.

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23.3 Prohibited Signage and Other Items. Any signs, notices, logos,

pictures, names or advertisements which are installed and that have not been
separately approved by Landlord may be removed without notice by Landlord at the
sole expense of Tenant. Tenant may not install any signs on the exterior or
roof of the Project or the Common Areas. Any signs, window coverings, or blinds
(even if the same are located behind the Landlord-approved window coverings for
the Building), or other items visible from the exterior of the Premises or
Building, shall be subject to the prior approval of Landlord, in its sole
discretion.

ARTICLE 24

COMPLIANCE WITH LAW

Tenant shall not do anything or suffer anything to be done in or about the
Premises or the Project which will in any way conflict with any law, statute,
ordinance or other governmental rule, regulation or requirement now in force or
which may hereafter be enacted or promulgated. At its sole cost and expense,
Tenant shall promptly comply with all such governmental measures. Should any
standard or regulation now or hereafter be imposed on Landlord or Tenant by a
state, federal or local governmental body charged with the establishment,
regulation and enforcement of occupational, health or safety standards for
employers, employees, landlords or tenants, then Tenant agrees, at its sole cost
and expense, to comply promptly with such standards or regulations; provided
that Landlord shall comply with any standards or regulations which relate to the
Common Areas, Building Structure and those portion of the Building Systems
located outside the Premises, unless such compliance obligations are directly
related to and result from Tenant's particular manner of use of the Premises or
the tenant improvements (including the initial Tenant Improvements constructed
pursuant to the Tenant Work Letter) or the Alterations installed in or to the
Premises after the date hereof, in which event such compliance obligations shall
be at Tenant's sole cost and expense. Tenant shall be responsible, at its sole
cost and expense, to make all alterations to the Premises as are required to
comply with the governmental rules, regulations, requirements or standards
described in this Article 24. The judgment of any court of competent

jurisdiction or the admission of Tenant in any judicial action, regardless of
whether Landlord is a party thereto, that Tenant has violated any of said
governmental measures, shall be conclusive of that fact as between Landlord and
Tenant.

ARTICLE 25

LATE CHARGES

If any installment of Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) days after said amount is due, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of the overdue amount plus any reasonable attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid within ten (10) days after the date they are due shall bear interest from the date when due until paid at a rate per annum equal to the lesser of (i) the Interest Rate, and (ii) the highest rate permitted by applicable law.

ARTICLE 26

LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT

26.1 Landlord's Cure. All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent, except to the extent, if any, otherwise expressly provided herein. If Tenant shall fail to perform any obligation under this Lease, and such failure shall continue in excess of the time allowed under Section 19.1.2, above, unless a specific time period is otherwise stated in this Lease, Landlord may, but shall not be obligated to, make any such payment or perform any such act on Tenant's part without waiving its rights based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

26.2 Tenant's Reimbursement. Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord, within five (5) days after delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of Section 26.1; and (ii) sums equal to all losses, costs, liabilities, damages and expenses referred to in Article 10 of this Lease. Tenant's obligations under this Section 26.2 shall survive the expiration or sooner termination of the Lease Term.

ARTICLE 27

ENTRY BY LANDLORD

Landlord reserves the right at all reasonable times and upon reasonable notice to Tenant (except in the case of an emergency) to enter the Premises with a representative of Tenant made reasonably available by Tenant to (i) inspect them; (ii) show the Premises to (x) prospective purchasers, mortgagees, (y) tenants during the last twelve (12) months of Lease Term, or to (z) current or prospective mortgagees, ground or underlying lessors or insurers; (iii) post notices of nonresponsibility; or (iv) alter, improve or repair the Premises or the Building, or for structural alterations, repairs or improvements to the Building or the Building's systems and equipment. Notwithstanding anything to the contrary contained in this Article 27, Landlord may enter the Premises at any time to (A) take possession due to any breach of this Lease in the manner provided herein; and (B) perform any covenants of Tenant which Tenant fails to perform after any applicable notice and cure period. Landlord may make any such entries without the abatement of Rent and may take such reasonable steps as required to accomplish the stated purposes. Except as provided in Section 6.3 above, Tenant hereby waives any claims for damages or for any injuries or inconvenience to or interference with Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the above purposes, Landlord shall at all times have a key with which to unlock all the doors in the Premises, excluding Tenant's vaults, safes and special security areas designated in advance by Tenant. In an

emergency, Landlord shall have the right to use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises by Landlord in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises. No provision of this Lease shall be construed as obligating Landlord to perform any repairs, alterations or decorations except as otherwise expressly agreed to be performed by Landlord herein.

ARTICLE 28

PARKING

For so long as Landlord owns the Parking Structure, Tenant shall, subject to availability, be permitted to rent up to the number of parking passes set forth in Section 11 of the Summary for parking in the Parking Structure. Tenant

shall pay to Landlord for said parking passes on a monthly basis the prevailing rate charged by Landlord from time to time for parking passes at the location of such passes, plus all applicable parking taxes. Landlord specifically reserves the right to sell the Parking Structure, to change the location, size, configuration, design, layout and all other aspects of the Parking Structure at any time and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of Rent under this Lease, from time to time, close-off or restrict access to the Parking Structure for purposes of permitting or facilitating any such construction, alteration or improvements. The parking passes provided to Tenant pursuant to this Article 28 are provided

solely for use by Tenant's own personnel and such passes may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval. Landlord may delegate its responsibilities hereunder to a parking operator in which case such parking operator shall have all the rights of control attributed hereby to Landlord.

ARTICLE 29

MISCELLANEOUS PROVISIONS

29.1 Terms; Captions. The words "Landlord" and "Tenant" as used herein

shall include the plural as well as the singular. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

29.2 Binding Effect. Subject to all other provisions of this Lease, each

of the covenants, conditions and provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective heirs, personal representatives, successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of Article 14 of this Lease.

29.3 No Air Rights. No rights to any view or to light or air over any

property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Project, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Lease.

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29.4 Modification of Lease. Should any current or prospective mortgagee or

ground lessor for the Building or Project require a modification of this Lease, which modification will not cause an increased cost or expense to Tenant or in any other way unreasonably or adversely change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are reasonably required therefor and to deliver the same to Landlord within ten (10) days following a request therefor. At the request of Landlord or any mortgagee or ground lessor, Tenant agrees to execute a short form of Lease and deliver the same to Landlord within ten (10) days following the request therefor. Landlord and Tenant agree that within thirty (30) days of the Lease Commencement Date, Landlord and Tenant shall execute a memorandum of Lease in the form of Exhibit I attached hereto.

29.5 Transfer of Landlord's Interest. Tenant acknowledges that Landlord

has the right to transfer all or any portion of its interest in the Project or Building and in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease arising after the date of such transfer and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer and such transferee shall be deemed to have fully assumed and be liable for all obligations of this Lease to be performed by Landlord, including the return of any Security Deposit, and Tenant shall attorn to such transferee. Tenant further acknowledges that Landlord may assign its interest in this Lease to a mortgage lender as additional security and agrees that such an assignment shall not release Landlord from its obligations hereunder and that Tenant shall continue to look to Landlord for the performance of its obligations hereunder. Landlord agrees that any unapplied portion of the Security Deposit held pursuant to Article 21 herein, shall be transferred or credited to any

purchaser of the Project from Landlord.

29.6 Prohibition Against Recording. Except as provided in Section 29.4 of

this Lease, neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant.

29.7 Landlord's Title. Landlord's title is and always shall be paramount

to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord.

29.8 Relationship of Parties. Nothing contained in this Lease shall be

deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant.

29.9 Application of Payments. Landlord shall have the right to apply

payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

29.10 Time of Essence. Time is of the essence with respect to the

performance of every provision of this Lease in which time of performance is a factor.

29.11 Partial Invalidity. If any term, provision or condition contained in

in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

29.12 No Warranty. In executing and delivering this Lease, Tenant has not

relied on any representations, including, but not limited to, any representation as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the exhibits attached hereto.

29.13 Landlord Exculpation. The liability of Landlord or the Landlord

Parties to Tenant for any default by Landlord under this Lease or arising in connection herewith or with Landlord's operation, management, leasing, repair, renovation, alteration or any other matter relating to the Project or the Premises shall be limited solely and exclusively to an amount which is equal to the equity interest Landlord would have in the Building if the Building were encumbered by third-party debt in an amount equal to eighty percent (80%) of the value of the Building (as such value is determined by Landlord), provided that in no event shall such liability extend to any insurance proceeds received by Landlord or the Landlord Parties in connection with the Project, Building or Premises. Neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. The limitations of liability contained in this Section 29.13

shall inure to the benefit of Landlord's and the Landlord Parties' present and future partners, beneficiaries, officers, directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and

circumstances shall any present or future partner of Landlord (if Landlord is a partnership), or trustee or beneficiary (if Landlord or any partner of Landlord is a trust), have any liability for the performance of Landlord's obligations under this Lease. Notwithstanding any contrary provision herein, neither Landlord nor the Landlord Parties shall be liable under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.

29.14 Entire Agreement. It is understood and acknowledged that there are

no oral agreements between the parties hereto affecting this Lease and this Lease and the Exhibits hereto, constitute the parties' entire agreement with respect to the leasing of the Premises and supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. None of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto.

29.15 Right to Lease. Landlord reserves the absolute right to effect such

other tenancies in the Project as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Building or Project. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Building or Project.

29.16 Force Majeure. Any prevention, delay or stoppage due to strikes,

lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent except as otherwise provided for in this Lease and other charges to be paid by Tenant pursuant to this Lease and except as to Tenant's obligations under Articles 5 and 24 (except for Alterations

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required to be constructed by Tenant pursuant to Article 24 of this Lease)

(collectively, a "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.

29.17 Waiver of Redemption by Tenant. Tenant hereby waives, for Tenant and

for all those claiming under Tenant, any and all rights now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Premises after any termination of this Lease.

29.18 Notices. All notices, demands, statements, designations, approvals

or other communications (collectively, "Notices") given or required to be given by either party to the other hereunder or by law shall be in writing, shall be (A) transmitted by telecopy, if such telecopy is promptly followed by a Notice sent by Overnight Courier, (B) delivered by a nationally recognized overnight courier ("Overnight Courier"), or (D) delivered personally. Any Notice shall be sent, transmitted, or delivered, as the case may be, to Tenant at the appropriate address set forth in Section 10 of the Summary, or to such other

place as Tenant may from time to time designate in a Notice to Landlord, or to Landlord at the addresses set forth below, or to such other places as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given (i) the date the telecopy is transmitted, (ii) the date the overnight courier delivery is made or attempted to be made, or (iii) the date personal delivery is made or attempted to be made. If Tenant is notified of the identity and address of Landlord's mortgagee or ground or underlying lessor, Tenant shall give to such mortgagee or ground or underlying lessor written notice of any default by Landlord under the terms of this Lease by registered or certified mail, and such mortgagee or ground or underlying lessor shall be given a reasonable opportunity to cure such default prior to Tenant's exercising any remedy available to Tenant. As of the date of this Lease, any Notices to Landlord must be sent, transmitted, or delivered, as the case may be, to the following addresses:

c/o Telecom Real Estate Services, Inc.
617 South Olive Street, Suite 810
Los Angeles, CA 90014
Attention: Kevin Keating

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With copy to:

Allen, Matkins, Leck, Gamble & Mallory LLP
333 Bush Street, 17th Floor
San Francisco, California 94104-2806
Attention: Todd A. Chapman, Esq.
Fax: (415) 837-1516
Phone: (415) 837-1515

29.19 Joint and Several. If there is more than one Tenant, the obligations

imposed upon Tenant under this Lease shall be joint and several.

29.20 Authority. If Tenant is a corporation, trust or partnership, each

individual executing this Lease on behalf of Tenant hereby represents and
warrants that Tenant is a duly formed and existing entity qualified to do
business in California and that Tenant has full right and authority to execute
and deliver this Lease and that each person signing on behalf of Tenant is
authorized to do so. In such event, Tenant shall, within ten (10) days after
execution of this Lease, deliver to Landlord satisfactory evidence of such
authority and, if a corporation, upon demand by Landlord, also deliver to
Landlord satisfactory evidence of (i) good standing in Tenant's state of
incorporation and (ii) qualification to do business in California.

29.21 Attorneys' Fees. In the event that either Landlord or Tenant should

bring suit for the possession of the Premises, for the recovery of any sum due
under this Lease, or because of the breach of any provision of this Lease or for
any other relief against the other, then all costs and expenses, including
reasonable attorneys' fees, incurred by the prevailing party therein shall be
paid by the other party, which obligation on the part of the other party shall
be deemed to have accrued on the date of the commencement of such action and
shall be enforceable whether or not the action is prosecuted to judgment.

29.22 Governing Law; WAIVER OF TRIAL BY JURY. This Lease shall be

construed and enforced in accordance with the laws of the State of California.
IN ANY ACTION OR PROCEEDING ARISING HEREFROM, LANDLORD AND TENANT HEREBY CONSENT
TO (I) THE JURISDICTION OF ANY COMPETENT COURT WITHIN THE STATE OF CALIFORNIA,
(II) SERVICE OF PROCESS BY ANY MEANS AUTHORIZED BY CALIFORNIA LAW, AND (III) IN
THE INTEREST OF SAVING TIME AND EXPENSE, TRIAL WITHOUT A JURY IN ANY ACTION,
PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE
OTHER OR THEIR SUCCESSORS IN RESPECT OF ANY MATTER ARISING OUT OF OR IN
CONNECTION WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S
USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM FOR INJURY OR DAMAGE, OR ANY
EMERGENCY OR STATUTORY REMEDY. IN THE EVENT LANDLORD COMMENCES ANY SUMMARY
PROCEEDINGS OR ACTION FOR NONPAYMENT OF BASE RENT OR ADDITIONAL RENT, TENANT
SHALL NOT INTERPOSE ANY COUNTERCLAIM OF ANY NATURE OR DESCRIPTION (UNLESS SUCH
COUNTERCLAIM SHALL BE MANDATORY) IN ANY SUCH PROCEEDING OR ACTION, BUT SHALL BE
RELEGATED TO AN INDEPENDENT ACTION AT LAW.

29.23 Submission of Lease. Submission of this instrument for examination

or signature by Tenant does not constitute a reservation of, option for or
option to lease, and it is not effective as a lease or otherwise until execution
and delivery by both Landlord and Tenant.

29.24 Brokers. Landlord and Tenant hereby warrant to each other that they

have had no dealings with any real estate broker or agent in connection with the
negotiation of this Lease, excepting only the real estate brokers or agents
specified in Section 12 of the Summary (the "Brokers"), and that they know of no

other real estate broker or agent who is entitled to a commission in connection
with this Lease. Each party agrees to indemnify and defend the other party
against and hold the other party harmless from any and all claims, demands,
losses, liabilities, lawsuits, judgments, costs and expenses (including without
limitation reasonable attorneys' fees) with respect to any leasing commission or
equivalent compensation alleged to be owing on account of any dealings with any
real estate broker or agent, other than the Brokers, occurring by, through, or
under the indemnifying party.

29.25 Independent Covenants. This Lease shall be construed as though the

covenants herein between Landlord and Tenant are independent and not dependent
and Tenant hereby expressly waives the benefit of any statute to the contrary
and agrees that if Landlord fails to perform its obligations set forth herein,

Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord.

29.26 Project or Building Name and Signage. Landlord shall have the right

at any time to change the name of the Project or Building and to install, affix and maintain any and all signs on the

exterior and on the interior of the Project or Building as Landlord may, in Landlord's sole discretion, desire. Tenant shall not use the name of the Project or Building or use pictures or illustrations of the Project or Building in advertising or other publicity or for any purpose other than as the address of the business to be conducted by Tenant in the Premises, without the prior written consent of Landlord.

29.27 Counterparts. This Lease may be executed in counterparts with the

same effect as if both parties hereto had executed the same document. Both counterparts shall be construed together and shall constitute a single lease.

29.28 Confidentiality. Tenant acknowledges that the content of this Lease

and any related documents are confidential information. Tenant shall keep such confidential information strictly confidential and shall not disclose such confidential information to any person or entity other than Tenant's financial, legal, space planning consultants and prospective sublessees, transferees or assignees of Tenant.

29.29 Transportation Management. Tenant shall fully comply with all

present or future programs intended to manage parking, transportation or traffic in and around the Building, and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities.

29.30 Building Renovations. It is specifically understood and agreed that

Landlord has made no representation or warranty to Tenant and has no obligation and has made no promises to alter, remodel, improve, renovate, repair or decorate the Premises, Building, the Project or any part thereof and that no representations respecting the condition of the Premises, the Building, the Project or any part thereof have been made by Landlord to Tenant except as specifically set forth herein or in the Tenant Work Letter. However, Tenant hereby acknowledges that Landlord is currently renovating or may during the Lease Term renovate, improve, alter, or modify (collectively, the "Renovations") the Project, the Building and/or the Premises including without limitation the parking structure, common areas, systems and equipment, roof, and structural portions of the same, which Renovations may include, without limitation, (i) installing sprinklers in the Building common areas and tenant spaces, (ii) modifying the common areas and tenant spaces to comply with applicable laws and regulations, including regulations relating to the physically disabled, seismic conditions, and building safety and security, and (iii) installing new floor covering, lighting, and wall coverings in the Building common areas, and in connection with any Renovations, Landlord may, among other things, erect scaffolding or other necessary structures in the Building, limit or eliminate access to portions of the Project, including portions of the common areas, or perform work in the Building, which work may create noise, dust or leave debris in the Building. Tenant hereby agrees that such Renovations and Landlord's actions in connection with such Renovations shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises or the License Areas or of Tenant's personal property or improvements (including the Supplemental Equipment) resulting from the Renovations or Landlord's actions in connection with such Renovations, or for any inconvenience or annoyance occasioned by such Renovations or Landlord's actions; provided, however, that Landlord shall use commercially reasonable efforts to minimize any unreasonable interference such construction may have on Tenant's use and occupy of the Premises.

29.31 No Violation. Tenant hereby warrants and represents that neither its

execution of nor performance under this Lease shall cause Tenant to be in violation of any agreement, instrument, contract, law, rule or regulation by which Tenant is bound, and Tenant shall protect, defend, indemnify and hold Landlord harmless against any claims, demands, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees and costs, arising from Tenant's breach of this warranty and representation.

29.32 Construction of Project and Other Improvements. Tenant acknowledges

that portions of the Project may be under construction following Tenant's occupancy of the Premises, and that such construction may result in levels of noise, dust, obstruction of access, etc. which are in excess of that present in a fully constructed project. Tenant hereby waives any and all rent offsets or claims of constructive eviction which may arise in connection with such construction; provided, however, that Landlord shall use commercially reasonable efforts to minimize any unreasonable interference such construction may have on Tenant's use and occupy of the Premises.

[Signatures on following page]

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IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed the day and date first above written.

"Landlord":

600 SEVENTH STREET ASSOCIATES, INC., a California corporation

By: _____ /s/ [signature illegible]

Name: _____

Title: _____

"Tenant":

EQUINIX, INC., a Delaware corporation

By: _____ /s/ [signature illegible]

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

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EXHIBIT A-1

CARRIER CENTER LOS ANGELES

OUTLINE OF SUITE 600

[GRAPHIC OF SUITE 600 FLOOR PLAN]

EXHIBIT A-1 - Page 1

EXHIBIT A-2

CARRIER CENTER LOS ANGELES

OUTLINE OF ROOF SPACE AND ROOF SYSTEMS SUPPORT PAD

[GRAPHIC OF ROOF SPACE AND ROOF SYSTEMS SUPPORT PAD FLOOR PLAN]

EXHIBIT A-2 - Page 1

EXHIBIT A-3

CARRIER CENTER LOS ANGELES

OUTLINE OF MUST TAKE SPACE

[GRAPHIC OF MUST TAKE SPACE FLOOR PLAN]

EXHIBIT A-3 - Page 1

EXHIBIT B

TENANT WORK LETTER

This Tenant Work Letter ("Work Letter") shall set forth the terms and conditions relating to the construction of improvements for the Premises. All references in this Work Letter to "the Lease" shall mean the relevant portions of the Lease to which this Work Letter is attached as Exhibit B.

SECTION 1

GENERAL CONSTRUCTION OF THE PREMISES

1.1 Base, Shell and Core. Landlord shall deliver the base, shell, and core (i) of the Premises and (ii) of the floor of the Building on which the Premises is located (collectively, the "Base, Shell, and Core") in its current "AS-IS" condition existing as of the date of the Lease, and except as expressly set forth in this Work Letter, Landlord shall have no obligation to construct or pay for any alterations or improvements to, or repairs of equipment in, the Premises, the Building or the Real Property. For purposes hereof, the Base, Shell and Core shall include and Landlord shall construct in the Premises at its cost: (A) concrete floors of the Premises; (B) Building structure and perimeter walls, including windows, and existing window coverings "AS IS"; (C) new building standard restroom facilities servicing the Premises; (D) new building standard electrical panels and closets, with service and distribution power boards and transformers; (E) new building standard telephone closets; (F) drywall on core walls; (G) HVAC to the utilized Common Areas; (H) abatement of all exposed or assessable friable asbestos in the Premises, (I) fire/life-safety and alarm system(s), on an unoccupied basis; (J) passenger and freight elevator lobbies on multi-tenant floors; (K) fire exit stairs; (L) Building standard elevators in their "AS-IS" condition and (M) the demolition of all existing HVAC, lighting, partitions and vinyl flooring in the Premises. Notwithstanding any of the foregoing provisions of this Section 1 to the contrary, in the event that any portions of the Base, Shell and Core are not in compliance with applicable ordinances and codes, including the Americans With Disabilities Act and Title 24, as of the date the Premises are delivered to Tenant (as such compliance shall be determined (1) with respect to any portion of the Building located outside the Premises and the restrooms within the Premises, on an occupied basis assuming the Premises will be occupied for general office use with standard office improvements, and (2) with respect to any portion of the Premises, including the areas above the ceiling, and any portion of the HVAC, electrical, fire/life-safety and mechanical systems and equipment of the Building located within the Premises, on an unoccupied basis and without regard to any Tenant Improvements or Alterations which Tenant proposes to construct pursuant to this Work Letter or the Lease), then Landlord shall be responsible for correcting any such non-compliance (the "Compliance Work"). Such Compliance Work, if any, shall be constructed by Landlord in a reasonable and diligent manner after Landlord's receipt of notice of the need for such Compliance Work. If any such Compliance Work is discovered during Tenant's design and/or construction of the Tenant Improvements, Landlord may elect to have the Contractor selected by Tenant to perform the Tenant Improvements perform such Compliance Work, at Landlord's cost, during the construction of the Tenant Improvements in order to obtain efficiencies and expedite construction of such Compliance Work and the Tenant Improvements. Notwithstanding the foregoing to the contrary, Tenant may elect to construct Item (C) hereinabove, as part of the Tenant Improvements and receive the corresponding amount which Landlord anticipated expending to construct Item (C) of the Base, Shell and Core.

1.2 Substantial Completion. For purposes of the Lease and this Work Letter, Landlord's obligations under this Section 1 shall be satisfied upon (i) the substantial completion of construction of items (A) through (L) listed in Section 1.2 above, with the exception of (x) any minor or decorative punch list items or Compliance Work which do not or will not materially interfere with Tenant's commencement of construction of the Tenant Improvement Work (which punch list and Compliance Work shall be completed by Landlord in a diligent manner), and (y) any Base, Shell and Core items which Tenant has agreed to complete as part of Tenant's construction of the Tenant Improvements.

SECTION 2

TENANT IMPROVEMENTS

2.1 Improvement Allowances.

2.1.1 Tenant Improvement Allowance. Tenant shall be entitled to a

one-time tenant improvement allowance (the "Tenant Improvement Allowance") in an amount up to, but not exceeding, the product of (i) \$20.00 and (ii) the number of rentable square feet of the Suite 600 Space as of the Lease Commencement Date, to be used to help Tenant pay for the costs of design and construction of Tenant's

EXHIBIT B - Page 1

improvements set forth in the approved Final Drawings (as defined herein) which are permanently affixed to the Premises (collectively, the "Tenant Improvements") and the other Tenant Improvement Allowance Items (as such term is defined below). In no event shall Landlord be obligated to make disbursements pursuant to this Tenant Work Letter in a total amount which exceeds the Tenant Improvement Allowance. Tenant shall not be entitled to receive any cash payment or credit against Rent or otherwise for any portion of the Tenant Improvement Allowance which is not used to pay for the Tenant Improvement Allowance Items; provided, however, to the extent there remains any unused portion of the Tenant Improvement Allowance and thus Landlord is not providing any Additional Allowance, Tenant may use such excess to help Tenant pay for any Alterations Tenant installs in the Premises pursuant to Article 8 of the Lease after substantial completion of the Tenant Improvements. Such excess amount shall be disbursed by Landlord after Tenant has completed the Alterations and has delivered to Landlord appropriate invoices, paid receipts, lien releases and other information reasonably requested by Landlord.

2.2 Disbursement of the Tenant Improvement Allowance. Except as otherwise

set forth in this Tenant Work Letter, the Tenant Improvement Allowance shall be disbursed by Landlord only for the following items and costs and in the order provided below (collectively, the "Tenant Improvement Allowance Items"):

2.2.1 the cost of engineering, acquiring, and installing Tenant's Generator Fuel Tank and connecting equipment thereto (to be installed pursuant to Section 22.1.4 of the Lease);

2.2.2 the cost of engineering, acquisition and installation of the Roof Systems Support Pad (as defined in Section 2.4 hereinbelow);

2.2.3 any and all seismic or structural support added to the Project by Landlord as a result of the installation of the Roof Systems Support Pad;

2.2.4 payment of the fees of the "Architect" and the "Engineers," as those terms are defined in Section 3.1 of this Work Letter and payment of the

out-of-pocket costs and fees paid by Landlord to Landlord's consultants in connection with the preparation and review of the "Construction Drawings", as that term is defined in Section 3.1 of this Work Letter;

2.2.5 the payment of plan check, permit and license fees relating to construction of the Tenant Improvements;

2.2.6 the cost of construction of the Tenant Improvements, including, without limitation, cost of labor and materials contractors' fees and general conditions, testing and inspection costs, and costs of trash removal and hoists (but during the construction of the Tenant Improvements and Tenant's initial move-in to the Premises, Tenant shall not be charged for the use of any utilities, or for use of the freight elevators);

2.2.7 the cost of any changes in the Base, Shell and Core required by the Construction Drawings, except to the extent such changes constitute Compliance Work which is Landlord's responsibility to perform pursuant to Section 1 above; such cost to include all direct architectural and/or

engineering fees and expenses incurred in connection therewith;

2.2.8 the cost of any changes to the Construction Drawings or Tenant Improvements required by applicable laws and building codes (collectively, "Code");

2.2.9 sales and use taxes and Title 24 fees;

2.2.10 all other costs to be expended by Tenant in connection with the construction of the Tenant Improvements such as, but not limited to demolition of any existing improvements so designated for demolition in the Premises, construction management fees, and voice and data cabling; and

2.2.11 Disbursement of Tenant Improvement Allowance. During the

construction of the Tenant Improvements, Landlord shall make disbursements of the Tenant Improvement Allowance once per month (or on a more frequent basis as

Landlord may determine) to pay for the Tenant Improvement Allowance Items following Landlord's receipt of: (i) a request for payment of the Contractor, Architect and/or Engineers, as applicable (as such terms are defined below), approved by Tenant, showing the schedule, by trade, of percentage of completion of the design and/or construction of the Tenant Improvements in the Premises; (ii) invoices for labor rendered and materials delivered to the Premises; and (iii) executed mechanic's lien releases from all of Tenant's Agents (as that term is defined in Section 4.1.2 below) which shall comply with the appropriate

provisions of California Civil Code Section 3262(d). Landlord may make such disbursements of the Tenant Improvement Allowance jointly to Tenant and the Contractor or jointly to the Tenant and the Architect, Engineers or other vendors to whom direct payment is to be made, and may provide for up to a ten percent (10%) retention (so long as such retention is not duplicative of any retention already provided in Tenant's payment request or

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specified in the applicable contractor's contract) for each such disbursement (but such retention shall not apply to payment of the fees of the Architect and/or Engineers unless expressly provided in the contracts with such entities). Landlord's payment of such amounts shall not be deemed Landlord's approval or acceptance of the work furnished or materials supplied as set forth in Tenant's payment request. Landlord shall disburse all retentions following the completion of construction of the Premises and Landlord's receipt of properly executed mechanics lien releases in compliance with both California Civil Code Section 3262(d)(2) and either Section 3262(d)(3) or Section 3262(d)(4).

2.3 Tenant Special Requirements. Tenant has established specifications

(the "Specifications") for the Premises standard components to be used in the construction of the Tenant Improvements in the Premises (collectively, the "Tenant's Special Requirements"), a copy of which Specifications is attached hereto as Schedule 2.

2.4 Notwithstanding anything to the contrary continued herein or in the Lease, Tenant shall be required to install as part of the Tenant Improvements, a steel support pad in a designated location on the roof of the Building more particularly shown on Exhibit A-2 attached to the Lease (the "Roof Systems

Support Pad") which Roof Systems Support Pad shall be designed and installed in accordance with design standards and specifications approved by Landlord in its reasonable discretion.

SECTION 3

CONSTRUCTION DRAWINGS

3.1 Architect and Construction Drawings. Tenant has retained Western

Carlson Design and Construction (or other Carlson entity reasonably approved by Landlord) as its architect/space planner (the "Architect") to prepare the Construction Drawings (as hereinafter defined in this Section 3.1). Tenant

shall retain engineering consultants as approved by Landlord, which approval shall not be unreasonably withheld or delayed, to prepare plans and engineering working drawings relating to the structural, mechanical, electrical, plumbing, HVAC, life-safety, and sprinkler work in the Premises (the "Specialty Work") or, at Tenant's option, the Specialty Work may be constructed under a "design/build" contract where each respective subcontractor, reasonably approved by Landlord, shall prepare plans and engineering working drawings relating to the Specialty Work. For purposes of this Work Letter, any of the aforementioned parties who shall provide such plans and engineering working drawings shall be referred to herein as the "Engineers". The plans and drawings to be prepared by the Architect and the Engineers hereunder shall be known collectively as the "Construction Drawings". All Construction Drawings shall be subject to Landlord's approval, which shall not be unreasonably withheld or conditioned, and which disapproval shall only be for the following factors (collectively, "Design Problems"): (i) design defects in or incompleteness of the Construction Drawings; (ii) failure of the Construction Drawings to comply with Code; (iii) failure of the Construction Drawings to comply with Section 2.4 above; (iv)

adverse effect of the Tenant Improvements on the exterior appearance of the Building or Common Areas and/or on Building's systems or equipment; (v) changes to the Base, Shell and Core required by or in connection with the Construction Drawings or Tenant Improvements; (vi) failure of the Construction Drawings to substantially comply with the base building plans for the Building previously delivered to Tenant; and/or (vii) any material inconsistencies in the portion of the Construction Drawings then subject to review as compared to any prior version thereof approved by Landlord. Landlord shall advise Tenant within ten (10) days after Landlord's receipt of the applicable portion of the Construction

Drawings if they are approved or if there are any Design Problems therewith, as reasonably determined by Landlord. If Tenant is so advised of any Design Problems, Tenant shall promptly (A) revise the portion of the Construction Drawings to correct the Design Problems in accordance with such disapproval of Landlord, and (B) deliver such revised Construction Drawings to Landlord. The Construction Drawings shall be approved by Landlord prior to commencement of construction of the Tenant Improvements for the Premises. Once the final Construction Drawings have been approved by Landlord, the same shall be referred to hereinafter as the "Final Drawings." Tenant and the Architect shall verify, in the field, the dimensions and conditions as shown on the relevant portions of the base building plans, and Tenant and Architect shall be solely responsible for the same, and Landlord shall have no responsibility in connection therewith (subject, however, to the Landlord Delay provisions of Section 5(v) below).

Landlord's review and/or approval of the Construction Drawings, as set forth in this Section 3, shall be for its sole purpose and shall not imply Landlord's

review of the same, or obligate Landlord to review the same, for quality, design, Code compliance or other like matters. Accordingly, notwithstanding that any Construction Drawings are reviewed and approved by Landlord or its space planner, architect, engineers and consultants, and notwithstanding any advice or assistance which may be rendered to Tenant by Landlord or Landlord's space planner, architect, engineers, and consultants, Landlord shall have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in the Construction Drawings.

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3.2 Permits. After approval by Landlord of the Final Drawings, Tenant

shall promptly submit the same to the appropriate governmental authorities for all applicable building permits. Tenant hereby agrees that neither Landlord nor Landlord's consultants shall be responsible for obtaining any building permit or certificate of occupancy for the Premises and that the obtaining of the same, as is required by any governmental agencies having jurisdiction over the Building, shall be Tenant's responsibility; provided, however, that Landlord shall, in any event, cooperate with Tenant in executing permit applications and performing other ministerial acts reasonably necessary to enable Tenant to obtain any such permit or certificate of occupancy. No changes, modifications or alterations in any portion of the Construction Drawings as approved by Landlord may be made without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed.

SECTION 4

CONSTRUCTION OF THE TENANT IMPROVEMENTS

4.1 Tenant's Selection of Contractor and Tenant's Agents.

4.1.1 Contractor. The contractor which will construct the Tenant

Improvements ("Contractor") shall be Carlson Group, Inc. (or other Carlson entity reasonably approved by Landlord).

4.1.2 Tenant's Agents. All subcontractors, laborers, materialmen,

and suppliers used by Tenant to install or construct items other than Tenant's computers in the Premises, and specifically excluding movers (such as subcontractors, laborers, materialmen, and suppliers, and the Contractor to be known collectively as "Tenant's Agents") must be approved in writing by Landlord, which approval shall not be unreasonably withheld or delayed.

4.2 Construction of Tenant Improvements by Tenant's Agents.

Construction Contract; Cost Budget. Prior to Tenant's execution of

the construction contract and general conditions with Contractor (the "Contract"), Tenant shall submit the Contract to Landlord for its approval, which approval shall not be unreasonably withheld or delayed. Prior to the commencement of the construction of the Tenant Improvements, and after Tenant has accepted all bids for the Tenant Improvements, Tenant shall provide Landlord with a detailed breakdown, by trade, of the final costs to be incurred, or which have been incurred, as set forth more particularly in Sections 2.2.1.1 through

2.2.1.8 above, in connection with the design and construction of the Tenant

Improvements to be performed by or at the direction of Tenant or the Contractor (which costs form a basis for the amount of the Contract, if any (the "Final Costs"). Prior to the commencement of construction of the Tenant Improvements, Tenant shall supply Landlord with a completion bond in an amount equal to the Final Costs to ensure Landlord of the completion of the Tenant Improvements.

4.2.2 Tenant's Agents. Tenant's and Tenant's Agents' construction of

the Tenant Improvements shall comply with the following: (i) the Tenant Improvements shall be constructed in accordance with the Final Drawings; (ii) Tenant and Tenant's Agents shall not, in any way, unreasonably interfere with, obstruct, or delay, the work of Landlord's contractor and subcontractors in the Building; and (iii) Tenant shall abide by all reasonable rules made by Landlord's Building contractor or Landlord's Building manager with respect to the use of freight, loading dock and service elevators, storage of materials, coordination of work with the contractors of other tenants, and any other matter in connection with this Work Letter, including, without limitation, the construction of the Tenant Improvements.

4.2.3 Indemnity. Tenant shall indemnify, protect, defend and hold

Landlord harmless from and against any and all losses, claims, damages and expenses arising from the actions or omissions of the Architect, the Engineers and Tenant's Agents on the Premises or in the Building.

4.2.4 Insurance Requirements. All of Tenant's Agents shall carry

worker's compensation insurance covering all of their respective employees, and shall also carry public liability insurance, including property damage, all with limits, in form and with companies as are required to be carried by Tenant as set forth in the Lease. In addition, Tenant shall carry "Builder's All Risk" insurance (excluding earthquake and flood insurance) in an amount reasonably specified by Landlord prior to commencement of construction of the Tenant Improvements, covering the construction of the Tenant Improvements, and such other insurance (excluding earthquake and flood insurance) as Landlord may reasonably require. Such insurance shall be in amounts and shall include such extended coverage endorsements as may be reasonably required by Landlord, and in form and with companies as are required to be carried by Tenant as set forth in the Lease. Certificates for all insurance carried pursuant to this Section

4.2.4 shall be delivered to Landlord before the commencement of construction of

the Tenant Improvements and before the Contractor's equipment is moved onto the site. All such policies of insurance must contain a provision that the company writing said policy will give Landlord thirty (30) days prior written notice of any cancellation or lapse of the effective date or any reduction in the amounts of such insurance. All policies carried under this Section 4.2.4 shall insure

Landlord and Tenant, as their

EXHIBIT B - Page 4

interests may appear, as well as Contractor and Tenant's Agents, and shall name as additional insureds Landlord's property manager, and all mortgagees and ground lessors of the Building. All insurance, except Workers' Compensation, maintained by Tenant's Agents shall preclude subrogation claims by the insurer against anyone insured thereunder. Such insurance shall provide that it is primary insurance as respects the owner and that any other insurance maintained by owner is excess and noncontributing with the insurance required hereunder. The requirements for the foregoing insurance shall not derogate from the provisions for indemnification of Landlord by Tenant under Section 4.2.3 of this

Work Letter.

4.2.5 Governmental Compliance. Tenant shall cause the Tenant

Improvements to be constructed by Contractor in compliance in all respects with all applicable laws, codes, ordinances and regulations, including, without limitation, the Code and the Americans With Disabilities Act.

4.3 Inspection by Landlord. Landlord shall have the right to inspect the

Tenant Improvements at all times, provided however, that (i) Landlord shall not unreasonably interfere with Tenant's construction of the Tenant Improvements in connection with any such inspection, and (ii) Landlord's failure to inspect the Tenant Improvements shall in no event constitute a waiver of any of Landlord's rights hereunder nor shall Landlord's inspection of the Tenant Improvements constitute Landlord's approval of the same. Should Landlord reasonably disapprove any portion of the Tenant Improvements, Landlord shall notify Tenant in writing of such reasonable disapproval and shall specify the items disapproved. Any defects or deviations in, and/or disapproval by Landlord of, the Tenant Improvements shall be rectified by Tenant at no expense to Landlord.

4.4 Notice of Completion; Copy of "As Built" Plans. Within ten (10) days

after completion of construction of the Tenant Improvements, Tenant shall cause a Notice of Completion to be recorded in the office of the Recorder of the County in which the Building is located in accordance with Section 3093 of the Civil Code of the State of California or any successor statute, and shall

furnish a copy thereof to Landlord upon such recordation. If Tenant fails to do so, Landlord may execute and file the same on behalf of Tenant as Tenant's agent for such purpose, at Tenant's sole cost and expense. In addition, within thirty (30) days after the substantial completion of the Premises, Tenant shall deliver to the Building management office a copy of the "record set" of mylar as-built drawings for the Tenant Improvements.

SECTION 5

MISCELLANEOUS

5.1 Tenant's Representative. Tenant has designated Art Chinn as its sole

representative with respect to the matters set forth in this Tenant Work Letter, who until further notice to Landlord, shall have full authority and responsibility to act on behalf of the Tenant as required in this Tenant Work Letter.

5.2 Landlord's Representative. Landlord has designated Eric Berman as its

sole representative with respect to the matters set forth in this Tenant Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Tenant Work Letter.

5.3 Arbitration. Any dispute concerning whether any term of this Work

Letter has been breached or properly interpreted or complied with shall be submitted to arbitration as provided in this Section 5.3. The arbitration shall

be conducted in Los Angeles, California. The party desiring such arbitration shall give written notice thereof to the other specifying the Work Letter dispute to be arbitrated. Within ten (10) business days after the date on which the arbitration procedure is invoked as provided in this Section 5.3, each party

shall appoint an experienced arbitrator qualified to arbitrate such dispute (e.g., the arbitrator shall be an architect if the dispute involves architectural/design issues, or a contractor if such dispute involves construction/contractor issues) and notify the other party of the arbitrator's name and address. The two arbitrators so appointed shall appoint a third qualified experienced arbitrator.. If the three arbitrators to be so appointed are not appointed within fifteen (15) business days after the date the arbitration procedure is invoked, then the arbitrator or arbitrators, if any, who have been selected shall proceed to carry out the arbitration. The arbitrator or arbitrators so selected shall furnish Landlord and Tenant with a written decision within fifteen (15) business days after the date of selection of the last of the arbitrators to be so selected. Any decision so submitted shall be signed by a majority of the arbitrators if more than two have been selected. If only two arbitrators have been selected and they are unable to agree, then either or both Landlord and Tenant shall be entitled to apply to the presiding Judge of the Superior Court of the County of Los Angeles, California for the selection of a third arbitrator who shall be selected from a list of names of experienced qualified arbitrators submitted by either or both parties, as the case may be. In designating arbitrators and deciding the dispute, the arbitrators shall act in accordance with the Commercial Rules of Arbitration then in force of the American Arbitration Association, subject, however, to such limitations as may be placed upon them by the provisions of this Lease. The decision of the arbitrators shall be final and binding upon the parties, and judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Neither party

EXHIBIT B - Page 5

shall be in default under this Work Letter with respect to any dispute under any provision hereof during the time period commencing as of the date the arbitration procedure is invoked with regard to said dispute and ending on the date of resolution by the arbitrators; provided, however, that during said period, each party shall continue to make all payments of money required by this Work Letter and the Lease and to otherwise perform all duties and obligations required to be performed by such party under this Work Letter and the Lease and, with respect to the issue under arbitration, shall maintain the status quo.

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SCHEDULE 1 TO EXHIBIT B

BUILDING CONSTRUCTION RULES

The following are general rules and regulations governing all work in the Building, including Tenant's Work and any Alterations (collectively, "Tenant's work"). The manager for the Building ("Building Manager") will be Landlord's

representative in coordinating and supervising Tenant's work. Nothing contained in these Construction Rules shall (i) create any contractual obligations for Landlord or Building Manager in connection with Tenant's work or (ii) in any way affect, modify or supersede any of the terms set forth in this Lease. The Construction Rules may be modified and supplemented from time to time as Landlord may reasonably require for the proper monitoring and control of construction at the Building.

1. Neither Building Manager nor Landlord will be responsible for any material, equipment, tools or other property belonging to Tenant's general contractor for Tenant's work, or any subcontractors, employees, agents or others associated in any way with Tenant's work.

2. The Building is equipped with a freight elevator serving all floors. The contractor and all construction personnel must use only the freight elevator for transportation of workers, materials and equipment. No contractor or any construction personnel, nor any materials or equipment, are permitted in, nor shall any of the foregoing be transported in, the passenger elevators. If the contractor or any construction personnel are found in the passenger elevators, the contractor or subcontractor may be removed from the job and the elevators will be immediately inspected for damage. All damage resulting from such use shall be corrected by Building Manager at Tenant's expense.

3. The contractor shall furnish Building Manager with a list of subcontractors prior to commencement of Tenant's work. This list will include phone numbers and contacts for the contractor and each subcontractor, including home and emergency telephone numbers. Any persons not on the approved contractor list will be denied access to the Premises. NO EXCEPTIONS. Access badges, authorizing access to the Premises, will be issued by Building Manager to all personnel designated by the contractor on such list. The contractor and all construction personnel working over the weekend and after the normal hours shall provide Building Manager with a list of workers 24 hours prior to the worker being on site or they will be denied access. The list should also include an estimated time the contractor and all construction personnel will be working, the location of the work to be done, the number of employees and the working supervisor who will be present in the Building during the performance of the work. Any deviation will require Building Manager's approval.

4. Unless Building Manager requires otherwise, all contractors and other construction personnel shall enter and exit through the loading dock or main lobby at all times. Additionally, all contractors and subcontractors shall sign in and sign out at the security desk. Building security personnel have the right to inspect all tool boxes of any and all construction personnel upon departure from the Building. Loading dock and freight elevator procedures and hours will be provided by Building Manager.

5. When working on a tenant-occupied floor, all deliveries are to be accepted, moved and delivered to the contracted suite by 7:30 a.m. All equipment and material deliveries shall be made at the loading dock or service entry between the hours of 6:00 p.m. and 6:00 a.m. Monday through Friday or all day Saturday and Sunday via a freight reservation. If deliveries are to be made at other times, prior approval must be obtained from Building Manager. At no other time will material be transported through the Building lobby or public areas unless specifically authorized in writing. When making deliveries, reinforced, non-staining masonite board acceptable to Building Manager must be installed by the contractor (in a manner approved by Building Manager) to protect all wall and floor finishes, including the freight elevator. The contractor and subcontractors shall consult with Building Manager for complete rules and procedures relating to corridor, elevator and public area protection. All contractors and other construction personnel shall leave the Building lobby and other public areas in a neat and clean condition consistent with other Comparable Buildings (including, without limitation, sweeping and mopping the lobby floors, dusting all furniture in the lobby and otherwise removing all debris and dust) and otherwise in a condition satisfactory to Building Manager and Landlord. Tenant shall be responsible for all costs incurred by Building Manager if this clean-up work is not performed satisfactorily.

6. The contractor must notify Building Manager prior to conducting any of Tenant's work that will require ceiling access, specifying the areas that will be worked on and the length of time needed to complete or perform work in the space.

SCHEDULE 1 TO EXHIBIT B - Page 1

7. No drilling, hammering, loud noise, vibrations or disturbances of any nature will be allowed during the business day (i.e., from 8:00 a.m. to 7:00 p.m., Monday through Friday, and from 9:00 a.m. to 2:00 p.m. on Saturday).

8. The contractor shall keep all spaces affected by Tenant's work clean at all times, including all public areas such as corridors, restrooms, janitor's closets, etc. The contractor shall erect and maintain dust barriers at all exit areas of construction and proper dust covers (including walk-off mats) on the floors at exit areas of construction and at the doors to the freight elevator. The contractor is responsible for taking all extra precautions to safeguard the floors, walls and/or elevators from damage which may be caused by the movement

of materials, equipment or debris.

9. Sprinkler shut down and construction procedures:

- a. The contractor or the subcontractor requiring the shutdown and draining of the fire sprinkler system on any floor must follow the Building's procedures for this process.
- b. All work performed on fire sprinklers and/or fire standpipes must be scheduled with The Building Chief Engineer at least 24 hours in advance.
- c. Isolation and draining of the sprinkler system must be done by the Building Engineering Department.
- d. Prior to start of work, the contractor must report to Building Manager on the loading dock, and the contractor will be given instructions and assistance. Building supplied shut-off tags are to be placed on all closed valves.

10. Construction personnel shall at all times maintain the highest level of project cleanliness. All construction waste and debris shall be removed via the freight elevator or stairs to the loading dock on a daily basis and shall not be allowed to accumulate or produce a fire hazard. No construction waste or debris may be placed in the Building dumpster/compactor. The contractor and all construction personnel shall provide for removal of waste and debris from the Building at their own expense, and shall dispose of all waste and debris in an environmentally safe manner and in full compliance with all laws and ordinances. If a dumpster is required (space allowing), the location must be approved by Building Manager. If the contractor fails or refuses to keep such spaces free of accumulated waste, debris, dust, etc., Building Manager reserves the right to enter such spaces (including the Premises) and to clean and remove the debris, dust, etc. at Tenant's expense. In addition, all public areas, i.e., corridors, restrooms, janitor's closets, etc. shall be maintained and kept free of construction debris, dust, etc.

11. Removal of combustible objects such as cardboard, empty paint cans, paint rags and other combustible materials shall occur on a daily basis; such objects shall be disposed of in an approved receptacle and in an environmentally safe manner in full compliance with all laws and ordinances. The storage of all flammable liquids (paint, lacquer thinners, paint thinners, etc.) shall be in UL approved fire rated (for flammable liquids) storage cabinets or the liquids are to be removed from the Building daily. If such liquids are to be stored in the proper storage cabinets, Building Manager shall be notified of their existence, location and quantity. Upon completion of Tenant's work, all remaining flammable liquids shall be removed from the Building and disposed of in an environmentally safe manner in full compliance with all laws and ordinances. Any flammable or hazardous materials (i.e. paint) may only be stored on the Premises with permission of Building Manager who shall designate an area for such storage. No gasoline operated devices (e.g., concrete saws, coring machines, welding machines, etc.) shall be permitted within the Building. All work requiring such devices shall be performed by means of electrically operated substitutes. All approved gas and oxygen canisters shall be properly chained and supported to eliminate all potential hazards. At the completion of use, said containers shall be promptly removed from the Building.

12. All electrical and telephone rooms on construction floors are to be kept clean and orderly at all times and must be locked at the end of each workday. These rooms cannot be used as storage for tools or supplies. At the end of each day, all garbage and wire remnants are to be removed and a clear pathway maintained to all panels. Initial access to electrical and telephone equipment rooms must be arranged through Building Manager. Keys will be issued by Building security. Doors to electrical and telephone equipment rooms may not be propped or blocked open in any way. Tenant equipment may not be installed in electrical rooms. All panels are to be replaced and properly labeled upon completion of work. All penetrations through floors, walls and ceilings shall be properly fire rated upon completion.

13. Upon completion and termination of all electrical circuits, and before energizing, the contractor must notify the Building's engineer so that a neutral to ground bonding test can be performed.

SCHEDULE 1 TO EXHIBIT B - Page 2

14. Specific restrooms will be designated for use by construction personnel. The contractor is responsible for maintenance while using such designated restrooms. Upon completion of Tenant's work, the contractor will be responsible for restoring all designated restrooms to their original state. Anyone found using restrooms other than those specified, or anyone using the janitorial closets, will be subject to dismissal. No one is permitted to use the janitorial closets without Building Manager permission. Janitors' slop sinks cannot be used for disposal of flammable material, hazardous waste or drywall.

15. Any use of telephone room chase way must be approved in advance by the Building's engineer.

16. Construction personnel are not permitted to block open stairway doors and electrical room doors. These doors provide the fire protection required by code. Continued violation of this provision shall be subject to a \$300 fine. Janitorial doors shall be kept closed at all times on occupied tenant floors. During construction of Tenant's work, stairwells and fire doors leading to stairwells may not be blocked with materials, equipment, trash or debris of any kind. Fire doors may not be propped or blocked open in any fashion or in any way. Keys will be issued by Building security. Stairwells may not be used for the storage of any equipment, materials, trash or debris of any kind and are to be kept clear at all times. During construction of Tenant's work, air conditioning smoke dampers may not be propped open.

17. All smoke detectors in the construction areas are to be protected during construction, demolition, sweeping, clean-up or other operations that may cause considerable dust or smoke. At the end of each work day, after the dust has settled, each smoke detector that has been protected during the day is to be uncovered to ensure proper operation.

18. Each contractor and all construction personnel are to take adequate precautions to prevent the accidental tripping of the fire alarm system. False alarms shall be fined at \$400 per offense. All management and other costs connected with resetting false alarms initiated by the contractor or any construction personnel will be charged to the Tenant's account. At completion of every work day, the fire-life-safety system shall be left trouble and alarm free. The contractor must notify the Building's engineer of said status before leaving the job site.

19. The contractor must provide and keep available at least four currently certified 10 pound ABC fire extinguishers on each floor during construction. They are to be placed inside the controlled area, and all workers are to be informed as to their location and proper use. In addition, construction personnel shall be informed by their supervisors of the means of egress from the floor in case of an emergency, location of fire pull stations and locations of wet stand pipes.

20. All "J" boxes and fire-life-safety conduits that are installed during the construction of Tenant's work must be marked with red spray paint. All fire-life-safety wiring must be done strictly in accordance with Building specifications (contact the Building's engineer for such wire specifications). Failure to adhere to the required color code may result in costly, time-consuming rewiring. Only life-safety contractors designated or approved by Building Manager will be allowed to install and/or connect life-safety devices (i.e., speakers, pull stations and smoke detectors).

21. Prior to core drilling, the contractor must inform Building Manager of the locations of the core drill for the review and approval of the Building's engineer. All core drills are to be located from the underside to prevent damage to any of the exposed fire-life- safety conduits on the underside of the decking. If cores are to be wet-drilled, slurry run-off shall be contained and must not be allowed to reach tenant areas below the construction. Any slurry that does migrate to the floor below shall be cleaned by the contractor at its expense. Coring hours will be 8:00 p.m. to 7:00 a.m. Any penetrations made in steel structural beams are to be approved in advance by the Building's engineer and permitted by government authorities, if applicable.

22. Any damage sustained during construction of Tenant's work to electrical rooms, telephone rooms, storage closets, janitor closets, restrooms, or freight lobbies is the responsibility of the Tenant. A list of pre-existing damage to these areas should be submitted to Building Manager, and should be acknowledged by Building Manager, prior to commencement of Tenant's work.

23. The contractor must notify Building Manager at least 24 hours prior to commencing any painting or varnishing. Any spray painting with solvent based paints must be preapproved by the Los Angeles Fire Department. Painting of elevator doors is to be supervised by the elevator maintenance company appropriate to the Building.

SCHEDULE 1 TO EXHIBIT B - Page 3

24. Building Manager shall at all time have access to the areas in which Tenant's work is ongoing regardless of its state, preparation and progress. Building Manager reserves the right to inspect work, stop work and/or have a worker removed from the job at any time during Tenant's work if these Rules and Regulations are not being followed.

25. The Building shall provide electrical service consisting of 120V outlets with 15A/20A capacity. Any power requirements in excess of that listed per the Lease shall be the responsibility of the contractor. The contractor shall provide temporary electrical devices within the Premises for its subcontractors' use. The contractor will not be permitted to run extension cords through public space. The contractor shall use reasonable measures to minimize energy consumption in the construction area when possible. The Building shall pay for normal electrical consumption during the construction process. All lights and equipment must be turned off at the end of the

contractor's business day. If the contractor or any construction personnel leave lights or equipment on during off hours, Building Manager reserves the right to receive from Tenant just compensation for excessive electrical consumption.

26. The contractor and each subcontractor shall implement and maintain an accident prevention program and an employee safety training program. Proof of compliance with CAL-OSHA Rule SB198 must be submitted to Building Manager. All persons on the job, regardless of whose direct payroll they are on, are required to respond to safety instructions from the contractor's supervisor. Persons who do not respond shall be removed from the job.

27. The contractor shall cover all return air transfers when working next to a tenant-occupied space to control the transmission of dust and dirt. Covering must be removed at the completion of daily construction. The contractor shall keep all tenant entrance and exit doors closed to restrict the movement of dust or dirt and shall close-off temporary openings with polyurethane approved by the Los Angeles Fire Department. Due to local fire codes, no openings may be made on a tenant-occupied floor to the corridor unless materials are being delivered. All HVAC filters in fan rooms shall also be delivered in operable condition at time of completion (thus temporary filter should be added to the existing filter). Pre-filters should be installed over all return air openings until finished floors are installed. If Building filters or equipment require replacement or cleaning due to construction dust, the contractor will be charged. The contractor shall verify with the Building's engineer prior to installation of pre-filters.

28. Upon completion of Tenant's work, the contractor shall submit complete sets of marked-up as-built drawings and record documents to the architect (or space planner) for approval. Upon approval, these shall be forwarded to Building Manager. In addition, Building Manager shall be allowed to obtain, at no cost to Tenant or the contractor, copies of manuals for each item of equipment and apparatus furnished in connection with the Tenant's work.

29. At the completion of Tenant's work, the contractor and each subcontractor, along with Building Manager's Building maintenance personnel, shall direct the checkout of utilities, operation systems and equipment for readiness, shall assist in their initial start-up and testing by subcontractors and shall provide general familiarization training for Building Manager personnel during the checkout and startup period.

30. No tobacco smoking or chewing will be permitted in occupied or public areas. Smoking is allowed only in designated areas approved by Building Manager. It is understood that Building Manager, in its sole discretion, may choose not to designate any approved areas in the Building for smoking.

31. No radios or other non-functional sound producing equipment will be permitted on any floor (unless required by code).

32. Respect must be shown to the Building tenants at all times. Rude and obscene behavior, including foul and abusive language, will be not be tolerated. Offenders will be asked to remove themselves from the Premises and shall not be permitted to return.

33. All work performed within the Building's conduits, risers and pathways (including, without limitation, cabling or wiring to the rooftop of the Building), work on the rooftop and work which affects or may reasonably be expected to affect Building systems (such as plumbing, electrical, HVAC, fire-life-safety, emergency power or the like) must be performed by bonded contractors or subcontractors specifically approved in advance by Landlord. Upon request, the Building Manager will provide Tenant with a list of approved contractors or subcontractors for certain types of projects. Access to the rooftop shall be scheduled in advance with the Building Manager. A Building engineer shall accompany all persons performing work or inspecting equipment on the rooftop, including in the case of emergency,

SCHEDULE 1 TO EXHIBIT B - Page 4

except as otherwise agreed in Tenant's Lease. If rooftop access is required during other than Building Hours, Tenant shall pay the cost of the Building's engineer for the time spent accompanying Tenant's contractor or other agent to the rooftop.

34. No one shall be allowed to endanger the Building, its premises or its occupants in any manner whatsoever. If such a situation occurs, the contractor, any subcontractor, supplier, etc., shall immediately take steps to correct and eliminate the hazardous condition. In the event that the contractor's personnel fail to perform in a satisfactory manner, the Building Manager reserves the right to immediately take steps to remedy the hazard at the contractor's expense.

35. All corrective work or work performed in occupied spaces at any time must be scheduled and approved by Building Manager and must be immediately cleaned up by the workmen prior to their leaving the job or at the end of the business day if the project is on-going. The contractor shall be responsible

for all costs incurred by Building Manager if this clean-up work is not performed satisfactorily.

36. All traffic control, flagmen, barricades, etc., as may be necessary or required by any agency having jurisdiction shall be the sole responsibility of and at the expense of the contractor.

37. Tenant shall contact the Building Manager to schedule work on the following Building systems: (Any disruption of services will be scheduled at Building Manager's discretion.)

A. Domestic water.

B. Fire alarm or speaker.

C. Electrical tie-ins to Base Building or the addition of equipment to any suite other than the Tenant suite except subpanels located within the Tenant premises.

D. Sprinkler system.

E. Any work that will take place outside the demised Premises.

F. Any tie-ins that may affect other Tenant spaces.

If a Building alarm is turned off for the contractor's work, the contractor must notify Building Manager upon completion so the system can be tuned back on as soon as possible.

38. No graffiti or vandalism will be tolerated. Any individual caught in the act shall be immediately removed from the Premises and will not be allowed to return. In addition, all repairs will be at the contractor's expense.

39. Wet paint signs must be posted in all public areas when appropriate.

40. The contractor/subcontractors may park in designated spaces only. Any vehicles found in unauthorized spaces will be subject to towing.

41. No contractor shall be allowed to start any work in the Building without having a current certificate of insurance on file with Building Manager. The contractor must keep current insurance certificates on all subcontractors. Any contractor or subcontractor performing work found not to have current insurance will be immediately ordered off the Premises. General contractors shall list the following as additionally insured:

600 W. Seventh Street Associates, Inc.

42. The contractor/subcontractors shall obtain and pay for a City of Los Angeles business license.

43. The contractor/subcontractors shall obtain at their expense, all permits and licenses necessary to perform the work and shall obtain at their expense, all permits and licenses necessary to perform the work and shall comply with all laws, ordinances, State and Federal government regulations, and all rules or regulations of any board or commission or other duly qualified body.

SCHEDULE 1 TO EXHIBIT B - Page 5

44. All work shall be performed in accordance with all applicable laws and the rules and regulations of all City, State and Federal agencies having jurisdiction over the work.

45. No work is to be performed, nor materials stored in public areas. No staging of trucks or materials will be allowed in areas which may affect traffic flow to the surrounding properties or ingress and egress to Building entrances, fire lanes, reserved parking areas, etc.

46. Rubber wheels are required on all vehicles transporting materials in the Building.

47. All equipment and material will be designed and attached for seismic loading in accordance with governmental agencies having jurisdiction over the work.

48. Material storage shall be limited to the Premises.

49. The contractor, or its agent, shall provide safety barricades or cables at floor penetrations.

50. Tenant shall take such action as is necessary to confirm that all contractors, subcontractors and other construction personnel are aware of these construction rules, including, if necessary, requiring each to sign a copy hereof.

SCHEDULE 2 TO EXHIBIT B

SPECIAL TENANT REQUIREMENTS

1st Floor

1. Landlord to supply access to the Standby Power Riser from the roof to the Premises to accommodate a total of 3-3" conduits and 1-2" conduit for each of the installed Tenant generators.

Mechanical

- . Tenant shall have the right to replace the existing windows with louvers subject to the review and approval of Landlord, the city of Los Angeles and historical agencies of the Federal and State governments.

Tenant shall provide such sound and vibration attenuation as may be required by Landlord and public agencies having jurisdiction over the Project and shall at all times comply with Landlord's Project Sound Requirements and Specifications.

1. Tenant shall have access to and provision of the freight elevator to the Premises to transfer Equinix mechanical equipment.
2. Tenant shall have the right to connect to the Fire protection sprinkler system and connection to building fire alarms for the ground floor generator room.
3. Tenant shall be allocated its proportionate share of the total allowable day tank storage in the Building

6th Floor

Mechanical

1. Landlord allows preaction fire protection sprinkler system in the Premises. Tenant shall be responsible for all costs of removal of the existing wet pipe sprinkler fire protection system.
2. Tenant shall be permitted to install a combined total of eight (8), eight inch (8")" pipes in the Tenant Condenser water risers. Tenant shall also be permitted to run the equivalent of 1-4" conduit to each of the installed Tenant chillers on the roof through a chase designated by Landlord.
3. Landlord shall provide a pathway for exhaust and ventilation shafts and duct to the roof or to an exterior wall louver for battery room ventilation and purge, assuming lead-acid type batteries; two locations at 4000 cfm each. Tenant shall comply with regulations of the City of Los Angeles Fire Department and other public agencies having jurisdiction , with respect to the allowable quantities of batteries in the Premises and the Building.
4. Landlord shall provide a pathway for toilet room exhaust connection to a building exhaust riser.
5. Landlord shall allow general area ventilation air from a vent shaft to the roof or from an outside wall louver subject to the review and approval of city, state and federal historical authorities.
6. Landlord shall allow installation of office area air handling systems including air handler and distribution overhead ductwork to spaces.
7. Landlord shall allow connection to the building domestic water source at this floor for use in connection to room humidification equipment.
8. Landlord shall allow Tenant to install a direct digital control (DDC) facility monitoring system as required to monitor and control the environmental systems within the Premises, monitored within the Premises.
9. Landlord shall permit Tenant to reconfigure the toilet room fixtures on the floor, provided that Tenant shall comply with the drainage stacking for the Building.

7th Floor

Electrical

1. The administrative offices of Owner located on the 7/th/ floor shall have a preaction fire protection system installed at the cost of Equinix.

SCHEDULE 2 TO EXHIBIT B - Page 2

EXHIBIT C

CARRIER CENTER LOS ANGELES

NOTICE OF LEASE TERM DATES

To: _____

Re: Office Lease dated _____, 19__ between 600 SEVENTH STREET ASSOCIATES, INC., a California corporation ("Landlord"), and _____, a _____ ("Tenant") concerning Suite _____ on floor(s) _____ of the office building located at [*], Los Angeles, California.

Gentlemen:

In accordance with the Office Lease (the "Lease"), we wish to advise you and/or confirm as follows:

1. The Lease Term shall commence on or has commenced on _____ for a term of _____ ending on _____.
2. Rent commenced to accrue on _____, in the amount of _____.
3. If the Lease Commencement Date is other than the first day of the month, the first billing will contain a pro rata adjustment. Each billing thereafter, with the exception of the final billing, shall be for the full amount of the monthly installment as provided for in the Lease.
4. Your rent checks should be made payable to _____ at _____.
5. The exact number of rentable square feet within the Premises is _____ square feet.
6. Tenant's Share as adjusted based upon the exact number of rentable square feet within the Premises is _____%.

"Landlord":

600 SEVENTH STREET ASSOCIATES, INC.,
a California corporation

By: _____

Name: _____
Title: _____

Agreed to and Accepted
as of _____, 19__.

"Tenant":

By: _____
Its: _____

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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EXHIBIT D

CARRIER CENTER LOS ANGELES

RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project. In the event of any conflict between the Rules and Regulations and the other provisions of this Lease, the latter shall control.

1. Tenant shall not alter any lock or install any new or additional locks or bolts on any doors or windows of the Premises without obtaining Landlord's prior written consent. Tenant shall bear the cost of any lock changes or repairs required by Tenant. Two keys will be furnished by Landlord for the Premises, and any additional keys required by Tenant must be obtained from Landlord at a reasonable cost to be established by Landlord. Upon the termination of this Lease, Tenant shall restore to Landlord all keys of stores, offices, and toilet rooms, either furnished to, or otherwise procured by, Tenant and in the event of the loss of keys so furnished, Tenant shall pay to Landlord the cost of replacing same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such changes.

2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to the Premises.

3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings in the vicinity of the Building. Tenant, its employees and agents must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building register. Access to the Building may be refused unless the person seeking access has proper identification or has a previously arranged pass for access to the Building. Landlord will furnish passes to persons for whom Tenant requests same in writing. Tenant shall be responsible for all persons for whom Tenant requests passes and shall be liable to Landlord for all acts of such persons. The Landlord and his agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building or the Project during the continuance thereof by any means it deems appropriate for the safety and protection of life and property.

4. No furniture, freight or equipment of any kind shall be brought into the Building without prior notice to Landlord. All moving activity into or out of the Building shall be scheduled with Landlord and done only at such time and in such manner as Landlord designates. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building and also the times and manner of moving the same in and out of the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports 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 in any case. Any damage to any part of the Building, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility and expense of Tenant.

5. No furniture, packages, supplies, equipment or merchandise will be received in the Building or carried up or down in the elevators, except between such hours, in such specific elevator and by such personnel as shall be designated by Landlord.

6. The requirements of Tenant will be attended to only upon application at the management office for the Project or at such office location designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord.

7. No sign, advertisement, notice or handbill shall be exhibited, distributed, painted or affixed by Tenant on any part of the Premises or the Building without the prior written consent of the Landlord. Tenant shall not disturb, solicit, peddle, or canvass any occupant of the Project and shall cooperate with Landlord and its agents of Landlord to prevent same.

8. The toilet rooms, 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

EXHIBIT D - Page 1

shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose servants, employees, agents, visitors or licensees shall have caused same.

9. Tenant shall not overload the floor of the Premises without Landlord's prior written consent.

10. Except for vending machines intended for the sole use of Tenant's

employees and invitees, no vending machine or machines other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises without the written consent of Landlord.

11. Tenant shall not use or keep in or on the Premises, the Building, or the Project any kerosene, gasoline, explosive material, corrosive material, material capable of emitting toxic fumes, or other inflammable or combustible fluid chemical, substitute or material except for (i) dry or gel cell batteries and (ii) the fuel stored in the Generator Fuel Tanks (defined in Article 22 of the Lease and any reasonable "belly" fuel storage tanks installed on Tenant's Generators. Tenant shall provide material safety data sheets for any Hazardous Material used or kept on the Premises.

12. Tenant shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Project by reason of noise, odors, or vibrations, or interfere with other tenants or those having business therein, whether by the use of any musical instrument, radio, phonograph, or in any other way. Tenant shall not throw anything out of doors, windows or skylights or down passageways.

13. Tenant shall not bring into or keep within the Project, the Building or the Premises any animals, birds, aquariums, or, except in areas designated by Landlord, bicycles or other vehicles.

14. No cooking shall be done or permitted on the Premises, nor shall the Premises be used for the storage of merchandise, for lodging or for any improper, objectionable or immoral purposes. Notwithstanding the foregoing, Underwriters' laboratory-approved equipment and microwave ovens may be used in the Premises for heating food and brewing coffee, tea, hot chocolate and similar beverages for employees and visitors, provided that such use is in accordance with all applicable federal, state, county and city laws, codes, ordinances, rules and regulations.

15. The Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the use of the Premises provided for in the Summary. Tenant shall not occupy or permit any portion of the Premises to be occupied as an office for a messenger-type operation or dispatch office, public stenographer or typist, or for the manufacture or sale of liquor, narcotics, or tobacco in any form, or as a medical office, or as a barber or manicure shop, or as an employment bureau without the express prior written consent of Landlord. Tenant shall not engage or pay any employees on the Premises except those actually working for such tenant on the Premises nor advertise for laborers giving an address at the Premises.

16. Landlord reserves the right to exclude or expel from the Project any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations.

17. Tenant, its employees and agents shall not loiter in or on the entrances, corridors, sidewalks, lobbies, courts, halls, stairways, elevators, vestibules or any Common Areas for the purpose of smoking tobacco products or for any other purpose, nor in any way obstruct such areas, and shall use them only as a means of ingress and egress for the Premises.

18. Tenant shall use reasonable best efforts to participate in recycling programs undertaken by Landlord.

19. Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in Los Angeles, California without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators provided for such purposes at such times as Landlord shall designate. If the Premises is or becomes infested with vermin as a result of the use or any misuse or neglect of the Premises by Tenant, its agents, servants, employees, contractors, visitors or licensees, Tenant shall forthwith, at Tenant's expense, cause the Premises to be exterminated from time to time to the satisfaction of Landlord and shall employ such licensed exterminators as shall be approved in writing in advance by Landlord.

EXHIBIT D - Page 2

20. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.

21. Any persons employed by Tenant to do janitorial work shall be subject to the prior written approval of Landlord, and while in the Building and outside of the Premises, shall be subject to and under the control and direction of the Building manager (but not as an agent or servant of such manager or of Landlord), and Tenant shall be responsible for all acts of such persons.

22. No awnings or other projection shall be attached to the outside walls

of the Building without the prior written consent of Landlord. Neither the interior nor exterior of any windows shall be coated or otherwise sunscreensed without the prior written consent of Landlord. Tenant shall be responsible for any damage to the window film on the exterior windows of the Premises and shall promptly repair any such damage at Tenant's sole cost and expense. Prior to leaving the Premises for the day, Tenant shall draw or lower window coverings and extinguish all lights.

23. Deleted.

24. Tenant must comply with requests by the Landlord concerning the informing of their employees of items of importance to the Landlord.

25. Tenant must comply with the City of Los Angeles "NO-SMOKING" Ordinance No. 159498. If Tenant is required under the ordinance to adopt a written smoking policy, a copy of said policy shall be on file in the office of the Building.

26. Tenant hereby acknowledges that Landlord shall have no obligation to provide guard service or other security measures for the benefit of the Premises, the Building or the Project. Tenant hereby assumes all responsibility for the protection of Tenant and its agents, employees, contractors, invitees and guests, and the property thereof, from acts of third parties, including keeping doors locked and other means of entry to the Premises closed, whether or not Landlord, at its option, elects to provide security protection for the Project or any portion thereof. Tenant further assumes the risk that any safety and security devices, services and programs which Landlord elects, in its sole discretion, to provide may not be effective, or may malfunction or be circumvented by an unauthorized third party, and Tenant shall, in addition to its other insurance obligations under this Lease, obtain its own insurance coverage to the extent Tenant desires protection against losses related to such occurrences. Tenant shall cooperate in any reasonable safety or security program developed by Landlord or required by law.

27. All office equipment of any electrical or mechanical nature shall be placed by Tenant in the Premises in settings, to absorb or prevent any vibration, noise and annoyance.

28. Tenant shall not use in any space or in the public halls of the Building, any hand trucks except those equipped with rubber tires and rubber side guards.

29. No auction, liquidation, fire sale, going-out-of-business or bankruptcy sale shall be conducted in the Premises without the prior written consent of Landlord.

30. No tenant shall use or permit the use of any portion of the Premises for living quarters, sleeping apartments or lodging rooms.

31. Tenant shall not purchase spring water, towels, janitorial or maintenance or other similar services from any company or persons not approved by Landlord. Landlord shall approve a sufficient number of sources of such services to provide Tenant with a reasonable selection, but only in such instances and to such extent as Landlord in its judgment shall consider consistent with the security and proper operation of the Building.

32. Tenant shall install and maintain, at Tenant's sole cost and expense, an adequate, visibly marked and properly operational fire extinguisher next to any duplicating or photocopying machines or similar heat producing equipment, which may or may not contain combustible material, in the Premises.

Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations, or to make such other and further reasonable Rules and Regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises, Building, the Common Areas and the Project, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein. Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant, nor prevent Landlord from thereafter enforcing any such Rules or Regulations against any or all tenants of the Project. Tenant shall be deemed to have read these Rules and Regulations and to have agreed to abide by them as a condition of its occupancy of the Premises.

EXHIBIT D - Page 3

EXHIBIT E

CARRIER CENTER LOS ANGELES

FORM OF TENANT'S ESTOPPEL CERTIFICATE

The undersigned as Tenant under that certain Office Lease (the "Lease") made and entered into as of _____, 199__ by and between 600 SEVENTH STREET ASSOCIATES, INC., a California corporation a California limited liability company, and 717 SOUTH GRAND ASSOCIATES, INC., a California corporation, collectively as Landlord, and the undersigned as Tenant, for Premises on the _____ floor(s) of the office building located at [*], Los Angeles, California _____, certifies as follows:

1. Attached hereto as Exhibit A is a true and correct copy of the Lease _____ and all amendments and modifications thereto. The documents contained in Exhibit A represent the entire agreement between the parties as to the Premises _____ and the project of which the Premises are a part.

2. The undersigned currently occupies the Premises described in the Lease, the Lease Term commenced on _____, and the Lease Term expires on _____, and the undersigned has no option to terminate or cancel the Lease or to purchase all or any part of the Premises, the Building and/or the Project except as otherwise set forth in the Lease.

3. Base Rent became payable on _____.

4. The Lease is in full force and effect and has not been modified, supplemented or amended in any way except as provided in Exhibit A. _____

5. Tenant has not transferred, assigned, or sublet any portion of the Premises nor entered into any license or concession agreements with respect thereto except as follows:

6. Tenant shall not modify the documents contained in Exhibit A without _____ the prior written consent of Landlord's mortgagee.

7. All monthly installments of Base Rent, all Additional Rent and all monthly installments of estimated Additional Rent have been paid when due through _____. The current monthly installment of Base Rent is \$ _____.

8. To the actual knowledge of Tenant, all conditions of the Lease to be performed by Landlord necessary to the enforceability of the Lease have been satisfied and Landlord is not in default thereunder. In addition, the undersigned has not delivered any notice to Landlord regarding a default by Landlord thereunder.

9. No rental has been paid more than thirty (30) days in advance and no security has been deposited with Landlord except as provided in the Lease.

10. As of the date hereof, there are no existing defenses or offsets, to the undersigned's knowledge, claims or any basis for a claim, that the undersigned has against Landlord.

11. If Tenant is a corporation or partnership, each individual executing this Estoppel Certificate on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this Estoppel Certificate and that each person signing on behalf of Tenant is authorized to do so.

12. There are no actions pending against the undersigned or any guarantor of the Lease under the bankruptcy or similar laws of the United States or any state.

13. Other than in compliance with all applicable laws and incidental to the ordinary course of the use of the Premises, the undersigned has not used or stored any hazardous substances in the Premises.

14. To the undersigned's knowledge, all tenant improvement work to be performed by Landlord under the Lease has been completed in accordance with the Lease and has been accepted by the undersigned and all reimbursements and allowances due to the undersigned under the Lease in connection with any tenant improvement work have been paid in full.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

The undersigned acknowledges that this Estoppel Certificate may be delivered to Landlord or to a prospective mortgagee or prospective purchaser, and acknowledges that said prospective mortgagee or prospective purchaser will be relying upon the statements contained herein in making the loan or acquiring the property of which the Premises are a part and that receipt by it of this

certificate is a condition of making such loan or acquiring such property.

Executed at _____ on the ____ day of _____, 19__.

"Tenant"

_____, a

By: _____
Name: _____
Title: _____

EXHIBIT E - Page 1

EXHIBIT F

CARRIER CENTER LOS ANGELES

FORM OF NON-DISTURBANCE AGREEMENT

[To be Provided by Landlord's Lender]

EXHIBIT F - Page 1

EXHIBIT G

CARRIER CENTER LOS ANGELES

PROJECT SOUND REQUIREMENTS AND SPECIFICATIONS

Noise and Vibration Control Design Requirements

It is the responsibility of each Design Builder to ensure that all mechanical, electrical, plumbing and elevator equipment and systems comply with the following noise and vibration criteria. The means employed to satisfy the criteria will include: selection of suitably quiet equipment, sound traps, acoustical enclosures, vibration isolators and generator exhaust mufflers.

It is strongly recommended that each Design Builder retains the services of a suitably qualified and experienced Acoustical Consultant to assist in designing suitably quiet and low-vibration systems.

1. Noise Emissions to the Exterior

Noise emissions to the exterior surroundings shall satisfy all requirements of the Noise Regulations Chapter of the City of Los Angeles Municipal Code. Full account shall be taken of:

The nature of the noise produced by source, including penalties for tonal or impulsive characteristics.

- a) The zone classification of the surrounding properties.
- b) The operating times of the equipment.
- c) The additive effects of multiple noise sources operating simultaneously.

In addition, the total noise produced by mechanical, electrical, plumbing and elevator equipment associated with the base building and each of the tenancies shall be within the following "noise budget" limits when measured at the neighboring properties:

<TABLE>
<CAPTION>

Noise Budget - Combined Effect of All Equipment			
		Daytime (7am - 10pm)	Nighttime (10pm - 7am)
		<C>	<C>
<S>	Base Building Equipment	60 dBA	55 dBA

Equipment Provided by Each Tenant:			

Total Size of Tenancy	Less than 1/2 Floor	49 dBA	44 dBA

	1/2 - 1 Floor	52 dBA	47 dBA

1 - 1 1/2 Floors	55 dBA	50 dBA
1 1/2 - 2 Floors	57 dBA	52 dBA

</TABLE>

- i. The noise budget values apply to all normally operating equipment - such as fans, cooling towers, dry coolers, heat pumps, chillers, transformers, pumps etc. - as well as the routine testing of emergency equipment.
- ii. Each Design Builder shall demonstrate - to the satisfaction of the Owner - that the total effect of noise emitted by equipment within their scope of work is within the appropriate noise budget value under both day and night time operating conditions. During design, community noise impact calculations, based on manufacturers' certified noise data, shall be submitted for approval.
- iii. All Design Builders should be aware of the proximity of existing noise-sensitive properties around the project site and the difficulties these adjacencies imply in terms of community noise control.

The existing sensitive neighbors include the Hyatt Regency Hotel and Christian Science Center on South Hope and the residential buildings on South Olive.

EXHIBIT G - Page 1

- iv. The possibility of future development on the vacant space (currently an open parking lot) situated on the block between South Grand, South Olive, 7th and 8th Streets be taken into account in the Design Builders' noise impact analysis.
- v. Certain items of equipment will produce noise that has either a tonal or impulsive characteristic. Also, the combination of multiple similar noise sources can exaggerate tonal noise effects and "beating" (a type of impulsive noise) can occur when several very similar noise sources operate simultaneously. Tonal, impulsive or beating characteristics tend to make noise more annoying and this is recognized by the City Noise Ordinance, which applies a 5dBA penalty to such noise.

The noise budget values given in the above table must therefore be reduced by 5dBA in any cases where either an individual item of equipment or the combination of several items of equipment produces tonal or impulsive noise (including beating).

2. Interior Background Noise Levels

Background noise levels in the occupied areas of the building shall meet the requirements of Table 2, Chapter 43 of the ASHRAE Handbook, HVAC Applications I-P Edition.

3. Vibration

Vibration levels in occupied areas, circulation and toilet rooms shall not exceed the criteria recommended in the current version of ANSI S3.29 "Guide to the Evaluation of Human Exposure to Vibration in Buildings."

In technical areas, vibration levels shall be limited to either: the criteria recommended in ANSI S3.29, or vibration sensitivity criteria applicable to the telecommunications industry - whichever are the more stringent.

EXHIBIT G - Page 2

EXHIBIT H

CARRIER CENTER LOS ANGELES

ANTENNA SPACE RIDER

- 1. Lease of Antenna Space. Tenant wishes to install on the top roof of

the Building (a) one GPS antenna as more particularly described below in this section (collectively, the "Antennas "); and (b) one 2-inch conduit per each Antenna connecting such Antenna to the Premises (collectively, the "Antenna Conduits "). The Antennas to be installed by Tenant under this Rider shall be

installed in a one hundred square foot pad on the roof of the Building designated by Landlord:

X

The space to be occupied by the Antennas and their exact location on the top roof of the Building shall be designated by Landlord in its sole, reasonable discretion and is hereby referred to as the "Antenna Space ." The exact location of the Antenna Conduits and their precise route running from the Antenna Space to the Premises shall be designated by Landlord in its sole, reasonable discretion. The space within the Antenna Conduits is hereby referred to as the "Antenna Conduit Space ." Effective as of the date Landlord tenders possession of the Antenna Space and the Antenna Conduit Space to Tenant (the "Antenna Space Effective Date "), the Premises shall be expanded to include the Antenna Space and the Antenna Conduit Space.

2. Use of Antenna Space and Antenna Conduit Space. The Antenna Space

shall be used by Tenant only for the installation and operation of the Antennas. The Antenna Conduit Space shall be used by Tenant only for installing the Antenna Conduits and running cable or connecting lines through the Antenna Conduits to connect the Antennas to the Premises.

The installation of the Antennas, the Antenna Conduit, and cable and connecting lines through the Antenna Conduits shall be performed by contractors approved by Landlord in advance in writing and in accordance with Article 8 of the Lease. Tenant shall pay all costs for such installation, including the cost of the equipment and materials.

All ongoing operation and maintenance of the Antennas and the Antenna Conduits shall be at the sole cost and expense of Tenant (including, but not limited to, costs of any electrical supply, which, if Landlord so elects, shall be metered separately to Tenant at Tenant's expense). Such ongoing operation and maintenance of the Antennas and the Antenna Conduits shall be conducted by Tenant in accordance with the Lease, all applicable laws (including but not limited to any requirements for obtaining conditional use permits) and all Landlord's building rules in effect from time to time. Without limiting the foregoing, any installation activities by Tenant regarding the Antennas or the Antenna Conduits, and Tenant's ongoing use of the Antennas and the Antenna Conduits, shall require Landlord's prior written approval of (i) the plans and specifications for any installation work; (ii) a description of the areas of the Building to which Tenant will require access both for the initial work and for ongoing maintenance of the improvements or installations; (iii) the names and credentials of all contractors and subcontractors who will perform such work as selected from Landlord's list of contractors and subcontractors currently approved by Landlord for work in the Building; (iv) copies of all liability, casualty and worker's compensation insurance applicable to the construction, maintenance and ongoing operation of the improvements and installations; and (v) copies of all governmental permits (including conditional use permits) required for the work. Landlord's approval shall not be unreasonably withheld or delayed.

Tenant represents and warrants to Landlord that the Antennas will not interfere with the operation, transmissions or reception of any other antennas, satellite dishes or equipment on the roof of the Building. In the event that the Antennas do interfere with such operation, transmissions or reception, then (without limiting any other remedy of Landlord) Tenant shall, promptly after written notice from Landlord, cease operation of and remove the Antennas from the Building at its sole cost and expense, and this Antenna Space Rider to the Lease shall thereupon be deleted from the Lease with respect to the then remaining Lease term.

3. Removal of Antennas, Cable and Connecting Lines. Tenant agrees that,

upon the expiration or termination of the Lease, Tenant (or, at Landlord's election, the contractor designated by Landlord) shall promptly remove, at Tenant's sole cost and expense, the Antennas and all cable, connecting lines, and other installations installed under this Rider (excepting the Antenna Conduits themselves, which shall remain the property of Landlord), and restore those portions of the Building damaged by such removal to their condition immediately prior to the installation of such items. If Tenant

EXHIBIT H - Page 1

fails to promptly remove all such items pursuant to this Section 4, or if Landlord elects to have such work performed by Landlord's contractor, Landlord may remove such items installed hereunder, and restore those portions of the Building damaged by such removal to their condition immediately prior to the installation, in which case Tenant agrees promptly to pay Landlord's reasonable costs of removal and restoration, including Landlord's administrative fee.

4. Miscellaneous. This Rider supersedes all prior or contemporaneous

understandings, negotiations or agreements between the parties, whether written

or oral, with respect to its subject matter. This Rider is part of and shall be attached as an addendum to the Lease. All terms of the Lease which have not been expressly altered by this Rider shall remain in full force and effect.

EXHIBIT H - Page 2

EXHIBIT I

FORM OF MEMORANDUM OF LEASE

RECORDING REQUESTED
BY AND WHEN
RECORDED RETURN TO:

=====

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is entered into as of _____, by and between 600 SEVENTH STREET ASSOCIATES, INC., a California corporation, (hereinafter referred to as "Landlord"), and EQUINIX, INC., a Delaware corporation (hereinafter referred to as "Tenant").

1. For valuable consideration, Landlord does hereby lease and demise to Tenant and Tenant hereby leases from Landlord approximately _____ square feet in a building ("Building") containing approximately _____ square feet to be constructed on the land ("Land") described or depicted on Exhibit A _____ attached to this Memorandum of Lease and made a part hereof by this reference (collectively, the "Premises").

2. The terms and conditions of the leasing of the Premises are set forth in a Lease dated _____ ("Lease"), between Landlord and Tenant, which is incorporated herein by this reference as though fully set forth. Without limiting the foregoing, the Lease contains provisions which give effect to the following:

(a) The Term (as defined in the Lease) of the Lease will commence on or about _____ (with the exact date of commencement to be determined by the provisions of the Lease) and extend for a period of _____ years thereafter; and

(b) Tenant has the right and option to extend the Term of the Lease for _____ successive year renewal terms, in accordance with the provisions of the Lease; and

(c) Tenant has the right and option to lease from Landlord from time to time while the Lease remains in effect any portion of the Building which is not subject to the Lease, subject to and in accordance with Section _____ of the Lease.

3. The Lease contains other terms and conditions pertinent to the legal relationship among the Landlord, Tenant and mortgagees of Landlord, including, without limitation, terms and conditions relating to the occupancy and use of, and otherwise affecting, the Premises, public notice of the existence of the same being hereby given.

EXHIBIT I

Executed the day and year first above written.

LANDLORD:

600 SEVENTH STREET ASSOCIATES, INC., a
California corporation

By: _____
Name: _____
Title: _____

TENANT:
EQUINIX, INC., a Delaware corporation

By: _____
Name: _____

STATE OF _____)
) Ss.
COUNTY OF _____)

On _____, before me, _____, a Notary Public in and for said state, personally appeared _____ and _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signature on the instrument, the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State

STATE OF _____)
) Ss.
COUNTY OF _____)

On _____, before me, _____, a Notary Public in and for said state, personally appeared _____ and _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signature on the instrument, the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State

*CONFIDENTIAL TREATMENT REQUESTED.
CONFIDENTIAL PORTION HAS BEEN FILED
SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE ("First Amendment") is made this 9th day of September, 1999, by and between TRIZECHAHN CENTERS, INC., a California corporation d/b/a TrizecHahn Beaumeade Corporate Management ("Landlord"), as successor in interest to Laing Beaumeade, Inc. ("Original Landlord"), and EQUINIX, INC., a Delaware corporation ("Tenant").

W I T N E S S E T H:

WHEREAS, by that certain Lease dated as of November 18, 1998 (the "Lease"), Original Landlord leased to Tenant, and Tenant leased from Original Landlord, approximately [*] square feet of rentable area (the "Original Premises"), known as Suite C, located on the first (1st) floor of the building located at [*], Ashburn, Virginia (the "Building"), upon the terms and conditions set forth in the Lease;

WHEREAS, all of the right, title and interest of Original Landlord in the Building was transferred to Landlord and all of the right, title and interest of Original Landlord in the Lease was assigned to Landlord;

WHEREAS, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, an additional [*] rentable square feet of space located on the first (1st) floor of the Building (hereinafter referred to as the "Expansion Space"), upon the terms and conditions hereinafter set forth;

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED
SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

1

WHEREAS, the Original Premises and the Expansion Space are hereinafter collectively referred to as the "Leased Premises"; and

WHEREAS, Landlord and Tenant desire to amend the Lease to reflect their understanding and agreement with regard to the lease of such additional space, and to otherwise amend the Lease, as more particularly set forth herein.

NOW, THEREFORE, for and in consideration of the mutual promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto mutually agree as follows:

1. Any capitalized terms used in this First Amendment and not otherwise defined herein shall have the meanings ascribed to them in the Lease.

2. The Lease is hereby further amended by adding thereto a new Section 29, to read as follows:

"29. EXPANSION SPACE

A. Term. Landlord hereby leases unto Tenant, and Tenant hereby

leases from Landlord, approximately [*] square feet of rentable floor area (hereinafter referred to as the 'Expansion Space') located on the first (1st) floor of the Building, which Expansion Space is hereby agreed to be that certain space which is shown on Exhibit H attached hereto and made a part hereof, for a term (the 'Expansion Space Term') commencing on [*] (the 'Expansion Space Commencement Date'), and continuing through and including the last day of the Term of the Original Premises, unless earlier terminated pursuant to the provisions of this Lease.

B. "As-is" Condition. Tenant accepts the Expansion Space in

its "as-is" condition.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED
SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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C. Expansion Space Base Rent. In addition to the Base Rent

 for the Premises as set forth in Exhibit C hereof, commencing on the Expansion Space Commencement Date and continuing thereafter throughout the Expansion Space Term, Tenant covenants and agrees to pay to Landlord Base Rent for the Expansion Space in the following amounts (the 'Expansion Space Base Rent'):

<TABLE>
 <CAPTION>

Expansion Space Period	Expansion Space Base Rent Per Square Foot Per Annum	Expansion Space Base Rent	Expansion Space Monthly Base Rent
-----	-----	-----	-----
<S>	<C>	<C>	<C>
6/1/99 - 1/31/00	\$[*]	\$[*]	\$[*]
2/1/00 - 1/31/01	\$[*]	\$[*]	\$[*]
2/1/01 - 1/31/02	\$[*]	\$[*]	\$[*]
2/1/02 - 1/31/03	\$[*]	\$[*]	\$[*]
2/1/03 - 1/31/04	\$[*]	\$[*]	\$[*]
2/1/04 - 1/31/05	\$[*]	\$[*]	\$[*]
2/1/05 - 1/31/06	\$[*]	\$[*]	\$[*]
2/1/06 - 1/31/07	\$[*]	\$[*]	\$[*]
2/1/07 - 1/31/08	\$[*]	\$[*]	\$[*]
2/1/08 - 1/31/09	\$[*]	\$[*]	\$[*]

</TABLE>

D. Except as otherwise herein expressly provided, Expansion Space shall be deemed a part of the Premises for all purposes of this Lease, such that both Landlord and Tenant shall have such respective rights and obligations with respect to Expansion Space as apply to the remainder of the Leased Premises."

3. Section 4.(a) of the Lease (captioned "Operating Expenses") is hereby amended by deleting from the end thereof the language "[*]% ([*])" and inserting the following language in lieu thereof: "[*]% ([*])."

4. Section 2 of the Lease (captioned "Payment") is hereby amended by deleting therefrom the language: "at Landlord's address set forth at Section 28.(b) hereof" and

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

3

inserting the following language in lieu thereof: "and delivered to TrizecHahn Beaumeade Corporate Management at NationsBank, P.O. Box #631557, Baltimore, Maryland 21263-1557."

5. Section 28.(b) of the Lease (captioned "Notices") is hereby amended by deleting therefrom all of the language in the column headed "Notice to Landlord" and inserting the following language in lieu thereof: "TrizecHahn Mid-Atlantic Management Services LLC, 1250 Connecticut Avenue, N.W., Suite 500, Washington D.C. 20036 Attention: Portfolio Manager-[*]".

6. Section 28.(s) of the Lease (captioned "Brokers") and Exhibit D to the Lease (captioned "Work Agreement") shall not be applicable to the Expansion Space.

7. Landlord and Tenant represent and warrant to each other that the person signing this First Amendment on its behalf has the requisite authority and power to execute this First Amendment and to thereby bind the party on whose behalf it is being signed .

8. Landlord and Tenant represent and warrant to each other that neither of them has employed any broker in procuring or carrying on any negotiations relating to this First Amendment. Landlord and Tenant shall indemnify and hold each other harmless from any loss, claim or damage relating to the breach of the foregoing representation and warranty by the indemnifying party.

9. Except as expressly amended and modified herein, all terms, conditions and provisions of the Lease shall remain unmodified and in full force and effect. In the event of any conflict between the terms and conditions of the Lease and the terms and conditions of this First Amendment, the terms and conditions of this First Amendment shall govern and control.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PROTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

4

LEASE AGREEMENT

between

NEXCOMM ASSET ACQUISITION I, LP,

as Landlord,

and

EQUINIX, INC.,

as Tenant

[*]

[*]

[*]

Dallas, Texas 75207
214-800-8000

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

1

[*]

is a registered servicemark of
IFM Services, LLC, [*],
Suite 6038, Dallas, Texas 75207

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

2

LEASE AGREEMENT
INFOMART
THE TECHNOLOGY COMMUNITY

THIS LEASE AGREEMENT ("Lease") is made and entered into as of the 21st day of January, 2000, by and between NEXCOMM ASSET ACQUISITION I, LP, a Texas limited partnership ("Landlord"), whose address is 1950 Stemmons Freeway, Dallas, Texas 75207 and EQUINIX, INC., a Delaware corporation ("Tenant"), whose address is 901 Marshall Street, Redwood City, California 94063, Attention: Keith Taylor.

ARTICLE 1

BASIC LEASE INFORMATION AND DEFINED TERMS

Section 1.1. Basic Lease Information.

(a) Base Rent shall mean the following:

From the Commencement Date until the Rental Commencement Date, Base Rent shall be [*] Dollars (\$[*]),

From the Rental Commencement Date through May 31, 2002, Base Rent shall be [*] Dollars (\$[*]) per month,

From the June 1, 2002 through May 31, 2004, Base Rent shall be [*] Dollars (\$[*]) per month,

From the June 1, 2004 through May 31, 2006, Base Rent shall be [*] Dollars (\$[*]) per month,

From the June 1, 2006 through May 31, 2008, Base Rent shall be [*] Dollars (\$[*]) per month,

From the June 1, 2008 through May 31, 2010, Base Rent shall be [*] Dollars (\$[*]) per month.

(b) Base Year shall mean 2000.

(c) Building shall mean the office building and information

processing center located on the Land.

(d) Building Rules shall mean all rules and regulations

adopted or modified by Landlord from time to time for the safety, care,
cleanliness, and reputation of the Building and for the preservation of good
order in the Building. The current Building Rules are attached at Exhibit "C."

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED
SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

3

(e) Commencement Date shall mean the Effective Date. Tenant

shall be deemed to commence occupancy of the Premises on the date Tenant takes
possession of the Premises for the purpose of equipping, furnishing, and
improving the Premises. "Rental Commencement Date" shall mean the earlier of [*]
months after the Effective Date or [*]. Base Rent shall be adjusted accordingly
if the Rental Commencement Date is other than [*].

(f) Common Areas shall mean those areas within the Project

devoted to corridors, elevator foyers, restrooms, lobby areas, meeting rooms,
and other similar facilities provided for the common use or benefit of tenants
generally.

(g) [*] shall mean "[*] - The Technology Community" and

shall include the Project as it currently exists or as it may from time to time
hereafter be expanded or modified.

(h) Insurance Costs shall mean all costs incurred by

Landlord in obtaining insurance on the Project, including property, liability,
and casualty insurance on the Building, but excluding all insurance costs which
Tenant is required to provide under Section 7.3 below.

(i) Land shall mean the tract of real property which is

described in Exhibit "A" to this Lease.

(j) Lease Term shall mean a term commencing on the Rental

Commencement Date and continuing for one hundred twenty (120) full calendar
months.

(k) Permitted Use shall mean use for the installation,

maintenance and operation of information processing and telecommunications
products and services, for offices, and for storage and service areas incidental
and related to such uses, and to include collocation and other
telecommunications related operations.

(l) Premises shall mean Suite No. 1034 in the Building, as

outlined on the floor plan of the Building which is attached as Exhibit "B" to

this Lease.

(m) Project shall mean, collectively, the Building, the

Land, and all other improvements located on the Land (including parking areas,
parking garages, plaza areas, and other similar areas relating to the Building).

(n) Rent shall mean, collectively, the Base Rent; Tenant's

Proportionate Share of Insurance Costs, Utility Costs and Taxes; and any other
amounts payable to Landlord by Tenant.

(o) Rentable Square Feet shall mean the Usable Square Feet

within the Premises, together with an additional amount representing a portion
of the Common Areas, Service Areas and other non-tenant space on floors one (1)
through six (6) in the Building. For purposes of this Lease, the parties have
agreed that the Premises shall be deemed to consist of [*] Rentable Square Feet

and floors one (1) through six (6) of the Building shall be deemed to consist of [*] Rentable Square Feet. However, both Landlord and Tenant acknowledge that

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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neither of these figures was calculated by measuring the Common Areas, Service Areas and other non-tenant spaces in the Building and that neither Landlord nor Tenant shall have a right to demand remeasurement or recalculation of the Rentable Square Feet applicable to the Premises or the Building.

(p) Security Deposit shall mean [*] Dollars (\$[*]).

(q) Service Areas shall mean those areas within the outside

walls of the Building which are used for mechanical rooms, stairs, elevator shafts, flues, vents, stacks, pipe shafts, risers, raceways, and vertical penetrations (but shall not include any such areas for the exclusive use of a particular tenant).

(r) Taxes shall mean all taxes and assessments and

governmental charges, whether federal, state, county or municipal, and whether levied or assessed by taxing districts or authorities presently taxing the Premises or the Project or any part of either, or by others, subsequently created or otherwise, and any other taxes and assessments attributable to the Project or its operation together with any costs incurred by Landlord (including attorneys' fees and costs of investigation) relative to any negotiation, contest, or appeal pursued by Landlord to reduce or prevent an increase in any portion of the Taxes, regardless of whether any reduction or limitation is obtained, provided that such costs are allocated only to the periods for which Landlord is trying to have the Taxes revised.

(s) Tenant's Proportionate Share shall mean a fraction, the

numerator of which is the number of Rentable Square Feet within the Premises, and the denominator of which is the number of Rentable Square Feet on floors two (2) through six (6) of the Building. Accordingly, the parties acknowledge and agree that Tenant's Proportionate Share under this Lease is [*] percent.

(t) Trade Fixtures shall mean any and all signs and other

equipment, including without limitation, the switch and related equipment to be installed by Tenant or placed by Tenant within the Premises pursuant to the provisions of this Lease and any and all items of property used by Tenant in the Premises, including furniture and equipment and "Tenant Equipment" as defined in Exhibit "D" attached hereto. However, the term Trade Fixtures shall not include any permanent leasehold improvements (including any floor, wall, or ceiling coverings, any interior walls or partitions, , or any property which is a part of or associated with any electrical, plumbing, or mechanical system other than the generator and cooling equipment to be installed by Tenant in accordance with the provisions of Exhibit D attached hereto and those items which are designated as being "Trade Fixtures" on the Plans and Specifications approved by both parties pursuant to the attached Work Letter), notwithstanding that the same may have been installed within the Premises by Tenant.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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(u) Usable Square Feet shall mean the gross number of

square feet enclosed by the surface of the exterior glass walls, the midpoint of any walls separating portions of the Premises from those of adjacent tenants, the slab penetration line of all walls separating the Premises from Service Areas, and the corridor side of walls separating the Premises from Common Areas.

(v) Utility Costs shall mean all costs incurred by Landlord

in providing electricity, gas, water, and sewage disposal facilities to the Building, (including electricity used for heating, air conditioning, operation of office machines), and other equipment used on or about the Building, and elevator and escalator service and lighting, but excluding all such costs which Tenant may, from time to time, be obligated to pay on a separately metered basis under the provisions of Section 4.3.

Section 1.2. Defined Terms. Each of the terms defined in Section 1.1

will be used as defined terms in this Lease (including the Exhibits to this Lease). In addition, other terms are defined in various sections of this Lease.

All words which are used as defined terms in this Lease are delineated with initial capital letters and, when delineated with initial capital letters, shall have the meaning specified in the applicable provision of this Lease in which such term is defined.

ARTICLE 2

OCCUPANCY AND USE

Section 2.1. Premises and Term. In consideration for the obligation

of Tenant to pay Rent and subject to and upon the terms and conditions stated in this Lease, Landlord leases to Tenant, and Tenant leases from Landlord, the Premises for the Lease Term. Landlord will deliver possession of the Premises to Tenant on the Commencement Date. If Landlord requests, Tenant shall execute a memorandum (in a form approved by Landlord) specifying the date upon which the Commencement Date actually occurred.

Section 2.2. Leasehold Improvements. The Premises shall be delivered

to Tenant in an "as is" condition, and Tenant shall install the initial leasehold improvements in the Premises in accordance with Section 5.1 below. Tenant has made a complete examination and inspection of the Premises and accepts the same in its current condition, "as is" and without recourse to Landlord. Landlord shall have no obligation to provide any leasehold improvements to the Premises or to repair, decorate, or paint the Premises, unless otherwise expressly set forth in this Lease. Landlord has made no representations or warranties to Tenant with respect to the condition of the Premises, the Building, or the Project. Tenant's occupancy of the Premises shall be deemed an acknowledgment by Tenant that the Premises are suitable for Tenant's intended use, and Landlord expressly disclaims any warranty that the Premises are suitable for Tenant's intended use. Landlord does not make any warranties, express or implied, with respect to the Premises, the Building, or the Project. All implied warranties (including those of habitability, merchantability, or fitness for a particular purpose) are expressly negated and waived.

Section 2.3. Use. The Premises may be used only for the Permitted

Use specified in Section 1.1(k) and for no other purposes without the prior written consent of

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Landlord. Tenant's use of the Premises shall be in compliance with the Building Rules and with all applicable Legal Requirements and Insurance Requirements. Tenant shall not, even if technically within the Permitted Use, use the Premises for any purpose which is dangerous to person or property, which creates a nuisance, which would violate the Building Rules, or which would violate any applicable Legal Requirement or Insurance Requirement. Tenant shall comply with, and shall cause any Tenant Related Parties to comply with, all Building Rules and all Legal Requirements and Insurance Requirements relating to the use, condition, or occupancy of the Premises. "Insurance Requirements" shall mean all terms of any insurance policy obtained by Landlord or Tenant covering or applicable to the Premises or the Project; all requirements for the issuing of each such insurance policy; and all orders, rules, regulations, and other requirements of the National Board of Fire Underwriters (or any other bodies exercising any similar functions) which are applicable to or affect the Premises, the Building, or the Project or any use or condition of the Premises, the Building, or the Project. "Legal Requirements" shall mean all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, and requirements of all governmental authorities, foreseen or unforeseen, which now or at any time hereafter may be applicable to the Premises, the Building, or the Project, including (a) the Americans with Disabilities Act, (b) all federal, state, and local laws, regulations, and ordinances pertaining to air and water quality, hazardous materials, waste disposal, and other environmental matters; and (c) all laws, codes, and regulations pertaining to zoning, land use, health, or safety. "Tenant Related Parties" shall mean Tenant's officers, partners, employees, agents, contractors, licensees, concessionaires, subtenants, customers, and invitees. In addition, the number of persons in the Premises shall not exceed a ratio of three (3) persons per one thousand (1,000) Rentable Square Feet within Premises ("Density Limit"). Notwithstanding the foregoing to the contrary, Tenant shall not be responsible for (a) making any alterations to the Premises, except to the extent such alterations are required due to Tenant's particular use of the Premises or alterations to the Premises made by Tenant, or (b) any remediation of hazardous materials which exist in the Premises prior to the execution date of this Lease. Notwithstanding anything in this Lease to the contrary, Landlord shall have the right to inspect the Density Limit within the Premises upon forty-eight (48) hour prior written notice to Tenant. Tenant shall have the right to accompany Landlord during any such inspection. In the event Tenant fails to comply with the Density Limit two (2) times within a twelve (12) month period within the Lease Term, such second (2nd) failure may, at Landlord's sole election, constitute an event of default under this Lease; and Landlord shall then have the right to exercise any of the remedies set forth in Section

8.2 of this Lease as a result of that default.

Section 2.4. Atrium Space. Intentionally deleted.

Section 2.5. Peaceful Enjoyment. Tenant may peacefully occupy the

Premises for the Permitted Use during the Lease Term subject to the terms and provisions of this Lease and provided that Tenant pays the Rent and performs all of Tenant's covenants and agreements contained in this Lease.

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ARTICLE 3

RENT

Section 3.1. Rental Payments. Tenant shall pay Rent to Landlord for

each month during the Lease Term as provided in this Lease. Rent shall be due and payable in advance on the first (1st) day of each month during the Lease Term. If the Commencement Date is a date other than the first (1st) day of a calendar month, the Rent for the portion of the calendar month in which the Commencement Date occurs shall be due and payable on the Commencement Date; and the Rent for such partial month shall be prorated based upon the number of days from the Commencement Date to the end of that calendar month. Rent for any partial month at the end of the Lease Term shall be prorated based upon the number of days from the beginning of that month to the end of the Lease Term. Rent shall be payable at the address for Landlord designated in the first (1st) paragraph of this Lease (or at such other address as may be designated by Landlord from time to time). Tenant shall pay all Rent under this Lease at the times and in the manner provided in this Lease, without abatement, notice, demand, counterclaim, or set-off except as otherwise provided for in this Lease.. Any charges or other sums payable by Tenant to Landlord under the terms of this Lease shall be considered as additional Rent. No payment by Tenant or receipt by Landlord of a lesser amount than the total amount of Rent then due shall be deemed to be other than on account of the earliest past due installment of Rent required to be paid under this Lease. No endorsement or statement on any check or in any letter accompanying any check or payment of Rent shall ever be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of the Rent then due or to pursue any other remedy available under this Lease, at law, or in equity.

Section 3.2. Interest/Late Charge. In the event that Tenant fails to

pay any monthly Rent installment within five (5) days after the date on which any such Rent installment becomes due and payable, then Tenant shall also be obligated to pay interest on such past due amounts at a rate equal to the lesser of eighteen percent (18%) per annum or the highest rate of interest permitted by applicable law. Should Tenant make a partial payment of past due amounts, the amount of such partial payment shall be applied first to reduce all accrued and unpaid interest and late charges, in inverse order of their maturity, and then to reduce all other past due amounts, in the inverse order of their maturity. Tenant's failure to pay any installment of Rent when due may cause Landlord to incur anticipated costs (including processing and accounting costs), and the exact amount of these costs is extremely difficult to ascertain. Therefore, the late charges permitted under this Section 3.2 shall be liquidated damages for those costs and shall be in addition to and shall be cumulative of any other rights and remedies which Landlord may have under this Lease with regard to the failure of Tenant to make any payment of Rent or any other sum due under this Lease.

Section 3.3. Consecutive Late Payments. If Tenant fails in two (2)

consecutive months to make Rent payments within five (5) days after the date when due, Landlord may require that future Rent payments be paid quarterly in advance instead of monthly and/or that all future Rent payments be made on or before the due date by cash, cashier's check, or money order (in which event, the delivery of Tenant's personal or corporate check will no longer constitute a payment of Rent under this Lease). The election by Landlord to exercise either or

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both of the foregoing remedies shall be made by written notice to Tenant and shall be in addition to any interest and late charges accruing under Section 3.2, as well as any other rights and remedies accruing as a result of such default. Any acceptance of a monthly Rent payment in the form of a personal or corporate check by Landlord thereafter shall not be construed as a subsequent waiver of these rights.

Section 3.4. Security Deposit. The parties have agreed that [*]

Security Deposit will be required of Tenant at the outset of this Lease.

However, if Tenant is late in paying monthly rentals in two (2) consecutive months, or if Tenant is late paying monthly rentals three (3) or more times in a twelve (12) month period, then Landlord reserves the right at such time to demand (in writing) that a Security Deposit in the amount of [*] the average monthly rental payments be deposited with Landlord and retained for the remainder of the Lease Term. Tenant hereby grants to Landlord a security interest in the Security Deposit. Landlord shall have, and Landlord expressly retains and reserves, all rights of setoff, recoupment, and similar remedies available to Landlord under applicable laws or in equity. Landlord may commingle the Security Deposit with its other funds and shall receive and hold the Security Deposit without liability for interest. Upon default by Tenant, Landlord may from time to time, and without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrears of Rent or other sums then due from Tenant to Landlord or to pay the cost of any damage, injury, expense, or liability caused by any default by Tenant under this Lease. After any such application of any portion of the Security Deposit, Tenant shall pay to Landlord, immediately upon demand, the amount so applied so as to restore the Security Deposit to its original amount; and such amount shall then be deemed to be part of the Security Deposit. Tenant's failure to restore the Security Deposit may, at Landlord's sole option, constitute a default under this Lease. If Tenant is not in default under this Lease and after application of the Security Deposit to the repair of any damage or injury to the Project caused by Tenant or by any Tenant Related Party, any remaining balance of the Security Deposit held by Landlord shall be returned by Landlord to Tenant within a reasonable period of time after the expiration or termination of this Lease. The Security Deposit shall not be considered an advance payment of rental or a measure of Landlord's damages resulting from a default by Tenant.

Section 3.5. Tenant's Proportionate Share of Taxes, Insurance Costs

and Utility Costs. In addition to the payment of the Base Rent, Tenant shall pay - -----

to Landlord Tenant's Proportionate Share of Utility Costs, Insurance Costs, and Taxes in accordance with the following provisions:

(a) Tenant shall pay to Landlord, either in the form of a lump sum payment due and payable within twenty (20) days of receipt of invoice by Landlord or on a monthly basis contemporaneously with the payment of Rent, as Landlord may elect, (i) an amount reasonably estimated by Landlord to be Tenant's Proportionate Share of all Utility Costs for each calendar year or portion thereof during the Lease Term, (ii) an amount reasonably estimated by Landlord to be Tenant's Proportionate Share of all Insurance Costs for each calendar year or portion thereof during the Lease Term, and (iii) an amount reasonably estimated by Landlord to be Tenant's Proportionate Share of the amount, if any, by which Taxes for each calendar year or portion thereof during the Lease Term exceeds Taxes for the Base Year.

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(b) If at any time Landlord shall have reasonable grounds to believe that actual Utility Costs, Insurance Costs, or Taxes will vary from such estimates, then Landlord reserves the right to revise such estimates accordingly. Upon any such revision, Landlord may, at Landlord's election, either (i) require Tenant to make a lump sum payment to Landlord reflecting such revised estimate or (ii) require Tenant to make the monthly payments due and payable to Landlord by Tenant under this Section be revised to an amount which will amortize such revised estimate over the remainder of the calendar year in which any such revision is made by Landlord.

(c) Within sixty (60) days after the end of any calendar year during which such payments were made by Tenant, a lump sum payment (or credit against the next succeeding installments of Base Rent, if any, in case of amounts owed by Landlord to Tenant) shall be made by Tenant to Landlord or by Landlord to Tenant, as the case may be, so that Tenant shall have paid to Landlord only Tenant's Proportionate Share of (i) Utility Costs for the previous calendar year, (ii) Insurance Costs for the previous calendar year, and (iii) the amount, if any, by which Taxes for the previous calendar year exceed Taxes for the Base Year, which obligation to make such reconciliation payment to Landlord or Tenant shall survive the termination of the Lease.

(d) Tenant is aware that the provisions of (S) 41.413 the Texas Property Tax Code (that statute or any successor thereto, being the "Protest Provision") provides tenants with the right to protest ad valorem real estate taxes under certain circumstances. Because Tenant recognizes that (a) due to the size of the Project and the number of tenants who are or will be occupying space in the Project during the Lease Term, Tenant's share of any Taxes will be relatively small and (b) the confusion which could result if several tenants file a real estate tax protest with respect to the Project, Tenant waives its rights under the Protest Provision to the fullest extent allowed by law. In the event that Tenant's rights under the Protest Provision cannot be waived, Tenant will not protest any valuation of the Project unless Tenant notifies Landlord of Tenant's intent to do so and Landlord then fails to protest that valuation

within thirty (30) days after Landlord receives Tenant's written notice. If Tenant files a protest under the Protest Provision without giving the required notice to Landlord, such filing shall, at Landlord's sole election, constitute a default under this Lease; and no cure period shall be applicable to such default. In addition, if Tenant exercises the right to protest under this Protest Provision, Tenant shall pay all costs of such protest and, if the Taxes are increased following that tax protest, Tenant shall pay such excess Taxes until the determination of the appraised value of the Project is changed by the appraisal review board, regardless of whether the increased Taxes are incurred during the Lease Term or thereafter.

ARTICLE 4

BUILDING SERVICES AND UTILITIES

Section 4.1. Services to be Furnished by Landlord to Tenant. Landlord

shall furnish Tenant (subject to the terms and conditions of this Article 4) with the following services ("Building Standard Services") during the Lease Term:

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(a) Central Heating and air conditioning in season to the enclosed public areas of the Building;

(b) Non-exclusive passenger escalator and/or elevator services and non-exclusive freight elevator service;

(c) Maintenance and repair of the roof, exterior walls, and public areas of the Building and electric lighting for all public areas of the Building;

(d) Janitorial service for the corridors and other public areas of the Building; and;

(e) Common use rest rooms and drinking fountains at locations provided for general use of the tenants in the Building and their guests and invitees.

The Building Standard Services shall be provided (i) during the hours and days which Landlord establishes from time to time as the normal business hours of the Building; (ii) at such locations, in such manner, and to the extent deemed by Landlord to be reasonably adequate for the use and occupancy of the Building, and with due regard for the prudent control of energy; (iii) subject to temporary cessation for ordinary repair, maintenance, and cleaning and during times when life safety systems override normal Building operating systems; and (iv) subject to the other limitations described in this Article 4.

Landlord recognizes that Tenant has the right to operate in the Premises twenty-four (24) hours a day, seven (7) days a week.

Section 4.2. Utilities. Landlord has caused the necessary mains,

conduits, and other facilities necessary to supply normal water, electricity, telephone service, and sewage service to the Building. Landlord shall maintain those facilities within the Building but shall have no responsibility with respect to any of those facilities located outside the boundaries of the Project. To the extent the Building Standard Services require electricity, water, or other specified utilities supplied by public utilities, Landlord's obligations under this Lease shall only require Landlord to use reasonable efforts to cause the applicable public utilities to furnish those utilities; and Landlord shall not be responsible for, and shall have no liability with respect to, the quality, quantity, or condition of any services provided by such public utilities.

Section 4.3. Electrical Services. The facilities furnishing electrical

service to the Building have the capacity for furnishing electricity in the amount of seven (7) watts per Usable Square Foot within the Premises ("Building Standard Capacity") and Tenant's Proportionate Share of Utility costs will be calculated on the basis that Tenant's electrical usage in the Premises is equal to the Building Standard Capacity. Landlord shall allow electrical services to the Premises to be provided from a mutually agreed upon transformer pad which is to be installed by Tenant as a part of the Initial Improvements. Such transformer pad and installed transformers shall serve the Premises with a dedicated access of not less than 56 watts per the Usable Square Feet within the Premises ("Approved Electrical Capacity"); and Tenant's lighting and receptacle/equipment loads in the Premises shall not have an electrical design load greater than the Approved Electrical Capacity. In the event Tenant's actual electrical usage within the Premises exceeds the Approved Electrical Capacity, such excess electrical usage may

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affect the capability of such electrical systems to furnish electricity to other tenants of the Building at the Building Standard Capacity. For this reason, Landlord shall have the right to determine the amount of any electrical usage by Tenant from time to time and, if such electrical usage by Tenant exceeds the Building Standard Capacity, may either separately meter Tenant's electrical usage within the Premises or require Tenant to reduce its electrical usage to the Building Standard Capacity. The cost of purchasing, installing, maintaining, and reading a separate meter shall be at Tenant's expense, and Tenant shall pay to Landlord, on demand, the cost of the consumption of electrical services within the Premises in excess of the Building Standard Capacity at rates determined by Landlord in accordance with applicable laws. In addition, Tenant shall pay for all costs of any wiring, risers, raceways, transformers, electrical panels, and other items required by Landlord, in Landlord's discretion, to accommodate Tenant's design loads and capacities that exceed the Standard Building Capacity, including, without limitation, all installation and maintenance costs relative to that equipment. Notwithstanding the foregoing, Landlord may refuse to install, and may withhold consent for Tenant's installation of, any wiring, transformers, electrical panels, or other equipment required to accommodate Tenant's excess electrical usage if, in Landlord's sole judgment, the same are not necessary or would cause damage or injury to the Project or cause or create a dangerous or hazardous condition or entail excessive or unreasonable alterations or repairs to the Project, or would interfere with or create or constitute a disturbance to other tenants or occupants of the Project. In no event shall Landlord incur any liability for Landlord's refusal to install, or the withholding of consent for Tenant's installation of, any such facilities or equipment; and Landlord shall have no obligation to install any electrical facility or equipment to accommodate Tenant's electrical usage in excess of the Approved Electrical Capacity.

Section 4.4. Adverse HVAC Effect. Intentionally deleted."

Section 4.5. Interruption of Utilities or Services. In the event that any

utility services to the Building or the Premises are interrupted, malfunction, or are subject to partial curtailment; any equipment, machinery, or facility within the Building furnished by Landlord breaks down or, for any cause, ceases to function; or an interruption or malfunction occurs with respect to any Building Standard Service, Landlord shall use reasonable efforts to repair (if related to facilities or equipment within the Project) or obtain the restoration of such services as soon as reasonably practicable. No such occurrence, nor Landlord's compliance with any Legal Requirement or with any voluntary governmental or business guidelines related to the conservation of energy, shall ever (a) cause Landlord to be liable or responsible to Tenant for any loss or damage which Tenant may sustain or incur as a result of any such occurrence, (b) be construed as an eviction of Tenant or as a disturbance of Tenant's use or possession of the Premises, (c) constitute a breach by Landlord of any of Landlord's obligations under this Lease, (d) work an abatement or reduction of Rent, (e) entitle Tenant to any right of setoff or recoupment, or (f) relieve Tenant of any of Tenant's obligations under this Lease. Landlord shall, as soon as reasonably practicable, notify Tenant of any interruption anticipated by Landlord in any utility services to the Building or the Premises.

Section 4.6. Telecommunications. In the event that Tenant desires to

utilize the services of a telephone or telecommunications provider who is not then servicing the Project, such provider shall not be permitted to install its lines or other equipment within the Project without first obtaining the prior approval of Landlord (including Landlord's approval of any

plans or specifications for the installation of lines and/or other telecommunications equipment within the Project). Neither Landlord's approval of any provider nor Landlord's approval of any plans and specifications relative to the installation of any telecommunications equipment will ever constitute an indication, representation, or certification by Landlord as to the suitability, competence, or financial strength of that provider or as to the suitability of any telecommunications equipment provided. The failure of any provider to satisfy the standards and conditions set forth in Landlord's "Telecommunications Provider Requirements" shall constitute reasonable grounds for Landlord's refusal to approve that provider. Landlord reserves the right to (a) impose restrictions on any telecommunications provider that are reasonably necessary to protect the safety, security, appearance, and condition of the Building, and the safety and convenience of Landlord, tenants of the Building, and other persons; (b) impose a reasonable limitation on the time during which any telecommunication provider may have access to the Building to install any of its telecommunications facilities; (c) impose reasonable limitations on the number of telecommunications providers that have access to the Building; (d) require that each telecommunications provider agree to indemnify Landlord for damage caused in connection with the installation, operation, maintenance, repair, or removal of any of its telecommunications facilities; (e) require Tenant or the telecommunications providers selected by Tenant to bear the entire cost of installing, operating, or removing all of its telecommunications facilities (including wiring and cabling); and (f) require any telecommunications provider

to pay reasonable compensation to Landlord relevant to its installation. Landlord shall have no obligation to repair, maintain or replace any telecommunications facilities or equipment provided by a telephone or telecommunications provider selected by Tenant, notwithstanding any provision of this Lease to the contrary.

ARTICLE 5

ALTERATIONS, REPAIRS AND TRADE FIXTURES

Section 5.1. Alterations, Improvements and Additions. -----

(a) Tenant shall, at Tenant's expense, furnish, equip, and improve the Premises, to the extent necessary or appropriate for the proper operation of the Premises for the Permitted Use. Tenant's obligations to provide leasehold improvements within the Premises shall include partitions, lighting fixtures, floor and wall coverings, and other interior decoration and shall be of a design and quality consistent with the standards generally observed by Landlord and other tenants of the Building.

(b) All work to be done to improve, equip, or alter the Premises and any work in any other areas of the Project for which Tenant is responsible shall be subject to the following conditions:

(i) all such work shall be done at Tenant's sole cost, risk, and expense and in accordance with all Legal Requirements, Insurance Requirements, Building Rules, and construction guidelines and standards of Landlord;

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(ii) all such work shall be performed in a good and workmanlike manner with labor and materials of such quality as Landlord may reasonably approve;

(iii) no such work shall be commenced until approved in writing by Landlord. Notwithstanding the foregoing, Landlord shall not unreasonably withhold its consent with respect to any alteration of the Premises which (A) does not involve work above the ceiling of the Premises, or (B) does not affect, in any way, the mechanical, electrical, plumbing and/or structural components of the Building and Landlord's consent shall not be required for work occurring entirely within the Premises which is necessary with respect to electrical, mechanical, or security services provided by Tenant to its Customers and provided that the requirements of clauses (A) and (B) in this sentence are satisfied;

(iv) all such work shall be performed in strict accordance with the plans and/or specifications previously approved by Landlord;

(v) all such work shall be prosecuted diligently and continuously to completion;

(vi) all such work shall be performed in a manner so as to minimize interference with the normal business operations of other tenants in the Building; the performance of Landlord's obligations under this Lease, any other lease for space in the Building, or any Financing Lien or Ground Lease covering or affecting all or any part of the Project; and any work being done in any other portion of the Project;

(vii) Landlord may impose such conditions with respect to such work as Landlord deems reasonably appropriate, including, without limitation, (A) requiring Tenant to furnish Landlord with security for the payment of all costs to be incurred in connection with such work and (B) requiring Tenant or Tenant's contractor to maintain insurance against liabilities which may arise out of such work;

(viii) such work shall be performed by contractors approved in writing by Landlord and, if requested by Landlord, any such contractor and all work to be performed by such contractor shall be fully bonded (with Landlord named as co-obligee) with companies and in amounts acceptable to Landlord in its reasonable discretion; and

(ix) upon completion of any such work and upon Landlord's request, Tenant shall deliver to Landlord evidence of payment, contractors' affidavits, and full and final waivers of all liens for labor, services, or material.

(c) No alterations, improvements, or additions made to the Premises by or on behalf of either Landlord or Tenant may be removed by Tenant without Landlord's prior written consent. All such alterations, improvements, or

additions shall become the property of Landlord upon the termination or expiration of this Lease. Tenant shall have no (and hereby waives all) rights to payment or compensation for any such alteration, improvement, or addition to the Premises. However, Tenant's Trade Fixtures shall remain the property of Tenant as provided in Section 5.3 below.

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(d) Tenant shall not allow any liens to be filed against the Premises or the Project in connection with the installation of any alterations, improvements, or additions to the Premises. If any such liens shall be filed, Tenant shall cause the same to be released immediately by payment, bonding, or other method acceptable to Landlord. If Tenant shall fail to cancel or remove any lien, then Landlord, at its sole option, may obtain the release of that lien; and Tenant shall pay to Landlord, on demand, the amount incurred by Landlord for the release of each lien, plus an additional charge (as determined by Landlord) to cover Landlord's administrative overhead and expenses.

(e) Tenant hereby indemnifies and holds Landlord harmless from all losses, costs, damages, claims, expenses (including attorneys' fees and costs of suit), liabilities, or causes of action arising out of or relating to any alterations, additions, or improvements that Tenant makes or causes to be made to the Premises or to any repairs made to any portion of the Project, including any occasioned by the filing of any mechanic's, materialman's, construction, or other liens or claims (and all costs or expenses associated with any such lien or claim) asserted, filed, or arising out of such work. Nothing contained in this Lease shall be deemed or construed in any way as constituting the consent of or request by Landlord, express or implied, to any contractor, subcontractor, laborer, or materialman for the performance of any labor or the furnishing of any materials for the improvement, alteration, or repair of the Premises or the Project or as giving Tenant any right or authority to contract for or permit the rendering of any labor or the furnishing of any materials that would give rise to a lien against the Premises or the Project.

(f) Tenant shall have the sole responsibility for compliance with all applicable Legal Requirements and Insurance Requirements relative to any such alterations, improvements, or additions. Landlord's approval of any plans or specifications shall never constitute an indication, representation, or certification that such alterations, improvements, or additions will be in compliance with any applicable Legal Requirement or Insurance Requirement or as to the adequacy or sufficiency of the alterations, improvements, or additions to which such consent relates. In instances in which several sets of requirements must be met, the strictest applicable requirements shall control.

(g) Tenant shall not permit any weight exceeding two hundred fifty (250) pounds per square foot of floor area upon the floor of the Premises.

Section 5.2. Maintenance and Repairs. Tenant shall take good care of

and maintain the Premises (including all plate glass, Trade Fixtures, and improvements, additions, or alterations situated in the Premises) in a first class, clean, and safe condition other than damage caused by the negligence of Landlord. Tenant shall not commit or allow any waste or damage to be committed on any portion of the Premises or the Project. Tenant shall repair or replace any damage to any part of the Project, caused by Tenant or by a Tenant Related Party. However, Landlord may, at its option, make such repairs, improvements, or replacements; and Tenant shall repay Landlord on demand the actual costs incurred by Landlord to make such repairs, improvements, or replacements plus an additional charge (as determined by Landlord) to cover administrative overhead. Landlord shall arrange for the repair and maintenance of the foundation, exterior walls, and roof of the Building; the public areas within the Building; the heating, air conditioning, and ventilation system within the Building; and the facilities providing

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utility services (other than facilities installed by a telephone or telecommunications provider selected by Tenant) which are located within the Project (collectively, "Landlord's Repair Obligations"). Landlord, however, shall not be required to make any repairs arising as a result of, in whole or in part the act or negligence of Tenant or any Tenant Related Party; and the cost of those repairs shall be the obligation of Tenant. In the event that the Premises become in need of repairs which are within Landlord's Repair Obligations, Tenant shall give immediate notice to Landlord of the nature of such repair needs; and Landlord shall not be responsible in any way for failure to make any repairs until a reasonable time shall have elapsed after receipt by Landlord of such written notice.

Section 5.3. Trade Fixtures. All Trade Fixtures shall be and remain

the property of Tenant and may be removed by Tenant prior to or upon the expiration or termination of this Lease. Tenant shall repair any damage caused by such removal and restore the Premises to the condition existing prior to the

installation of those Trade Fixtures. Any Trade Fixtures which are not removed from the Premises upon the expiration or termination of this Lease shall be deemed to have been abandoned by Tenant and shall, at Landlord's option, become the property of Landlord. In that event, Tenant shall have no (and hereby waives all) rights to payment or compensation for any such item.

Section 5.4. Surrender of Premises. Upon the expiration or

termination of this Lease, Tenant shall surrender the Premises to Landlord, broom-clean and in a good state of repair and condition, excepting only ordinary wear and tear. Upon request of Landlord, Tenant shall (a) demolish or remove all or any portion of any Trade Fixtures and other property and all alterations, improvements, or additions to the Premises made by or on behalf of Tenant and (b) restore the Premises to the condition existing prior to the installation of those Trade Fixtures or other property or the making of any such alterations, improvements, or additions. Upon the expiration or termination of this Lease, Tenant will deliver all keys to the Premises to Landlord and inform Landlord of all combinations on locks, safes, and vaults, if any, which remain in the Premises.

ARTICLE 6

RIGHTS RESERVED BY LANDLORD

Section 6.1. Landlord's Access. Landlord (and its agents,

representatives, and contractors) shall have the right to enter upon the Premises with forty-eight (48) hours prior written to Tenant (and, in the case of an emergency, at any time) to (a) inspect the Premises; (b) make repairs, alterations, or additions; and (c) within six (6) months prior to the expiration of the Lease Term, show the Premises to prospective tenants, subtenants, mortgagees, and purchasers as Landlord may deem necessary or desirable. Except in case of emergency, Tenant shall have the right to have a representative present during any such entry into the Premises by Landlord. Tenant shall not be entitled to any abatement or reduction of any Rent by reason of any such entry by Landlord, and no such entry shall ever be construed to be an eviction of Tenant, a default by Landlord, or a breach of the covenant of quiet enjoyment. In exercising its rights under this Section 6.1, Landlord shall use reasonable efforts to avoid (to the extent reasonable and practicable under the circumstances) material interference with Tenant's Permitted Use of the Premises.

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Section 6.2. Assignment, Subletting, or Other Transfers by Tenant.

Landlord reserves the right to approve any transfers of any interest of Tenant under this Lease. Tenant shall not, without having obtained Landlord's prior written consent, (a) assign, convey, or otherwise transfer (whether voluntarily, by operation of law, or otherwise) this Lease, the Premises, or any interest of Tenant under this Lease, (b) mortgage, pledge, or otherwise encumber any interest of Tenant under this Lease, (c) grant any concession or license within the Premises, (d) grant or transfer any management privileges or rights with respect to the Premises, (e) allow any lien, security interest, or other encumbrance to be placed upon any interest of Tenant under this Lease, (f) sublet all or any part of the Premises, or (g) permit any other party to occupy or use all or any part of the Premises. Any attempted transfer by Tenant without Landlord's prior written consent shall be of no force or effect and may, at Landlord's option, be a default by Tenant under this Lease. If Tenant is other than a natural person and if Tenant's voting securities are not traded on a national securities exchange, any conveyance, assignment, or transfer of more than a fifty-five percent (55%) interest in Tenant in a single transaction or in a series of transactions shall be deemed an assignment prohibited by this Lease. In the event of a transfer of any interest of Tenant under this Lease (whether with or without Landlord's consent), (h) each transferee shall fully observe all covenants and obligations of Tenant under this Lease; (i) no transferee shall use the Premises for any use except the Permitted Use; (j) such transfer shall be subject to all of the terms, covenants, and conditions of this Lease; (k) any transferee must assume in writing all of the applicable obligations of the Tenant under this Lease; and (l) any expansion, renewal, or like options granted to Tenant under this Lease shall automatically terminate as of the date of such transfer. No such transfer shall ever be construed to constitute a waiver of any of Tenant's covenants contained in this Lease, a release of Tenant from any obligation or liability of Tenant under this Lease, or a waiver of any of Landlord's rights under this Lease. The consent by Landlord to a particular transfer shall not constitute Landlord's consent to any other or subsequent transfer. No transferee of Tenant shall have any right to further sublease or assign, or otherwise transfer, encumber, pledge, or mortgage its interest under this Lease. Neither the voluntary or other surrender of this Lease by Tenant nor a mutual cancellation of this Lease shall ever constitute a merger of estates. Instead, any such early termination of this Lease shall, at the option of Landlord, either terminate all or any existing subleases or subtenancies or operate as an assignment to Landlord of Tenant's interest in any or all such subleases or subtenancies.

Notwithstanding any provision of this Lease to the contrary, Tenant shall have the right, without obtaining the prior written consent of Landlord, to assign this Lease or sublet the Premises to (a) any parent corporation of Tenant, (b) any subsidiary corporation of Tenant or of Tenant's parent corporation, (c) any entity in which Tenant, any parent corporation of Tenant or any subsidiary corporation of Tenant or of Tenant's parent corporation holds a majority of the outstanding shares or ownership interests, or (d) any corporation resulting from the merger, consolidation or reorganization of Tenant or Tenant's parent corporation with another corporation (collectively, "Affiliates"), but only if such Affiliate is "Credit Worthy" as of the date of such assignment or subleasing. As used herein, "Credit Worthy" shall mean that such Affiliate's has a net worth equal to not less than \$5,000,000.00. Landlord agrees to release Tenant from all obligations under this Lease in the event the obligations of Tenant under this Lease are assumed under the provisions of the preceding sentence by a corporation whose Landlord acknowledges that Tenant's business to be conducted on the Premises requires the installation on the Premise of certain communications equipment by certain licensees and

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customers of Tenant (collectively, "Customers") in order for such Customers to interconnect with Tenant's terminal facilities or to permit Tenant to manage or operate such Customers' equipment, or otherwise as may be required pursuant to applicable statutes and regulations. Notwithstanding anything to the contrary in this Lease, Landlord hereby consents in advance to any sublease, license agreement, co-location agreement or similar agreement (collectively, "Customer License") between Tenant and such a Customer for the limited purpose of permitting such arrangements as described above. Any and all of the transactions permitted under this Section 6.2 shall not constitute an assignment, subletting or other transaction requiring the consent of Landlord under the provisions of this Section 6.2 and shall not be subject to any of the other provisions of this Section 6.2.

Notwithstanding the provisions of this Section 6.2, Landlord shall not unreasonably withhold its consent in connection with an assignment of this Lease or a subletting of all or any portion of the Premises to a qualified third party if (i) rent is to be at not less than the then market rate for comparable space within the Building, (ii) Landlord receives evidence satisfactory to Landlord that such proposed third-party is "Creditworthy" (as defined above), (iii) Landlord receives evidence satisfactory to Landlord that the proposed subtenant or assignee will immediately occupy and thereafter use the Premises, or applicable portion thereof, in accordance with the Permitted Use for the remainder of the Lease Term, or for the entire term of any sublease, if such expires prior to the expiration of the Lease Term, and (iv) the occupancy of the Premises, or applicable portion thereof, by the proposed third-party would not increase fire hazards, require substantial alterations to the Premises, or applicable portions thereof, reduce the rental value of rentable space within the Building, or adversely affect the reputation and image of the Building. In no event shall Landlord be deemed to have unreasonably withheld consent to an assignment or sublease to a third party who is owned or controlled by a foreign government, involved in lobbying activities, or reputed to be involved in illegal or illicit activities. Under no circumstances shall Tenant have the right, without first obtaining Landlord's prior consent, to advertise or to engage in any other promotional activities regarding an assignment or subletting of all or any portion of the Premises.

Landlord and Tenant shall divide equally the excess rentals from any approved assignee or sublessee (such excess to be the amount which equals the difference between the rentals or other consideration actually paid by such assignee or sublessee to Landlord less the [i] rentals required to be paid by Tenant hereunder, [ii] the brokerage commissions paid by Tenant in connection with such assignment or sublease, and [iii] attorneys' fees paid by Tenant in connection with such sublease or assignment).

Section 6.3. Assignment by Landlord. Landlord shall have the right

at any time to transfer and assign, in whole and by operation of law or otherwise, Landlord's rights, benefits, privileges, duties, and obligations under this Lease, in the Building, or in any portion of the Project. Landlord shall be released from any further obligation under this Lease, and Tenant agrees to look solely to Landlord's successor in interest for the performance of, all obligations of Landlord accruing subsequent to the date of such transfer. All covenants of Landlord under this Lease shall be binding upon Landlord and its successors only with respect to breaches occurring during its or their respective periods of ownership of Landlord's interest under this Lease.

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Section 6.4. Alterations and Additions by Landlord. Landlord reserves

the right to make alterations or additions to the Project at any time and from time to time. Landlord further reserves the right to construct (or permit others to construct) other buildings or improvements within the Project at any time and from time to time. Such rights set forth in the two preceding sentences include

the right to construct additional stories to any building within the Project, the right to build adjoining buildings, the right to construct multi-level, elevated, underground, and other parking facilities within the Project, and the right to erect or build temporary scaffolds or other aids to such construction. Neither the diminution nor the shutting off of any light, air, or view nor any other effect on the Premises as a result of Landlord's exercise of the rights reserved in this Section 6.4 shall affect this Lease, abate or reduce Rent, or otherwise impose any liability on Landlord provided Landlord's exercise of such rights does not materially interfere with Tenant's Permitted Use of or access to the Premises.

Section 6.5. Subordination to Mortgages and Leases. This Lease shall

be subject and subordinate at all times to (a) all ground or underlying leases now existing or which may be subsequently executed affecting the Project ("Ground Lease"), (b) the lien or liens of all mortgages and deeds of trust now existing or subsequently placed on the Project or Landlord's interest or estate in the Project ("Financing Lien"), and (c) all renewals, modifications, consolidations, replacements, and extensions of any Ground Lease or Financing Lien. The provisions of this Section shall be self-operative without the necessity of the execution of any other document by any party. However, Tenant shall execute and deliver any instruments, releases, or other documents requested by Landlord for the purpose of confirming the provisions of this Section or further subjecting and subordinating this Lease to any Ground Lease or Financing Lien. In the event of the enforcement by the lessor under any Ground Lease or by the holder of any Financing Lien of the remedies provided for by law or by such Ground Lease or Financing Lien, or in the event of the transfer of the Building or Landlord's interest or estate in any part of the Building by deed in lieu of foreclosure, Tenant, upon request of any person or party succeeding to the interest of Landlord as a result of such enforcement or deed in lieu of foreclosure, automatically will become the tenant of such successor in interest without change in the terms or provisions of this Lease. However, such successor in interest shall not be bound by any payment of Rent for more than one (1) month in advance, except prepayments in the nature of security for the performance by Tenant of its obligations under this Lease which have been actually delivered to such successor; liable for the return of any security deposit or other deposit unless such security deposit or other deposit has actually been delivered to such successor; or bound by any amendment or modification of this Lease made after the applicable Ground Lease or Financing Lien is placed against the Project without the written consent of any trustee, mortgagee, beneficiary, or lessor. Contemporaneously with Tenant's execution of this Lease, Tenant shall execute and deliver an instrument ("SNDA"), in the form attached hereto as Exhibit "F", confirming the attornment and other agreements contemplated by this Section. Notwithstanding anything to the contrary set forth in this Lease, the lessor under any Ground Lease or the holder of any Financing Lien may elect at any time to cause their interest in the Project to be subordinate to Tenant's interest under this Lease by filing an instrument in the real property records of Dallas County, Texas, affecting such election; and Tenant shall execute and deliver to Landlord immediately any such instruments or documents requested by the lessor under such Ground Lease or the holder of such Financing Lien for the purpose of confirming that such Ground Lease or Financing Lien is subordinated to Tenant's interest under this Lease. Provided that Tenant executes and delivers the SNDA to Landlord, Landlord shall, upon

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execution of this Lease by Landlord, execute the SNDA and deliver the SNDA to the current holder of the Financing Lien on the Project, with the request that such current holder of the Financing Lien execute and return a fully executed copy of the SNDA to Landlord. Within ninety (90) days of Landlord's submission of the partially executed SNDA to the current holder of the Financing Lender, Landlord shall obtain, and deliver to Tenant, a fully executed copy of the SNDA. In addition, Landlord will use its reasonable efforts to obtain a non-disturbance agreement from any future holder of a Financing Lien on the Project, which shall be acceptable to Tenant if in form and content, except for the completion of the applicable blanks therein and the identity of the holder of the Financing Lien, reasonably comparable to the SNDA. Landlord's obligation to use reasonable efforts to obtain a non-disturbance agreement from future holders of a Financing Lien shall not, however, require Landlord to forego future financing or refinancing relative to the Project or a prospective sale of the Project; and Landlord shall have the sole and absolute discretion to determine at what point in the negotiation process to withdraw or waive Landlord's request that such lender execute a non-disturbance agreement.]

Section 6.6. Certificates. Within ten (10) days after Landlord's

written request, Tenant will execute, acknowledge, and deliver to Landlord (and any other persons specified by Landlord) a certificate certifying as to such facts (to the extent true) as Landlord may reasonably request, including (a) that this Lease is in full force and effect, (b) the date and nature of each modification to this Lease, (c) the date to which Rent and other sums payable under this Lease have been paid, and (d) that Tenant is not aware of any default under this Lease which has not been cured, except such defaults as may be specified in said certificate. Such request may be made by Landlord at any time,

and from time to time, during the Lease Term. Any such certificate may be relied upon by Landlord and by such other persons specified by Landlord or to whom such certificate may be delivered. Tenant's failure to deliver any such certificate within the specified time period shall constitute a representation by Tenant that all factual statements made by Landlord relative to those matters are true and correct and may be relied upon by any person. Likewise, within ten (10) days after Tenant's request, Landlord will execute, acknowledge, and deliver to Tenant (and any other person specified by Tenant) a certificate certifying as to (a) the date to which Rent has been paid and (b) that Landlord is not aware of any default under the Lease that has not been cured, except such defaults as may be specified in said certificate. This request may be made by Tenant at any time, and from time to time, during the Lease Term. Any such certificate may be relied upon by Tenant and by such other persons specified by Tenant or to whom such certificate may be delivered.

Section 6.7. Building Rules. Landlord reserves the right to rescind

any of the Building Rules and to make any modifications or additions to the Building Rules as shall be necessary or advisable for the safety, protection, care, and cleanliness of the Building and the Project, the operation of the Project, the preservation of good order in the Project, the protection and comfort of the tenants in the Building (and their agents, employees, and invitees), and the reputation of the Project. All amendments, modifications, and additions to the Building Rules shall be binding upon Tenant from the date on which notice of any such Building Rules is delivered to Tenant. While the Building Rules are intended to be of general applicability to all tenants of the Building, Landlord reserves the right to waive the applicability of any one or more of the Building Rules to a particular situation, but such waiver by Landlord shall not be construed as a waiver of such Building Rules with respect to any other comparable situation and shall not prevent Landlord from thereafter enforcing any of such Building Rules against or any

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or all of the tenants in the Building. If there is any conflict between any subsequently enacted Building Rules and the terms and provisions of this Lease, the terms and provisions of this Lease shall control.

Section 6.8. Use of the Term "INFOMART". Landlord reserves the right

to approve Tenant's usage of the term "INFOMART", and Tenant shall not use the term "INFOMART" in any of its activities (including advertising and marketing activities) without the prior written consent of Landlord. Copies of all proposed written materials and advertising containing references to the term "INFOMART" shall be furnished to Landlord in advance for its review and approval. Any permitted use of the term "INFOMART" by Tenant shall additionally include the phrase "The Technology Community" immediately after such use. Tenant shall not permit any third party to use the term "INFOMART" in any of its activities and shall report to Landlord any unauthorized uses of such term as it comes to its attention. The breach by Tenant of any provision in this Section 6.8 shall constitute an event of default under this Lease and shall entitle Landlord to exercise any right or remedy available to Landlord under this Lease, at law, or in equity. Tenant shall indemnify and hold Landlord harmless from and against any loss, cost, claim, liability, cause of action, or expense whatsoever (including attorney's fees and other costs and expenses of defending any such claim) arising or alleged to arise from any unauthorized use by Tenant, or any Tenant Related Party, of the term "INFOMART".

ARTICLE 7

CONDEMNATION AND CASUALTY

Section 7.1. Condemnation. In the event of a Total Taking of the

Premises or the Building, then this Lease shall terminate as of the date when physical possession of the Premises or Building, as applicable, is taken by the condemning authority. If a Partial Taking occurs which relates to a material portion of the Building or if Landlord is required to pay any of the proceeds from such Partial Taking to the lessor under a Ground Lease or to the holder of a Financing Lien, then this Lease, at the option of Landlord, exercised by written notice to Tenant within thirty (30) days after the date of such Partial Taking, shall terminate regardless of whether the Premises are affected by such Partial Taking. In this event, Rent shall be apportioned as of the date when physical possession of the applicable portion of the Building is taken by the condemning authority. In the event of a Partial Taking of the Premises which results in the Premises being Untenantable, then Tenant may terminate this Lease as of the date of such Taking by giving Landlord written notice of Tenant's termination election within thirty (30) days after the date of such Taking; and Rent shall be apportioned as of the date of such Taking. If a Taking of the Premises occurs which entitles Tenant to terminate this Lease but Tenant does not do so in the manner and within the time period specified in the immediately preceding sentence, then Tenant shall be deemed to have irrevocably waived its termination right. If Tenant is deemed to have waived its termination right or if a Partial Taking of the Premises occurs which does not result in the Premises

becoming Untenantable, then Landlord shall allow Tenant a fair diminution of Rent as to that portion of the Premises subject to such Taking; and this Lease shall otherwise continue in full force and effect. All proceeds (whether in a lump sum or in separate awards) of any Taking shall be paid to Landlord, and Tenant shall not be entitled to (and expressly waives any claim to) any portion of Landlord's award. However, Tenant shall have the right to assert a separate claim for any loss resulting to Tenant from such Taking if, and only

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if, that claim does not in any way adversely affect the amount of Landlord's. The term "Taking" means a transfer during the Lease Term of all or any part of the Premises, the Building, or the Project, as applicable, as a result of, or in lieu of or in anticipation of, the exercise of the right of condemnation or eminent domain for any public or quasi-public use under any governmental law, ordinance, or regulation. The term "Partial Taking" means a Taking of less than the whole or substantially the whole of the Building and/or the Premises. The term "Total Taking" means a Taking of the whole or substantially the whole of the Building or the Premises or to a Taking which results in the termination of an applicable Ground Lease. "Untenantable" shall mean that Tenant is unable to conduct its business in the Premises in a manner reasonably comparable to that conducted immediately before the applicable occurrence.

Section 7.2. Casualty Damage. If the Premises shall be destroyed or

damaged by fire or any other casualty, Tenant shall immediately give written notice of that occurrence to Landlord. In the event that any portion of the Project is damaged by fire or other casualty and if (a) such damage is such that Landlord cannot reasonably be expected to substantially complete the repairs which are within Landlord's Repair Obligations within two hundred forty (240) days after the date of the casualty; (b) if, and only if, such casualty results in material damage to the Project, Landlord, in Landlord's sole judgment, elects not to repair or rebuild such damaged areas; or (c) less than one (1) year remains in the Lease Term at the time of any damage to the Project, then Landlord, at Landlord's sole option, shall have the right to terminate this Lease, regardless of whether the Premises are affected by such casualty. In such event, all Rent owed up to the date of that casualty shall be paid by Tenant to Landlord; and this Lease shall cease and come to an end as of the date of Landlord's written notice to Tenant regarding such termination. In the event that (x) the Premises is rendered Untenantable by fire or any other casualty which is not caused by the fault or neglect of Tenant or any Tenant Related Parties; (y) such damage is such that Landlord cannot reasonably be expected to substantially complete the repairs within the Premises which are within Landlord's Repair Obligations within two hundred forty (240) days after the date of that casualty, as reasonably estimated by Landlord; and (z) Landlord has not terminated this Lease, then Tenant shall have the right to terminate this Lease by delivering written notice to Landlord within thirty (30) days after receipt of written notice of Landlord's estimate of the time to complete Landlord's Repair Obligations relative to the Premises. If Tenant does not provide Landlord with notice of Tenant's termination election in the manner and within the time period specified in the preceding sentence, then Tenant shall be deemed to have irrevocably waived its right to terminate the Lease as a result of such casualty; and Landlord, in reliance upon Tenant's waiver of its termination right, shall proceed to make the repairs which are within Landlord's Repair Obligations. During any period of reconstruction or repair of the Premises, Tenant shall continue the operation of Tenant's business within the Premises to the extent practicable. During the period from the occurrence of a casualty which was not caused, in whole or in part, by Tenant or any Tenant related party, until the completion of the work within Landlord's Repair Obligations which is necessary to render the Premises tenantable, Rent shall be reduced to the extent that the Premises are unfit for the conduct of Tenant's Permitted Use of the Premises. If, however, the Premises or any portion of the Project is damaged by fire or other casualty resulting from the fault or negligence of Tenant or any Tenant Related Party, the Rent shall not be reduced during the repair of such damage. If neither Landlord nor Tenant elects, or has the right to elect, to terminate this Lease as the result of such casualty, then Landlord shall commence and proceed with reasonable diligence to restore the Premises to the extent of Landlord's Repair Obligations. When the repairs described in the preceding sentence have been

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completed by Landlord, Tenant shall then complete the restoration of all leasehold improvements in excess of Landlord's Repair Obligations which are necessary to permit Tenant to re-occupy the Premises for the Permitted Use. Tenant's restoration work shall be conducted in accordance with the provisions of Section 5.1 above. In no event shall Landlord have the obligation to expend for the restoration or repair of the Project an amount in excess of the insurance proceeds actually received by Landlord as a result of such casualty; and except for those repairs which are within Landlord's Repair Obligations, all costs and expenses of restoring the Premises shall be borne by Tenant. Landlord shall not be liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting in any way from any casualty or the repair or

restoration work made necessary by the occurrence of any casualty.

Section 7.3. Insurance.

(a) Landlord shall not be obligated to insure any of Tenant's goods, Trade Fixtures, leasehold improvements, or any other property placed in or incorporated in the Premises by or on behalf of Tenant. Landlord shall maintain fire and extended coverage insurance on the Building (excluding leasehold improvements and tenants' personal property) in amounts desired by Landlord and at the expense of Landlord. All payments for losses thereunder shall be made solely to Landlord.

(b) Tenant shall procure and maintain, at its sole cost and expense during and throughout the Lease Term, a policy or policies of (i) commercial general liability insurance in an amount of not less than \$5,000,000.00 (which can be complied with by Commercial General Liability Limits or by combination with additional Excess or Umbrella [commercial catastrophe] Liability limits), (ii) fire and extended coverage insurance with respect to Tenant's Trade Fixtures, inventory, and leasehold improvements located in the Premises written on an "All Risk" basis for the full replacement cost, (iii) worker's compensation and employer's liability insurance, and (iv) such other insurance as Landlord may, from time to time, reasonably require with the exception of business interruption insurance which Tenant chooses not to carry coverage. In addition, Tenant shall obtain a fire legal liability endorsement or other coverage satisfactory to Landlord which removes the "owned, rented, or occupied" property exclusion from Tenant's liability policy. All such insurance shall be maintained with companies authorized to transact business in the State of Texas and of good financial standing on forms and in amounts acceptable to Landlord. In addition, each such policy, other than the workers compensation/employers liability policies and policies insuring only Tenant's Trade Fixtures, shall name Landlord and the Landlord Related Parties as "additional insureds" thereunder and shall contain a standard "other insurance" clause, unmodified in any way that would make the coverage provided by the policy excess over or contributory with any additional insured's own insurance coverage.

(c) All policies of insurance required to be maintained by Tenant shall provide that Landlord shall be given at least thirty (30) days' prior written notice of any cancellation or non-renewal of any such policy. A duly executed certificate of insurance with respect to each such policy shall be deposited with Landlord by Tenant on or before the Commencement Date, and a duly executed certificate of insurance with respect to each subsequent policy shall be deposited with Landlord at least fifteen (15) days prior to the expiration of the policy then in effect.

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(d) Tenant shall not do or permit anything to be done in or about the Premises, nor bring nor keep nor permit anything to be brought to or kept in the Premises, which will in any way increase the existing rate of or affect any fire insurance or other insurance which Landlord carries on the Project or any of its contents, cause a cancellation or invalidation of any such insurance or otherwise violate any Insurance Requirement. If the annual premiums to be paid by Landlord with respect to any insurance obtained by Landlord covering the Project or any of its contents shall be increased because either the nature of Tenant's operations or the nature of Tenant's Trade Fixtures, inventory, or leasehold improvements in the Premises may result in a hazardous exposure, Tenant shall pay such increase upon demand by Landlord.

(e) All fire and extended coverage insurance policies carried by either Landlord or Tenant shall provide for a waiver of rights of subrogation against Landlord and Tenant on the part of the applicable insurance carrier unless either (i) such waiver is then prohibited by applicable Texas law or (ii) such waiver would invalidate, nullify, or provide a defense to coverage under any such insurance policy. As long as the waivers contemplated by this Subsection are in effect, Landlord and Tenant each hereby waives any and all rights of recovery, claims, actions, or causes of action against the other (and their respective employees, agents, officers, or partners) for any loss or damage which may occur to the Premises or the Project which is covered by valid and collectible insurance policies and to the extent that such loss is actually recovered under any such insurance policy. The failure of Tenant to take out or maintain any insurance policy required under this Section 7.3 shall be a defense to any claim asserted by Tenant against Landlord by reason of any loss sustained by Tenant which would have been covered by any such required policy. The waivers set forth in this Subsection shall be in addition to, but shall not be in substitution for, any other waivers, indemnities, or limitation of liabilities set forth in this Lease.

Section 7.4. Indemnity. Tenant shall not be liable to Landlord or to

the Landlord Related Parties for any injury to person or damage to property caused by the gross negligence or willful misconduct of Landlord or the Landlord Related Parties. Subject to the provisions of Section 9.14 below, Landlord shall indemnify and hold Tenant and the Tenant Related Parties harmless from any

liability, loss, cost, claim, or expense (including attorneys' fees and expenses, court costs, and costs of investigation) arising out of, or alleged to have arisen out of, the gross negligence or willful misconduct of Landlord or the Landlord Related Parties. Landlord and the other Protected Parties shall not be liable to Tenant or to the Tenant Related Parties for any injury to person or damage to property caused by the negligence or misconduct of Tenant or the Tenant Related Parties, or arising out of any use of, or the conduct of any business in the Premises or other portions of the Project, by Tenant or the Tenant Related Parties. Tenant shall indemnify and hold Landlord and the other Protected Parties harmless from any liability, loss, cost, claim, or expense (including attorneys' fees and expenses, court costs, and costs of investigation) to the extent arising out of, or alleged to have arisen out of, the negligence or misconduct of Tenant or the Tenant Related Parties or out of any use of, or conduct of any business in, the Premises or any other portion of the Project by Tenant or the Tenant Related Parties. The indemnifications granted by both Landlord and Tenant in this Section 7.4 are subject to any express limitations to the contrary in this Lease. "Landlord Related Parties" means Landlord's officers, partners, employees, agents, and contractors. "Protected Parties" means the Landlord Related Parties and, to the extent applicable, the holder of any Financing

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Lien, the lessor under any Ground Lease, and the management company for the Building (and their respective directors, partners, officers, employees, and agents).

Section 7.5. Damages from Certain Causes. Except to the extent caused

by that Protected Party, none of the Protected Parties shall ever be liable or responsible to Tenant, or any person claiming through Tenant, for any loss, injury to person, or damage to property in, upon, or about the Premises or any other portion of the Project resulting from (a) theft, fire, casualty, vandalism, acts of God, public enemy, injunction, riot, strike, inability to procure materials, insurrection, war, court order, requisition, or order of any governmental body or authority; (b) the acts or omissions of other tenants of the Project; (c) any other causes beyond Landlord's control; or (d) any damage or inconvenience which may arise through repair or alteration of the Project. All goods, property, or personal effects stored or placed by Tenant in or about the Project shall be at the sole risk of Tenant.

ARTICLE 8

DEFAULT AND REMEDIES

Section 8.1. Default by Tenant. The occurrence of any of the

following events and the expiration of any grace periods hereafter described shall constitute a default by Tenant under this Lease:

(a) The failure of Tenant to pay any Rent within ten (10) days after Tenant's receipt of Landlord's written notice of such failure to pay; provided Landlord shall be required to give such notice only twice in any twelve (12) month period and thereafter Tenant shall be in default if any such payment is not received when due and without notice;

(b) Tenant assigns its interest in this Lease or sublets any portion of the Premises except as permitted in this Lease or Tenant otherwise breaches the provisions of Section 6.2 of this Lease;

(c) Tenant uses the Premises for any purpose other than the Permitted Use or otherwise breaches Tenant's operational covenants under Sections 2.3, or 6.8 of this Lease after five (5) days Landlord's written notice of such breach;

(d) Tenant breaches or fails to comply with any term, provision, covenant, or condition of this Lease (other than as described in Subsections [a], [b], or [c] above), or with any of the Building Rules now or subsequently established, and such breach or failure continues for thirty (30) calendar days after written notice by Landlord to Tenant or, if such condition cannot reasonably be cured within such thirty (30) day period, Tenant shall fail to commence such cure within such thirty (30) day period, or having commenced such cure within such period shall thereafter diligently and continuously fail to prosecute such cure to completion within sixty (60) days from the date of Landlord's notice of such default;

(e) If the interest of Tenant under this Lease is levied on under execution or other legal process, or if any petition in bankruptcy or other insolvency proceedings is filed by or against Tenant, or any petition is filed or other action taken to declare Tenant as bankrupt or to delay, reduces or modify Tenant's debts or obligations or to reorganize or modify

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Tenant's capital structure or indebtedness or to appoint a trustee, receiver or liquidator of Tenant or of any property of Tenant, or any proceedings or other action is commenced or taken by a governmental authority for the dissolution or liquidation of Tenant (provided that no such levy, execution, legal process; or petition filed against Tenant shall constitute a breach of this Lease if Tenant shall vigorously contest the same by appropriate proceedings and shall remove or vacate the same within thirty (30) calendar days from the date of its creation, service, or filing);

(f) Tenant becomes insolvent, makes an assignment for the benefit of creditors, or makes a transfer in fraud of creditors; or a receiver or trustee is appointed for Tenant or any of its properties;

(g) Tenant abandons the Premises during the Lease Term; or

(h) If Tenant is an individual person, the death or legal incapacity of Tenant; if Tenant is a corporation, Tenant ceases to exist as a corporation in good standing in the state of its incorporation and/or ceases to be duly authorized to transact business within the State of Texas; or if Tenant is a partnership or other entity, Tenant is dissolved or otherwise liquidated.

Section 8.2. Landlord's Remedies. Upon the occurrence of any default

by Tenant under this Lease, Landlord, at Landlord's sole option, may exercise any one or more of the following described remedies, in addition to all other rights and remedies provided at law or in equity:

(a) Landlord may at any time thereafter (without being under any obligation to do so) re-enter the Premises and correct or repair any condition which shall constitute a failure on the part of Tenant to observe, perform, or satisfy any term, condition, covenant, agreement, or obligation of Tenant under this Lease; and Tenant shall fully reimburse and compensate Landlord on demand for the costs incurred by Landlord in doing so, plus profit and overhead in any amount equal to fifteen percent (15%) of such cost. No action taken by Landlord under this subsection shall relieve Tenant from any of Tenant's obligations under this Lease or from any consequences or liabilities arising from the failure of Tenant to perform such obligations.

(b) Landlord may terminate this Lease and repossess the Premises. In the event that Landlord elects to terminate this Lease, Landlord shall be entitled to recover damages equal to the total of (i) the cost of recovering the Premises (including attorneys' fees and costs); (ii) the cost of removing and storing Tenant's or any other occupant's property; (iii) the unpaid Rent owed at the time of termination, plus interest thereon from the date when due at the maximum rate of interest then allowed by law; (iv) the cost of reletting the Premises (as reasonably estimated by Landlord and including alterations or repairs to the Premises and brokerage commissions); (v) the costs of collecting any sum due to Landlord (including without limitation, attorneys' fees and costs); and (vi) any other sum of money or damages owed by Tenant to Landlord as a result of the default by Tenant, whether under this Lease, at law, or in equity.

(c) Landlord may terminate Tenant's right of possession of the Premises without terminating this Lease and repossess the Premises. In the event that Landlord

elects to take possession of the Premises without terminating this Lease, Tenant shall remain liable for, and shall pay to Landlord, from time to time on demand, (i) all costs and damages described in Subsection (ii) of this Section 8.2 and (b) any deficiency between the total Rent due under this Lease for the remainder of the Lease Term and rents, if any, which Landlord is able to collect from another tenant for the Premises during the remainder of the Lease Term ("Rental Deficiency"). Landlord may file suit to recover any sums falling due under the terms of this Lease from time to time, and no delivery to or recovery by Landlord of any portion of the sums owed to Landlord by Tenant under this Lease shall be a defense in any action to recover any amount not previously reduced to judgment in favor of Landlord. Landlord may use reasonable efforts to relet the Premises on such terms and conditions and to such parties as Landlord, in Landlord's sole discretion, may determine (including a term different from the Lease Term, rental concessions, and alterations and improvements to the Premises); but Landlord shall never be obligated to relet the Premises before leasing other rentable areas within the Project, it being the intent of the parties that Tenant shall not be placed in a preferential position by reason of Tenant's own default. Any sums received by Landlord through reletting shall reduce the sums owing by Tenant to Landlord, but Tenant shall not be entitled to any excess of any sums obtained by reletting over and above the Rent provided in this Lease under any circumstances. For the purpose of such reletting, Landlord is authorized to decorate or to make any repairs, changes, alterations, or additions in and to the Premises that Landlord may deem necessary or advisable. No reletting shall be construed as an election on the part of Landlord to terminate this Lease unless a written notice of such intention is given to

Tenant by Landlord. Notwithstanding any such reletting without termination, Landlord may, at any time thereafter, elect to terminate this Lease for such previous default. In the alternative (but only in the event that Tenant's default constitutes a material breach), Landlord may elect to terminate Tenant's right to possession of the Premises and to immediately recover as damages, in lieu of the Rental Deficiency, a sum equal to the difference between (a) the total Rent due under this Lease for the remainder of the Lease Term and (b) the then fair market rental value of the Premises during such period, discounted to present value using a discount rate of eight percent (8%) per annum ("Discounted Future Rent"). In such event, Landlord shall have no obligation to relet the Premises or to apply any rentals received by Landlord as a result of any reletting to Tenant's obligations under this Lease; and the aggregate amount of all damages due to Landlord, including the Discounted Future Rent, shall be immediately due and payable to Landlord upon demand.

(d) In the event that Landlord elects to re-enter or take possession of the Premises after Tenant's default, Tenant hereby waives notice of such re-entry or re-possession and of Landlord's intent to re-enter or retake possession. Landlord may, without prejudice to any other remedy which Landlord may have for possession or arrearages in or future Rent, expel or remove Tenant or any other person who may be occupying the Premises. Landlord may also change or alter the locks or other security devices on the doors to the Premises and/or, if applicable, remove Tenant's access media from the security system; and Tenant waives, to the fullest extent allowed by law, any requirement that notice be posted on the Premises as to the location of a key to such new locks and any rights to obtain such a key.

(e) If Tenant abandons the Premises, Landlord may remove and store any property of Tenant that remains within the Project at Tenant's expense. In addition to Landlord's other rights and remedies, Landlord may dispose of the stored property if Tenant does not claim that property within ten (10) days after the date on which that property is first

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stored by Landlord. Landlord shall deliver by certified mail to Tenant, at Tenant's last known address, a notice stating that Landlord will dispose of Tenant's property if Tenant does not claim such property within ten (10) days after the date the property was first seized and stored by Landlord. In addition, Tenant shall be liable to Landlord for all costs and expenses incurred by Landlord in moving, storing, and disposing of the abandoned property and shall indemnify and hold harmless Landlord from and against any and all loss, damage, costs, expenses, and liability related to or in connection with such removal, storage, and disposal of Tenant's property after abandonment.

(f) In the event that Rent is to be increased at various intervals during the Lease Term, then Landlord may, at Landlord's sole election, calculate the amount of unpaid Rents owed at the time of termination of this Lease or calculate the amount of any Rental Deficiency or Discounted Future Rent based upon the difference between the average rate of Rent payable by Tenant over the entire Lease Term instead of on the amount of Rent payable by Tenant during the applicable period. If Landlord agreed to allow Tenant to pay a lower rate of rent during the earlier portions of the Lease Term and to then increase the Rent at various stages during the Lease Term, Tenant acknowledges and agrees that (i) such agreement was made as an accommodation to Tenant and in reliance upon Tenant performing all of Tenant's obligations and paying Rent throughout the entire Lease Term and (ii) such method of calculation is intended to provide Landlord with the benefit of Landlord's bargain in this Lease.

(g) No termination of this Lease shall ever be deemed to have occurred unless Landlord specifically notifies Tenant in writing that Landlord has elected to terminate this Lease. No election of Landlord to re-enter the Premises or to retake possession of the Premises shall ever be deemed or construed to be a termination of this Lease.

(h) The provisions of this Section 8.2 shall override and control over any conflicting provisions of Section 93.002 of the Texas Property Code (as amended), and Tenant expressly waives any and all rights Tenant may have under Section 93.002.

(i) Tenant hereby expressly waives notice of any default for which notice is not specifically required under Section 8.1.

(j) All rights and remedies of Landlord under this Lease shall be non-exclusive and shall be in addition to an cumulative of all other rights or remedies available to Landlord under this Lease or by law or in equity.

Section 8.3. Landlord's Lien. Intentionally deleted.

Section 8.4. Attorney's Fees and Other Expenses of Enforcement. In

the event Tenant defaults in the performance or observance of any of the terms, covenants, agreements, or conditions contained in this Lease, Tenant, to the

extent permitted by applicable law, shall pay to Landlord (a) all reasonable expenses incurred by Landlord in collecting any sums due under, or enforcing any of the terms of, this Lease; and (b) if Landlord places the enforcement of all or any part of this Lease in the hands of an attorney, all attorneys' fees and other costs of collection and enforcement incurred by Landlord.

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Section 8.5. Default by Landlord. Landlord shall be in default under

this Lease in the event Landlord has not begun and pursued with reasonable diligence the cure of any failure of Landlord to meet its obligations under this Lease within thirty (30) days of the receipt by Landlord of written notice from Tenant of Landlord's alleged failure to perform. In no event shall Tenant have the right to terminate or rescind this Lease as a result of Landlord's default. Tenant waives such remedies of termination and rescission and agrees that Tenant's remedies for default under this Lease and for breach of any promise or inducement are limited to a suit for damages and/or injunction. In addition, Tenant shall, prior to the exercise of any such remedies, provide each holder of a Financing Lien and each lessor under a Ground Lease with written notice and a reasonable time to cure any default by Landlord.

ARTICLE 9

MISCELLANEOUS PROVISIONS

Section 9.1. Amendments. This Lease may not be altered, changed, or

amended except by an instrument in writing signed by both Landlord and Tenant.

Section 9.2. Non-Waiver. No course of dealing between Landlord and

Tenant or any other person, nor any delay on the part of Landlord in exercising any rights under this Lease, nor any failure to enforce any provision of this Lease, nor the acceptance of any Rent by Landlord shall operate as a waiver or a modification of the terms of this Lease or of any right which Landlord has to demand strict compliance by Tenant with the terms of this Lease. If Landlord or Tenant waives any agreement, condition, or provision of this Lease, such waiver must be expressly set forth in a writing signed by either party and shall not be deemed a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Lease.

Section 9.3. Holding Over. In the event Tenant remains in possession

of the Premises after the expiration or termination of this Lease without the consent of Landlord, Tenant shall be deemed to be occupying the Premises as a tenant at will and shall pay Rent for each month (or partial month) during the first thirty (30) days any such holdover period at a rate equal to 125% of the Rent which Tenant was obligated to pay for the month immediately preceding the end of the Lease Term and 200% of the amount of such Rent thereafter. No holding over by Tenant after the expiration or termination of this Lease shall be construed to extend the Lease Term or in any other manner be construed as permission by Landlord to holdover. Additionally, in the event of any unauthorized holding over by Tenant, Tenant shall indemnify Landlord against all claims for any damages by any other person or entity to whom Landlord may have leased all or any part of the Premises and for any other loss, cost, damage, or expense (including attorneys' fees and costs of suit) incurred by Landlord as a result of such holding over.

Section 9.4. Notices. Any notice, demand, consent, approval, request,

or other communication required or permitted to be given pursuant to this Lease (including any Exhibit to this Lease) or by applicable law shall be in writing and shall be delivered by registered or certified mail, postage prepaid, return receipt requested, telegram, facsimile, or expedited delivery service with proof of delivery, addressed to Landlord or Tenant, as applicable, at the

address for each specified in the first paragraph of this Lease. Any such communication transmitted by telegram, facsimile, or personal delivery shall be deemed to have been delivered as of the date actually received by the addressee. Any such communication transmitted by registered or certified mail shall be deemed to have been given or served on the third (3rd) business day following the date on which such notice was deposited in a receptacle maintained by the United States Postal Service for such purpose. Any notice of default from Tenant to Landlord shall also be delivered to any holder of a Financing Lien or any lessor under a Ground Lease who has notified Tenant of its interest and the address to which notices are to be sent; and such notice shall not be effective until delivered to such parties. Either Landlord or Tenant may, by ten (10) days' prior notice to the other in accordance with this Section 9.4, designate a different address or different addresses to which communications intended for the party are to be sent.

Section 9.5. Independent Obligations. The obligations of Tenant under

this Lease are independent of Landlord's obligations, and Tenant shall not, for any reason, withhold or reduce Tenant's required payments of Rent or fail to fully perform Tenant's obligations under this Lease. In the event that Landlord commences any proceedings against Tenant as a result of Tenant's default under this Lease, Tenant will not interpose any counterclaim or other claim against Landlord of whatever nature or description in any such proceedings. In the event that Tenant attempts to interpose any such counterclaim or other claim against Landlord in such proceedings, Landlord and Tenant stipulate and agree that such counterclaim or other claim asserted by Tenant shall, upon motion by Landlord, be severed out of the proceedings instituted by Landlord and that those proceedings may proceed to final judgment separately and apart from, and without consolidation with or reference to the status of, such counterclaim or other claim asserted by Tenant.

Section 9.6. Survival. Neither the expiration or termination of the

Lease Term pursuant to the provisions of this Lease, by operation of law, or otherwise, nor any repossession of the Premises pursuant to any remedy granted to Landlord under this Lease or otherwise shall ever relieve Tenant of Tenant's liabilities and obligations under this Lease, all of which shall survive such expiration, termination, or repossession.

Section 9.7. Other Tenants of Building. Neither this Lease nor

Tenant's continued occupancy of the Premises is conditioned upon either (a) the opening of any showroom or business in the Building or in any portion of the Project by any other person or entity or (b) the continued operations of any such showroom or business.

Section 9.8. Name of Building and Project. Tenant shall not utilize

the name of the Building or the Project for any purpose whatsoever, except to identify the location of the Premises in Tenant's address. Landlord shall have the right to change the name of the Building and/or the Project whenever Landlord, in its sole discretion, deems it appropriate without any liability to Tenant and without any consent of Tenant being necessary.

Section 9.9. Consent by Landlord. In each circumstance under this

Lease in which the prior consent or permission of Landlord is required before Tenant is authorized to take any particular type of action, the decision of whether to grant or deny such consent or permission shall be within the sole and exclusive judgment and discretion of Landlord unless otherwise

specifically provided in this Lease with respect to that specific matter. Unless (a) Landlord has specifically agreed otherwise in this Lease that Landlord will not unreasonably withhold its consent with respect to that specific matter and (b) Landlord then unreasonably withholds its consent with respect to that specific matter, Tenant shall not have any claim for breach by Landlord or any defense to performance of any covenant, duty, or obligation of Tenant under this Lease on the basis that Landlord delayed or withheld the granting of such consent or permission. Landlord's consent or approval to any particular act by Tenant which requires such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

Section 9.10. Legal Interpretation. This Lease, and the rights and

obligations of Landlord and Tenant under this Lease, shall be interpreted, construed, and enforced in accordance with the laws of the State of Texas. All obligations of the parties shall be performable in, and all legal actions to enforce or construe this Lease shall be instituted in, the courts of, Dallas County, Texas. All defined terms and other words used in this Lease shall include the singular and plural, as applicable. References to the Premises, the Building, the Land, or the Project shall also include any portion of each. References to the Project shall include the Building and the Premises, and references to the Building shall include the Premises. Words which are not used as defined terms in this Lease shall be construed in accordance with the meanings commonly ascribed to those words, relative to the context in which each is used. The word "including" shall be construed as if followed, in each instance, by the phrase "but not limited to." All article, section, and subsection headings used in this Lease are for reference and identification purposes only and are not intended to, and shall not under any circumstances, alter, amend, amplify, vary, or limit the express provisions in this Lease. All rights, powers, and remedies provided in this Lease may be exercised only to the extent that their exercise does not violate any applicable law and are intended to be limited to the extent necessary so that such provision will not render this Lease invalid or unenforceable under applicable law. In the event that any provision in this Lease, or the application of such provision to any person or circumstance, shall be invalid or unenforceable to any extent, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby. Landlord and Tenant hereby respectively acknowledge that each such party has substantial experience in negotiation commercial real estate leases, that this Lease is the product of extensive negotiations between the parties, and that, therefore, neither Landlord nor

Tenant shall be charged with having promulgated this Lease and that no rule of strict construction with respect to the provisions of this Lease shall be applicable.

Section 9.11. Entire Agreement. Tenant agrees that (a) this Lease

supersedes and cancels any and all previous statements, negotiations, arrangements, brochures, agreements, and understandings, if any, between Landlord and Tenant or displayed by Landlord to Tenant with respect of the subject matter of this Lease, the Premises, the Building, or the Project and (b) there are no representations, agreements or warranties (express or implied, oral or written) between Landlord and Tenant with respect to the subject matter of this Lease, the Premises, the Building, or the Project other than as set forth in this Lease.

Section 9.12. Authority. Tenant represents and warrants that (a)

Tenant has the full right, power, and authority to enter into, and to perform its obligations under, this Lease, and

(b) upon execution of this Lease by Tenant, this Lease shall constitute a valid and legally binding obligation of Tenant. If Tenant signs as a corporation, each of the persons executing this Lease on behalf of Tenant covenant and warrant that Tenant is a duly and validly existing corporation, that the execution of this Lease by such persons on behalf of Tenant has been duly authorized by all necessary corporate action, and that Tenant is qualified to do business in the State of Texas. Likewise, Landlord represents and warrants that Landlord has the full right, power, and authority to enter into, and to perform its obligations under, this Lease, and that, upon execution of this Lease by Landlord, this Lease shall constitute a valid and legally binding obligation of Landlord.

Section 9.13. Taxes on Tenant's Property. Tenant shall be liable for

all taxes levied against Tenant's Trade Fixtures, inventory, leasehold improvements, and any other property of Tenant in the Premises or the Project. If any such taxes are ever assessed against Landlord or Landlord's property and Landlord elects to pay the same or if the assessed value of Landlord's property is increased by the inclusion of Tenant's property, Tenant shall pay to Landlord, within fifteen (15) days of demand, that part of such taxes attributable to Tenant's property as additional Rent. Landlord shall be responsible for paying all real property taxes levied against the Project. However, if any alteration, addition, or improvement shall be made by Tenant which causes an increase in the real property taxes, assessments, or other governmental charges levied against the Building, Tenant shall pay to Landlord, within fifteen (15) days of demand, the amount of any such increase as additional Rent.

Section 9.14. Landlord's Liability. Notwithstanding anything to the

contrary set forth in this Lease, Tenant agrees that no personal, partnership, or corporate liability of any kind or character whatsoever shall attach to Landlord or its partners or venturers for payment of any amounts payable under this Lease or for the performance of any obligation under this Lease. The exclusive remedies of Tenant for the failure of Landlord to perform any of Landlord's obligations under this Lease shall be to proceed against the interest of Landlord in and to the Project. Landlord shall not be responsible in any way to Tenant or any Tenant Related Party for any loss of property from the Premises or public areas of the Building or for any damages to any property from any cause whatever. Nor shall Landlord be responsible for lost or stolen personal property, money, or jewelry from the Premises, regardless of whether such loss occurs when the Premises are locked. Landlord shall never be liable for consequential or special damages.

Section 9.15. Time of the Essence. In all instances in which Tenant

or Landlord is required to pay any sum or do any act at a particular time or within a particular period, it is understood that time is of the essence.

Section 9.16. Instruments and Evidence Required to be Submitted to

Landlord. Each written instrument and all evidence of the existence or non-

existence of any circumstances or conditions which is required by this Lease to be furnished to Landlord shall in all respects be in form and substance satisfactory to Landlord, and the duty to furnish such written instrument or evidence shall not be considered satisfied until Landlord shall have acknowledged that Landlord is satisfied with the form and content of each.

Section 9.17. Counterparts. This Lease may be executed in any number

of counterparts, each of which, when executed and delivered, shall be an original; but such counterparts shall together constitute one and the same instrument.

Section 9.18. Recordation. Tenant shall not record (a) this Lease,

(b) any instrument to which this Lease may now or hereafter be attached, or (c) any memorandum of this Lease.

Section 9.19. Effective Date. The submission of this Lease to Tenant

for examination does not constitute a reservation of or offer or option for the Premises, and this Lease shall become effective only upon execution by both Landlord and Tenant. The term "Effective Date" shall mean the date on which this Lease is first fully executed by both Landlord and Tenant.

Section 9.20. Successors and Assigns. From and after the Effective

Date, this Lease shall be binding upon, inure to the benefit of, and be enforceable by the parties to this Lease and their respective successors and assigns (subject to the provisions of this Lease). As used in this Lease, the phrase "successors and assigns" is used in its broadest possible context and includes, without limitation and as applicable, the respective heirs, personal representatives, successors, and assigns of each of the parties to this Lease and any person, partnership, corporation, or other entity succeeding to any interest in this Lease, the Premises, the Building, or the Project. Nothing contained in this Section 9.20 nor in the definition of Tenant Related Parties shall serve to alter or vary the provisions of Section 6.2 prohibiting the types of transfers by Tenant described in that Section.

Section 9.21. Joint and Several Liability. If there is more than one

party executing this Lease as Tenant, or if Tenant is a partnership, Tenant's obligations under this Lease shall be the joint and several obligations of all such parties executing as Tenant or all such partners constituting Tenant (as applicable).

Section 9.22. Exhibits. The following Exhibits (and, if applicable,

addenda, riders, or other attachments to this Lease) are attached, to and incorporated in, this Lease for all purposes.

- Exhibit "A" Property Description
- Exhibit "B" Floor Plan
- Exhibit "C" Rules and Regulations
- Exhibit "D" Tenant Equipment License
- Exhibit "E" Renewal Options
- Exhibit "F" Subordination, Attornment and Non-Disturbance Agreement
- Exhibit "G" Parking
- Exhibit "H" Work Letter

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the Effective Date.

LANDLORD:

NEXCOMM ASSET ACQUISITION I, LP
a Texas limited partnership

By: NEXCOM GP I, Inc., a Texas
corporation and general partner

By: /s/ Phillip J. Wise

Name: Phillip J. Wise
Title: President

TENANT:

EQUINIX, INC., a Delaware corporation

By: /s/ [signature illegible]

Name: _____
Title: _____

EXHIBIT "A"

To Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP, as Landlord, and EQUINIX, INC., as Tenant

PROPERTY DESCRIPTION

BEING a [*] acre tract of land situated in the City of Dallas, Dallas County, Texas and out of the James A. Sylvester Survey, Abstract No. [*] and being a part of City of Dallas Block No. [*], also being the same tract of land conveyed to Dallas Market Center Company by a Special Warranty Deed recorded in Volume [*], Page [*] of the Deed Records of Dallas County, Texas, said [*] acre tract

of land being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for the point of intersection of the southwesterly right-of-way line of the [*] with the northwesterly right-of-way line of [*];

THENCE with the northwesterly right-of-way line of [*] the following:

South 31 31'40" West a distance of 366.74 feet to an "X" chiseled in concrete found for corner in a curve to the right, the radius point of said curve bearing North 50 08'58" West a distance of 241.00 feet from said "X";

Southwesterly with said curve to the right through a central angle of 03 09'20" an arc distance of 13.27 feet to an "X" chiseled in concrete set for the point of reverse curvature of a curve to the left having a radius of 259.00 feet;

Southwesterly with said curve to the left through a central angle of 11 28'43" an arc distance of 51.89 feet to a 1/2 inch iron rod found for the point of reverse curvature of a curve to the right having radius of 129.00 feet;

Southwesterly with said curve to the right through a central angle of 24 06'22" an arc distance of 138.22 feet to a 1/2 inch iron rod set for the point of compound curvature of a curve to the right having a radius of 50.00 feet;

Northwesterly with said curve to the right through a central angle of 24 06'22" an arc distance of 21.04 feet to a 1/2 inch iron rod found in the northeasterly right-of-way line of [*] for the point of compound curvature of a curve to the right having a radius of 1130.92 feet;

THENCE with the northeasterly right-of-way line of [*] the following:

Northwesterly with said curve to the right through a central angle of 07 24'40" an arc distance of 146.28 feet to a 1/2 inch iron rod found for the point of tangency of said curve;

North 55 33'45" West a distance of 816.18 feet to a 1/2 inch iron rod found for point of curvature of a curve to the left having a radius of 3289.04 feet;

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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Northwesterly with said curve to the left through a central angle of 01 23'21" an arc distance of 79.74 feet to a bolt in concrete found for the most southerly corner of a tract of land leased to [*] from [*] as recorded in Volume [*], Page [*] of the Deed Records of Dallas County, Texas;

THENCE departing the northerly right-of-way line of [*] with the easterly line of the [*] tract, North 09 21'30" East a distance of 1064.46 feet to a 1/2 inch iron rod found for corner in the curving southwesterly right-of-way line of the [*], the radius point of said curve being situated South 33 11'48" West a distance of 1599.88 feet;

THENCE with the southerly right-of-way lien of the [*] the following:

Southeasterly with said curve to the right through a central angle of 02 41'48" an arc distance of 75.30 feet to a 1/2 inch iron rod found for corner;

North 52 07'00" East a distance of 30.11 feet to a 1/2 inch iron rod found for corner in a curve to the right, the radius point of said curve being situated South 32 19'18" West a distance of 1553.95 feet;

Northwesterly with said curve to the right through a central angle of 21 26'39" an arc distance of 581.59 feet to a 1/2 inch iron rod set for corner;

North 45 16'10" East a distance of 53.07 feet to 1/2 inch iron rod set for corner;

South 31 48'40" East a distance of 976.20 feet to the POINT OF BEGINNING;

CONTAINING an area of 25.454 acres of land.

INITIALS

Landlord _____

Tenant _____

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED
SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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EXHIBIT "B"

To Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP, as Landlord,
and EQUINIX, INC., as Tenant

FLOOR PLAN

(For Illustrative purposes only)

INITIALS

Landlord _____ Tenant

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EXHIBIT "C"

To Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP, as Landlord,
and EQUINIX, INC., as Tenant

RULES AND REGULATIONS

1. No additional locks shall be placed on the doors of the Leased Premises by Tenant, nor shall any existing locks be changed unless Landlord is immediately furnished with two keys thereto. Landlord will without charge furnish Tenant with two keys for each lock existing upon the entrance doors when Tenant assumes possession with the understanding that at the termination of the lease these keys shall be returned or paid for at five dollars (\$5.00) each. A deposit of one dollar (\$1.00) each shall be required for additional keys.
2. Tenant shall not at any time display a "For Rent" sign upon the Building or the Leased Premises, or advertise the Leased Premises for rent.
3. Safes and other unusually heavy objects shall be placed by Tenant only in such places as may be approved by Landlord. Any damage caused by overloading the floor or by taking in or removing any object from the Leased Premises or the Building shall be paid by Tenant.
4. Windows facing on corridors shall at all times be wholly clear and uncovered (except for such signs as Landlord may approve) so that a full unobstructed view of the interior of the Leased Premises may be had from the corridors, unless otherwise approved in writing by Landlord.
5. No vehicles or animals shall be brought into the Building, other than as required by handicapped persons.
6. Tenant shall not make any changes in the pipes, ducts, or wiring serving the Leased Premises or add any additional pipes, ducts, or wiring without the prior written consent of Landlord, and any such changes or additions shall be made in such manner as Landlord may direct.
7. No sign, tag, label, picture, advertisement, or notice (other than price tags of customary size used in marking samples) shall be displayed, distributed, inscribed, painted or affixed by Tenant on any part of the outside of the Building or of the Leased Premises without the prior written consent of the Landlord.
8. In the event Landlord should advance upon the request, or for the account of the Tenant, any amount for labor, material, packing, shipping, postage, freight or express upon articles delivered to the Leased Premises or for the safety, care, and cleanliness of the Leased Premises, the amount so paid shall be regarded as additional rent and shall be due and payable forthwith to the Landlord from the Tenant.

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9. The corridors and hallways of the Building shall not be used by Tenant for any purpose other than ingress to or egress from the Leased Premises.
10. Tenant shall not do or permit to be done within the Leased Premises anything which would unreasonably annoy or interfere with the rights of other tenants in the Building, or which might constitute a potential hazard to other tenants or visitors.
11. During the thirty (30) days prior to the expiration of this Lease, Landlord may show the Leased Premises to prospective tenants.
12. Tenant shall not put or operate any steam engine, boiler, industrial machinery or stove in the Building or upon the Leased Premises or do any cooking thereon or use or allow to be kept in the Building or upon the Leased Premises any explosives or any kerosene, camphene, bottled gas, oil or other highly flammable materials, except gas supplied through metal pipes for heating purposes and normal and customary cleaning and janitorial supplies to the extent permitted under applicable laws.
13. Landlord reserves the right to prescribe reasonable qualifications for admission into the Building.
14. Models, salespersons or other employees or representatives of Tenant, shall not model, demonstrate display, or show in any manner any merchandise outside of the Leased Premises in the Building or on the Property without Landlord's prior written consent.
15. As a courtesy, but not as an obligation, Landlord may, at Landlord's option, upon request by Tenant, receive and store articles or merchandise delivered to Tenant at the Building; provided, however that such articles of merchandise are properly addressed and identified and all postage, handling and delivery charges are prepaid by Tenant. Landlord assumes no responsibility whatsoever for the loss, damage or destruction of such articles of merchandise received at the Building by Landlord on behalf of Tenant, and Tenant hereby waives all claims against Landlord for any damage or loss arising at any time from the loss, damage or destruction of such articles of merchandise. Tenant agrees to pay to Landlord as additional rent the amount of all storage, delivery, handling and other expenses incurred by Landlord as a result of the receipt and storage of such articles of merchandise.
16. Canvassing, peddling, soliciting and distribution of handbills or any other written material in the Building or in the Building's parking areas are prohibited, and each tenant shall cooperate to prevent the same.
17. If the Leased Premises front on the atrium within the Building, Tenant shall cause the Leased Premises to be kept open for business and occupied by Tenant's personnel during all normal business hours of the Building.
18. These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend, in whole or in part, the terms, covenants, agreements and conditions of any lease of space in the Building.

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19. Landlord reserves the right to make such other and reasonable rules and regulations as in its judgment may from time to time be needed for the safety, care and cleanliness of the Building, and for the preservation of good order therein.
20. Smoking is permitted within the Building only in areas so designated by Landlord. Smoking within the Leased Premises is at the discretion of Tenant, provided, however, that such smoke does not migrate into the Building's common areas, hallways, etc. or into another tenant's premises. Tenant hereby indemnifies Landlord from any and all claims resulting from Tenant's permitting of smoking within the Leased Premises. Landlord reserves the right to change areas where smoking is permitted and change these Regulations, including designating the Building as non-smoking.
21. A visitor information directory system will be provided by Landlord to assist visitors in locating tenants.
22. To the extent that meeting rooms are offered, a tenant's meeting room use will be coordinated on a reservation basis and all tenants will be eligible. Standard fees will be applied and Landlord will control the rental of these areas and the use of the areas will be coordinated by the buyer/tenant services department of Landlord. Reservations for meeting room space within the Building will be on a first-come first-served basis.
23. If, and only if, the Tenant's permitted use allows the operation of a showroom, warehousing and onsite delivery to customers is prohibited in permanent showrooms and in exhibit space when used in conjunction with showrooms, payment for products or services that of a retail sales nature are prohibited (provided, however, payment or partial payment for orders

taken at the Building for future delivery to a buyer will be allowed if it is within the applicable tenant's normal business practices and is not of a retail sales nature, it being the intention of this provision to permit payments or partial payments intended to bind an order for future delivery without in any way qualifying or circumventing the prohibition within the Building against retail sales).

24. Landlord may amend these Rules and Regulations from time to time and such changes shall be binding upon Tenant.

INITIALS
Landlord _____ Tenant

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EXHIBIT "D"

To Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP, as Landlord and EQUINIX, INC., as Tenant

TENANT EQUIPMENT LICENSE

This Exhibit "D" describes the licenses to install and operate certain specified "Tenant Equipment" in the Building which is being granted by Landlord to Tenant upon the following terms and conditions:

1. DEFINED TERMS. For purposes of this Exhibit, all terms defined in this

Lease (including other exhibits to this Lease) will be used in this Exhibit without further definition. In addition, when delineated with initial capital letters, the following terms will have the following respective meanings:

- a) "Antenna Equipment" means the satellite antenna, together with related wiring and equipment, or Tenant's Customer's equipment which are approved by Landlord pursuant to this Exhibit.
- b) "Antenna Fee" means Zero Dollars (\$0.00) per month.
- c) "Building Grade" means the type, brand and/or quality of materials which Landlord designates from time to time to be the minimum quality to be used in the Building or the exclusive type, grade, or quality of material to be used in the Building.
- d) "Cable" means only (i) optical fibers encased in an aluminum sleeve, (ii) EMT conduit, (iii) copper cable, or (iv) other materials approved by Landlord. The Cable (or Conduit) shall not exceed four inches in diameter.
- e) "Conduit" means a plastic or metal sleeve, no more than four (4) inches in aggregate diameter, unless a larger size is expressly approved by Landlord in writing, in which Cable is encased and/or through which Cable passes.
- f) "Cooling Equipment" means dry cooling units, together with related wiring, piping, vents, and equipment, which are approved by Landlord pursuant to this Exhibit.
- g) "Cooling Equipment Fee" means Zero Dollars (\$0.00) per month.
- h) "Generator" means generators with automatic transfer switches, 80db (max) sound/weather enclosure and load bank equipment.
- i) "Generator Fee" for the initial Generator pad shall be waived. Additional pads may not be added without the prior approval of Landlord (which may be granted, denied, or conditioned in Landlord's sole discretion); and the size and location of each additional pad will be at Landlord's sole option. The Generator Fee applicable to any additional pad will be at the then current Landlord's charge for each such additional pad.
- j) "License Fees" means, collectively, the Antenna Fee, the Pathway Fee, the Cooling Equipment Fee, the Generator Fee, and any other sums of money becoming due and payable to Landlord hereunder.

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- k) "License Term" means a term commencing on the Commencement Date and shall expire upon the expiration or earlier termination of the Lease Term, unless sooner terminated pursuant to the provisions of this Exhibit.
- l) "Normal Business Hours" for the Building means 8:30 a.m. to 5:00 p.m. Mondays through Fridays, exclusive of normal business holidays.
- m) "Pathway" means a riser, raceway, or other vertical and/or horizontal space or pathway within the Building of no more than four inches in diameter (unless a greater size is approved in writing by Landlord) used for routing telecommunications cables and ancillary equipment from Tenant's point of presence in the Building which has been designated by Landlord. The precise location of the Pathways

applicable to this Telecommunications License will be designated by Landlord and the Telecommunications Equipment (as defined herein) will be installed only as designated by Landlord.

- n) "Pathway Fee" means the sum calculated for all installed Cable or Conduit from Tenant's point of presence to other locations or customers in the Building at the rates identified in Schedule 1 per month.
- o) "Service Fee" means the sum calculated for all installed services from the Licensee's point of presence to other locations or customers in the Building at the rates identified in Schedule 2 per month during each month of the License Term.
- p) "Tank" means the _____ gallon fossil fuel tank and associated transfer pumps, to be installed by Tenant at the location designated by Landlord. The Tank must have self-contained spill control features, be installed in a secure and safe location above ground, and must conform to all Legal Requirements (defined in Paragraph 15 below) concerning tank tightness, spill control and monitoring features.
- q) "Telecommunications Equipment" means the Cable, Conduit, junction boxes, hangers, pull boxes, grounding wiring, and related equipment used in the normal course of Tenant's business, which will be installed by Tenant, after approval by Landlord, into the designated Service Areas and Pathways to be used by Tenant, pursuant to the terms of this License.
- r) "Tenant Equipment" means, individually, or collectively, as applicable, the Antenna Equipment, the Cooling Equipment, the Generator, the Telecommunications Equipment, and the Tank.
- s) "Tenant Equipment Areas" means, individually or collectively, as applicable, the Pathways, Service Areas, and sites for the location of the Antenna Equipment, the Generator, the Cooling Equipment, and the Telecommunications Equipment designated by Landlord under this Exhibit. The designated Service Areas and Pathways may also be used by Landlord and others, and Landlord's designation of these areas does not confer an exclusive right for Tenant to use those areas.

2. GRANT OF LICENSE. Subject to and upon the terms set forth in this

Exhibit, Landlord grants the following licenses to Tenant:

a) TELECOMMUNICATIONS LICENSE. A license to use the Pathways,

designated by Landlord and to install Cable in those designated Pathways which connects to various tenants of the Building on a non-exclusive basis ("Telecommunications License"). Landlord specifically reserves the right to contract with competitors of Tenant

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for the same or similar services in the Building and acknowledges that Landlord has entered into other such contracts prior to the date of this Telecommunications License. Landlord shall have no obligation to assist Tenant in marketing its equipment and/or services in the Building or to any other property owned by Landlord. In addition, Tenant shall have the right to install and use four (4) four-inch (4") conduits at no charge in the Pathways, in a location determined by Landlord and reasonably acceptable to Tenant, for the exclusive use of Tenant's telecommunication cabling to connect from a minimum point of entry into the Building to the Premises.

b) ANTENNA LICENSE. A license to install, operate, maintain, and

repair the Antenna Equipment located at a location designated by Landlord. The size of the pad shall not exceed 36' X 36', and the location, and manner of installation of the Antenna Equipment shall be determined at Landlord's sole discretion, which discretion will take into consideration (a) the functional requirements of the Antenna Equipment and any other satellite antenna dishes located on the roof of the Building; (b) standards of architectural integrity with respect to the Building (and, in that regard, the Antenna Equipment shall be located so as to not be visible except from above the Building, shall match the Building colors, and shall have no visible marking or logo). Tenant shall be permitted to install and test the equipment from and after the Commencement Date and prior to the Rent Commencement Date, subject to the terms hereof except that the obligation to pay the Antenna License Fee will not commence until the Rent Commencement Date. With respect to the installation of the Antenna Equipment, the Antenna Equipment shall not be affixed by nail, bolt, screw or other device which penetrates the roof of the Building; and all wiring penetrations shall be subject to Landlord's prior approval and shall be made by Landlord's roofing contractor at Tenant's sole cost and expense. Notwithstanding anything to the contrary in this Paragraph, Landlord shall reserve, for the use of Tenant, space for two (2) four-inch (4") conduits or cabling from the Leased Premises to the roof of the Building at no charge to Tenant.

c) GENERATOR LICENSE. A license to install, operate, maintain, and

repair the Generators and the tanks at such location on the Property as is approved in writing by Landlord ("Generator License"). The Generator License includes the right for Tenant (i) to use such locations on the Property as are approved in writing by Landlord in order for Tenant to install the Generators cabling to, and core drilling of, the Building core structural wall (it being acknowledged that Landlord has made no representation to Tenant that Tenant will be able to utilize any existing utility easements in this regard), and (ii) to use such Pathways as are approved in writing by Landlord in order for Tenant to install its Generators cabling from the points of entry at the Building core structural wall to the Leased Premises.

d) COOLING EQUIPMENT LICENSE. A license to install, operate,

maintain, repair, and replace the Cooling Equipment in an area outside the Building as outlined on the site plan attached hereto as Schedule 5. The

size, location, and manner of installation of the Cooling Equipment shall be approved by Landlord as a part of the approval of the Plans and Specifications pursuant to the Work Letter attached as Exhibit H to this Lease, which approval will take into consideration the functional requirements of the Cooling Equipment and of any other equipment located in the vicinity of the Cooling Equipment and shall be subject to standards of structural and architectural integrity with respect to the Building. In that regard, the Cooling Equipment shall be

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located so as not to be visible from any public approach to the Building. The area to be covered by the Cooling Equipment, including necessary walkways and required air space, shall not exceed _____ square feet. Because of existing rights granted to other tenants and the location of the Service Areas within the Building, Tenant acknowledges that the most efficient, direct, or cost effective route for such Cooling Equipment may not be available.

For purposes hereof, the Telecommunications License, the Antenna License, the Generator License and the Cooling Equipment License will sometimes be collectively referred to as the "License" in this Exhibit.

3. LICENSE TERM. This License shall be in effect during the License

Term. However, Tenant shall have the right to use and occupy the Tenant Equipment Areas as provided hereunder from and after the Commencement Date for the purpose of installing the Tenant Equipment. If any Tenant Equipment Areas are not available due to the omission, delay or default of Tenant, or anyone acting under or for Tenant, the obligations of Tenant under this Exhibit, including, without limitation, the obligation to pay License Fees shall nonetheless commence as of the Commencement Date. Prior to the expiration or earlier termination of this License, unless Landlord otherwise agrees in writing at the time of Landlord's giving of its approval for Tenant's installation or thereafter during the Term, Tenant shall remove all of Tenant's Equipment that can be removed without causing any material damage to the Building and shall surrender and deliver the Tenant Equipment Areas to Landlord in the same condition in which they existed at the Commencement Date, excepting only ordinary wear and tear and damage arising from any cause not required to be repaired by Tenant. In the event that Tenant fails to comply with the terms of this Paragraph 3, (i) all such Tenant's Equipment remaining within the Property may, at Landlord's option, become the sole property of Landlord or (ii) Landlord may, if it so elects, perform any act which Tenant is required to perform and/or remove the Tenant's Equipment and other property at Tenant's cost, and Tenant shall pay Landlord promptly all costs incurred in removing said property within ten (10) Working Days of demand.

4. USE. The Tenant Equipment Areas shall be used solely for the

installation, operation and maintenance of the Tenant Equipment and for no other purpose whatsoever. Any use of the Tenant Equipment Areas for any other purpose or any attempt by Tenant to allow the use or occupation of the Tenant Equipment Areas by anyone other than Tenant shall, unless otherwise agreed to by Landlord in writing shall be a default; and Landlord shall have the right to immediately terminate this License unless such default is not cured within five (5) Working Days after notice thereof. Tenant shall not use or permit the use of the Tenant Equipment Areas for any purpose which is illegal, dangerous to life, limb or property, or which, in Landlord's reasonable opinion, creates a nuisance or which would increase the cost of insurance coverage with respect to the Building. In particular, no semiconductors or other electronic equipment containing polychlorinated biphenyls (PCB's) or other environmentally hazardous materials will either be used or stored in or around the Tenant Equipment Areas except as otherwise specifically provided in this Paragraph; and no such materials will be used in any of the Tenant Equipment installed by Tenant in the Tenant Equipment Areas. Notwithstanding the foregoing, Tenant may use and store fossil fuels for its Generators and batteries for its emergency electrical backup systems in its Premises, so long as Tenant does so in compliance with all

applicable Legal Requirements. Tenant will not permit unauthorized persons or persons with insufficient

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expertise or experience to enter Service Areas to maintain or operate the Tenant Equipment. Tenant understands that the mechanical rooms within these Service Areas must be kept locked and secure at all times must not be available or open to the public. Landlord may, at Landlord's discretion, authorize other licensees and tenants of the Building to use portions of the designated Pathways or Service Areas, or to use portions of other Pathway or Service Areas in the Building, whether for the installation of telecommunications equipment or otherwise, so long as such uses would not require Tenant to remove its previously installed Cable from the designated Pathways or Telecommunications Equipment from the designated Service Area. Tenant acknowledges that interruptions in utility services are not uncommon in facilities such as the Building and that any sensitive electronic equipment which may be used in the Building should be protected by Tenant from utility service interruptions by the use of backup power supplies, surge protectors, and other appropriate safety systems.

5. INSTALLATION. The point of presence and network interface will be in

accordance with the rules and regulations established by the Public Utility Commission or other governmental authority with jurisdiction over such matters in the State of Texas. The installation of the Tenant Equipment in the Tenant Equipment Area) shall be at the sole cost and expense of Tenant. All Tenant Equipment will be installed in a good and workmanlike manner, and the installation must be approved by Landlord's technical representative prior to the commencement of use of any Tenant Equipment by Tenant.

6. LICENSE FEE PAYMENT.

a) The License Fees for each calendar month or portion thereof during the License Term shall be due and payable in advance on the first day of each month during the License Term without any setoff or deduction whatsoever; and Tenant shall pay the License Fees monthly, in advance, on or before the first day of each calendar month, and without demand. All installments of the License Fees which are not paid within five (5) Working Days of the date when due will bear interest, and if not paid within five (5) Working Days' notice thereof shall be subject to a late charge of five percent (5%) of the amount then due, and be subject to the provisions of Section 8.1 of the Lease.

b) In addition to the License Fees, Tenant shall pay Landlord if, and when due, any sales, use or other taxes or assessments which are assessed or due by reason of this License hereunder.

c) Upon each anniversary date of the Commencement Date, including any renewal term, the License Fees payable by Tenant shall increase as follows and using the following definitions:

i) "Consumer Price Index" - The monthly indexes of the National Consumer Price Index for All Urban Consumers (CPI-U) - All Items, issued by the Bureau of Labor Statistics.

ii) "Base Price Index Number" - The Consumer Price Index as of December of the year in which the Commencement Date occurs.

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iii) "Current Index Number" - The Consumer Price Index as of December of the year in which the calculations are being done.

iv) If the Current Index Number is greater than the Base Price Index Number, then the "Percentage of Increase" shall be calculated as follows:

$$\frac{(\text{Current Index Number} - \text{Base Price Index Number})}{\text{Base Price Index}} = \text{Percentage of Increase}$$

This Percentage of Increase shall be multiplied by the License Fees defined above to obtain the new rate to go into effect on each anniversary of the Commencement Date of this License. This Percentage of Increase applies to License Fees only and does not apply to any charges in the Base Rent.

d) Tenant shall keep an accurate set of books and records of all installed service from and business conducted by Tenant in the Building, and all supporting records such as book orders, and other records which are necessary to verify and substantiate the amount of Tenant's Pathway Fee and Service Fee, at Tenant's business office located in the Premises. All such books and records shall be retained and preserved for at least twenty-four (24) months after the end of

the calendar year to which they relate and shall be subject to inspection and audit by Landlord and its agents at all reasonable times. The acceptance by Landlord of any payment of any License Fees shall be without prejudice to Landlord's right to examination of Tenant's books and records in order to verify the computation of the Service Fee or the Pathway Fee provided by Tenant. In the event Landlord is not satisfied with any monthly statement or annual statement submitted by Tenant, Landlord shall have the right to have its auditors make a special audit of all books and records, where-ever located, pertaining to sales made in or from the Building during the period in question. If such statements are found to be incorrect to an extent of more than two percent (2%) over the figure submitted by Tenant, Tenant shall pay for such audit. Tenant shall promptly pay to Landlord any deficiency or Landlord shall promptly credit to Tenant any overpayment, as the case may be, which is established by such audit.

7. CONDITION OF THE TENANT EQUIPMENT AREA. Tenant accepts the Tenant

Equipment Area "as is" without benefit of any improvements to be constructed or made by Landlord.

8. MAINTENANCE AND REPAIR BY LANDLORD. Landlord shall maintain and

repair the Pathways, the exterior and load-bearing walls of the Building, floors of the mechanical rooms (but not floor coverings), and the roof of the Building, which may be required from time to time, but only after such required repairs have been requested by Tenant in writing. In no event shall Landlord be responsible for the maintenance or repair of improvements which are not composed of Building Grade materials.

9. SERVICE AREA AND ROOF ACCESS. Except in the case of an emergency,

Tenant shall not enter or attempt access to any of the Service Areas (including air, electrical, mechanical or telecommunications risers, ducts, closets, conduits, duct work, rooms or other

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horizontal or vertical spaces in the Building) or attempt to obtain access to the roof of the Building without notifying Landlord in writing at least two (2) days in advance. In the case of an emergency, Tenant may enter or seek access to the roof of the Building or to the Pathways through the Service Areas provided Tenant gives Landlord at least two (2) hours prior notice and provided that a Building security guard must unlock such Service Area or access door to the roof. If Landlord is also experiencing an emergency situation in the Building at the same time that Tenant has notified Landlord of an emergency, Landlord shall have no obligation to first address or respond to Tenant's emergency and shall only be obligated to accommodate Tenant's concerns promptly as time permits thereafter. Tenant also agrees to furnish Landlord, within two (2) Working Days thereafter, a written report explaining all repairs and procedures which were conducted during any such emergency operations, in sufficient detail to permit Landlord's engineers to evaluate same. Any access to the Service Areas or to the roof shall require Tenant to sign in at the security department console, and Tenant shall permit the Landlord's security guard or a representative of Landlord to accompany Tenant during any such work within a Service Area or on the roof, if Landlord so desires. Except in the case of an emergency, no installation, alterations or repairs shall be initiated without first delivering to Landlord's engineers plans and specifications of the proposed changes, in substance and form acceptable to Landlord. As soon as reasonably practicable after the occurrence of an emergency, plans and specification shall be submitted to Landlord for approval with respect to those repairs or replacements. No oral approval of these plans and specifications shall be effective. No electrical grounding shall be permitted to other equipment in the mechanical rooms without Landlord's specific written approval of the method and location of such grounding. No monitoring or inspection of Tenant's work by Landlord's representatives shall be deemed supervision of Tenant's employees or shall be deemed to be a representation or warranty of any particular level of telecommunications expertise attained by Landlord's representative. Tenant shall monitor and supervise its own employees and shall assume responsibility for the expertise and quality of its work and shall not rely upon Landlord for same.

10. NO ACCESS TO OTHER TENANTS' PREMISES. Tenant acknowledges that

nothing in this License entitles it to enter and connect the Tenant Equipment to any tenant's premises in the Building without the prior written consent of Landlord. Tenant also acknowledges that it has been informed that telecommunications connections to individual tenant's premises in the Building will normally require removal of ceiling panels, at each tenant's expense, with such removal operations only being performable by Landlord's agents or employees.

11. LICENSES AND PERMITS. Prior to commencing any work in the Tenant

Equipment Area, Tenant shall obtain all necessary licenses, permits and consents

related to such installation activities and to the operation and use of the Tenant Equipment and provide copies of same to Landlord. Landlord shall have the right to monitor all such work, at its own expense.

12. COSTS. Tenant shall be responsible for any and all cost, damage or

expense arising from the installation, maintenance, repair or operation of the Tenant Equipment, including, without limitation, any and all cost, damage or expense to the Building or the property of Landlord or other licensees or tenants of the Building arising from such installation, maintenance, repair, or operations. Tenant will make any and all repairs necessary in a timely manner. If Tenant does not make required repairs to Landlord's satisfaction within twenty-four

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(24) hours of notification from Landlord that said repairs are necessary within a tenant's space or within ten (10) days of notification from Landlord that said repairs are necessary pursuant to Paragraph 13 of this Exhibit then Landlord will have the right but not the obligation to perform any such repairs at Tenant's sole cost and expense. Tenant shall on demand pay to Landlord as additional License Fees (i) the cost of such work plus fifteen percent (15%) thereof as administrative costs; plus (ii) interest thereon at the rate of 12% per annum from the date of demand.

13. MAINTENANCE, REPAIRS, AND ALTERATIONS BY TENANT. Tenant shall not

commit any waste or allow any waste to be committed within or on any portion of the Tenant Equipment Areas or in any Service Area and will maintain Tenant's installations in the Tenant Equipment Areas in a clean, attractive condition and in good repair. Tenant will remove all excess cable, tools, and equipment and will keep all areas neat and clean at all times. Provided Tenant fails to do so after ten (10) Working Days notice given by Landlord to Tenant, Landlord shall have the right, at its option, but at Tenant's cost and expense, to repair or replace any damage done to the Building, or any part thereof, caused by Tenant (or by any contractor, agent, or employee of Tenant); and Tenant shall pay the reasonable cost thereof (net of any applicable insurance proceeds) to Landlord within ten (10) Working Days of demand as additional License Fees. Tenant shall not make or allow any alterations to such Tenant Equipment Areas materially affecting mechanical, electrical, plumbing, or other basic systems within the Building, its structure, or its operations without the prior written consent of Landlord. Tenant shall not place signs on any of the doors or corridors leading to the Tenant Equipment Areas, without first obtaining the prior written consent of Landlord in each such instance, which consent may be given or arbitrarily withheld on such conditions as Landlord may elect. Landlord shall have the right, at its option, at Tenant's own cost and expense, to remove any signs placed by Tenant without Landlord's prior written consent, and to repair any damage caused by the such signs. Except as provided in Section 5.4 of this Lease with respect to Tenant's Trade Fixtures, any and all alterations to the Tenant Equipment Areas shall become the property of Landlord upon termination of this License.

14. USE OF ELECTRICAL SERVICES BY TENANT. All electrical usage associated

with the Tenant Equipment will be governed by the provisions of Section 2.5 of the Lease.

15. LAWS, REGULATIONS, AND INTERFERENCE. Tenant, at Tenant's sole cost,

shall (a) comply with all Legal Requirements and Insurance Requirements applicable to Tenant's use and occupancy of the Building (including, without limitation, the installation, maintenance, repair, or operation of Tenant Equipment), and (b) take all measures necessary to assure that the Tenant Equipment strictly complies with all applicable Legal Requirements and Insurance Requirements. Tenant shall also pay promptly when due all royalties or other fees due in connection with the operation of the Tenant Equipment. In the event compliance with this paragraph shall require modifications or alterations of the Tenant Equipment or the Tenant Equipment Areas, no modification or alteration shall be made without Landlord's prior written consent, which consent may be withheld in Landlord's sole judgment or granted on such terms and conditions as Landlord may determine in its sole judgment. Tenant shall take all measures necessary to assure that the Tenant Equipment does not interfere with or disturb the operation of any other equipment or business of Landlord or of any other licensee, tenant, or occupant of the

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Building. Tenant shall modify the Tenant Equipment or relocate the Tenant Equipment to another area approved by Landlord in the event that the Tenant Equipment, in Landlord's sole judgment, causes any interference with or disturbs the operation of any other equipment or business of Landlord or of any other occupants or licensees of the Building or creates or results in any unreasonable noise, odor, or nuisance to any other occupants of the Building, or areas adjacent to the Building. Tenant must immediately shut off the relevant Tenant Equipment upon notification of interference with other installations or

activities and may restart, modify, or relocate that Tenant Equipment to test for interference only with Landlord's permission. "Insurance Requirements" means all terms and any insurance policy obtained by Landlord or Tenant covering or applicable to the Property, the Leased Premises, or the Tenant Equipment Area, all requirements for the issuing of each such insurance policy; and all orders, rules, regulations, and other requirements of the National Board of Fire Underwriters (or any other bodies exercising any similar functions) which are applicable to the Building, the Property or any use or condition of the Building or the Property. "Legal Requirements" shall mean all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, and requirements of all governmental authorities foreseen or unforeseen which now or at any time hereafter may be applicable to the Building or the Property, including, without limitation, the Americans with Disabilities Act, all federal, state, and local laws regulations and ordinances pertaining to air and water quality, hazardous materials, waste disposal, and other environmental matters, and all laws, codes, and regulations pertaining to zoning, land use, health, or safety.

16. SITE TECHNICAL STANDARDS. Tenant will strictly comply with the Site

Technical Standards (Schedule 4) as adopted and altered by Landlord from time to

time and will cause all of the Tenant Related Parties to do so. All changes to such standards will be sent by Landlord to Tenant in writing. "Tenant Related Party" means Tenant's officers, partners, employees, agents, contractors, licensees, concessionaires, customers, and invitees.

17. ENTRY BY LANDLORD. Landlord and the Landlord-Related Parties shall

have access to the Tenant Equipment Areas at all times to inspect the same, clean the same, or make repairs, alterations or additions thereto and Tenant shall not be entitled to any abatement or reduction of License Fee by reason of any such entry. [However, Landlord will use reasonable efforts to protect the Tenant Equipment from damage or injury during any such entry.]

18. INDEMNIFICATION. Intentionally deleted.

19. DAMAGE. Landlord shall not be liable to Tenant for any loss or damage

to all or any part of the Tenant Equipment occasioned by theft, fire, act of God, public enemy, injunction, riot, vandalism, malicious mischief, earthquake, flood, strike, insurrection, war, court order, requisition, or order of governmental body or authority, or by any other cause beyond the control of the Landlord whatsoever. Nor shall Landlord be liable for any damage or inconvenience which may arise through the repair or alteration of any part of the Building.

20. INSURANCE. In addition to the insurance obligations of Tenant under

the Lease, Tenant shall maintain a policy or policies of fire and extended coverage insurance on the Tenant Equipment, in such amounts as Tenant may deem appropriate;

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21. TRANSFERS BY TENANT. Except in connection with the transfer of the

Lease to an Affiliate as provided in Section 5.4 of the Lease, Tenant shall not assign, convey, mortgage, pledge, hypothecate, encumber, or otherwise transfer any license or grant any license, concession, or other right with respect to the License without the prior written consent of Landlord, which consent may be granted or withheld in Landlord's sole discretion; and the License shall, at Landlord's sole option, terminate upon the occurrence of any attempted transfer of the License or the Lease or upon a subletting of the Premises except in connection with a transfer of the Lease to an Affiliate as provided for in the Lease.

22. DEFAULT BY TENANT. In addition to provisions of Article 8 of the

Lease, Tenant shall be deemed to be in default with respect to the License in the event that (a) Tenant shall fail to pay the License Fees within ten (10) days after Tenant's receipt of Landlord's written notice of such failure to pay; provided Landlord shall be required to give such notice only twice in any twelve (12) month period and thereafter Tenant shall be in default if any such payment is not received when due and without notice, or (b) Tenant shall fail to maintain the Tenant Equipment in good order and repair and in a safe condition as provided in this Exhibit and shall fail to remedy that condition within [(i)] twenty-four (24) hours after notice from Landlord [if such failure has an adverse effect on Landlord or other tenants of the Building or creates a possibility of immediate harm to person or property or (ii) thirty (30) days after notice from Landlord in all other circumstances], or (c) Tenant shall fail to maintain all necessary licenses and permits with respect to the operation of the Tenant Equipment. Upon a default by Tenant with respect to the License, Landlord may, at Landlord's sole election, pursue the remedies granted to

Landlord for default under the Lease or, in the alternative, terminate any License granted hereunder without terminating the Lease or terminating Tenant's right to possession of the Leased Premises under the Lease.

23. SURVIVAL. Certain provisions of this Exhibit relate to the rights and

obligations of Landlord and Tenant subsequent to the termination or expiration of the Lease Term. Such provisions include, without limitation, the restoration obligations of Tenant under Paragraph 13 hereof and the indemnification obligations of Tenant under Paragraph 19 hereof. Such provisions shall survive the expiration or other termination of the Lease Term and the License granted to Tenant hereunder.

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SCHEDULE "1"

To Exhibit D to Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP,
as Landlord and EQUINIX, INC., as Tenant

PRICING SCHEDULE

Any conduits allowed by Landlord in addition to Paragraph 2.a. shall be at a rate of \$250.00 per diameter inch per month.

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SCHEDULE "2"

To Exhibit D to Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP,
as Landlord and EQUINIX, INC., as Tenant

SERVICE FEES

The Service Fee is intentionally deleted

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SCHEDULE "3"

To Exhibit D to Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP,
as Landlord and EQUINIX, INC., as Tenant

LIST OF TENANTS TO WHOM LICENSEE MAY PROVIDE SERVICES
=====

AS MAY BE AMENDED FROM TIME TO TIME

MFS Intelenet of Texas (Worldcom)
Allegiance Telecom
IXC
Splitrock Communications
RSL
Communications
ENRON Communications
Time Warner Communications
MetroFiber Networks
Prism Communications
Logix
Focal Communications
Telegent
Wynstar
Verio, Inc.
Kintetsu Global
The Planet
Leasenet
Nextlink One
Nextlink Texas
American Telesource
Unicomp
Level 3

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SCHEDULE "4"

To Exhibit D to Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP,
as Landlord and EQUINIX, INC., as Tenant

TELECOMMUNICATIONS EQUIPMENT SYSTEMS DIAGRAM
=====

This schematic describes the telecommunications equipment systems to be installed for the limited purpose of the license described herein.

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SCHEDULE "5"

To Exhibit D to Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP,
as Landlord and EQUINIX, INC., as Tenant

LOCATION OF COOLING EQUIPMENT
=====

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SCHEDULE "6"

To Exhibit D to Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP,
as Landlord and EQUINIX, INC., as Tenant

SITE TECHNICAL STANDARDS
=====

1. The fiber transmission cables and all copper telephone cables must be Teflon (or of City approved fire retardant material) jacketed type cable, and secured by either stainless steel clamps or approved equal when not run in EMT type conduit. Excess transmission line must be removed.
2. Each fiber or copper telephone line or conduit shall be identified with stainless steel tags that identifies the user/Licensee: (1) at the equipment cabinet; (2) at each side of horizontal/vertical penetration (3) as the line traverses the Building at a minimum of 72' intervals, coincident with column lines, and (4) at the termination point(s).
3. The location and installation of all equipment and conduit will be designated by the site coordinator. These locations will be shown on the License. Changes must be approved in writing by the site coordinator. Any conduit or cable failing to meet the above standards will be immediately removed from the Building at Licensee's expense. In the event Licensee fails to promptly remove any such conduit or cable, Licenser may do so at Licensee's expense.
4. On a 24-hour notice, the Site Equipment will be made available for inspection by the site coordinator to assure compliance with the above standards.
5. The following information is essential for site coordination and must be provided. Any and all changes must have prior approval and be reported to the site coordinator.
 - a) Manufacturer and model number of all end equipment.
 - b) Type and length of all cable and lines.
 - c) The name, address and telephone number of the person or group directly responsible for the day-to-day maintenance.
 - d) The name, address and telephone number of the person or group directly responsible for the License Agreement.

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SCHEDULE "7"

To Exhibit D to Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP,
as Landlord and EQUINIX, INC., as Tenant

LOCATION OF GENERATOR AND TANK
=====

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EXHIBIT "E"

To Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP, as Landlord
and EQUINIX, INC., as Tenant

RENEWAL OPTIONS

This Exhibit "E" describes the renewal option described below, which is being granted upon the following terms and conditions:

1. DEFINED TERMS. For purposes of this Exhibit "E", all terms defined in this -----
Lease (including other exhibits to this Lease) will be used in this Exhibit without further definition. In addition, when delineated with initial capital letters, the following terms shall have the following respective meanings:
 - (a) "Renewal Date" shall mean the first day next following the expiration date of the Lease Term.
 - (b) "Renewal Term" shall mean a period commencing on the Renewal Date and continuing for sixty (60) full calendar months.
 - (c) "Prevailing Market Rate" shall mean the rate of base rental rate being charged by Landlord to new tenants having a financial condition comparable to that of Tenant for comparable space within the Building for a comparable term as of the date of Tenant's exercise of the Option. For purposes of this Exhibit, the phrase "new tenants" shall mean (i) tenants who executed comparable leases within six (6) months prior to Tenant's exercise of the applicable Option or (ii) if no comparable lease exists within that six (6) month period, tenants who have executed comparable leases within twelve (12) months prior to Tenant's exercise of that Option. Landlord shall notify Tenant of the then prevailing market rate ("Rate Notice") promptly after Tenant's exercise of the Option; and if such rate is not acceptable to Tenant, then Tenant has the right to rescind its exercise of the Option by providing a written revocation notice to Landlord within ten (10) days of Tenant's receipt of Landlord's Rate Notice. In such case Tenant will have no further right to renew this Lease under Exhibit "E".
2. GRANT OF OPTION. Tenant shall have the following options ("Options") to -----
renew this Lease:
 - (a) Tenant may, by notifying Landlord of its election in writing at least six (6) full calendar months prior to the end of the Lease Term, renew this Lease for the first (1/st/) Renewal Term. Such renewal shall be on all of the terms and conditions of this Lease which are not inconsistent with the terms of this Exhibit.
 - (b) The Base Rental payable beginning on the first (1/st/) Renewal Date and continuing for sixty (60) months thereafter shall be at the prevailing market rate.

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 - (c) If Tenant exercises its option to renew this Lease for the first (1/st/) Renewal Term, then Tenant may, by notifying Landlord of its election in writing at least six (6) full calendar months prior to the end of the first (1/st/) Renewal Term, renew this Lease for the second (2/nd/) Renewal Term. Such renewal shall be on all of the terms and conditions of this Lease which are not inconsistent with the terms of this Exhibit, except that no renewal option shall exist during the second (2/nd/) Renewal Term.
 - (d) The Base Rental payable beginning on the second (2/nd/) Renewal Date and continuing for sixty (60) months thereafter shall be at the prevailing market rate.
3. GENERAL PROVISIONS. Tenant's failure to notify Landlord of Tenant's -----
election to exercise the Option in the manner and within the specified time limit, shall constitute an irrevocable waiver of such Option. Tenant's failure to provide Landlord with a revocation notice in the manner and within the specified time limit shall be an irrevocable waiver of Tenant's revocation option. Notwithstanding the foregoing, the Option shall not be applicable at any time when there is an uncured event of default under the Lease. In addition, the Option shall automatically terminate upon the termination of the Lease Term, whether by Landlord upon the occurrence of an event of default or otherwise or, at the option of Landlord, in its sole discretion, upon the assignment, subletting, or other transfer by Tenant, whether or not with the approval of Landlord, to any person or entity other than to an Affiliate allowed by the provisions of this Lease.

INITIALS
Landlord _____ Tenant _____

EXHIBIT "F"

To Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP, as Landlord
and EQUINIX, INC., as Tenant

SUBORDINATION, ATTORNMENT AND
NON-DISTURBANCE AGREEMENT

This SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT (this
"Agreement"), is made as of the _____ day of _____, 1999, between GERMAN

AMERICAN CAPITAL CORPORATION and its successors and assigns ("Beneficiary"),

[LANDLORD] ("Landlord") and [TENANT] ("Tenant").

WHEREAS, Beneficiary has agreed to make a loan to Landlord to be
secured by a Deed of Trust, Security Agreement, Financing Statement, Fixture
Filing and Assignment of Leases, Rents and Security Deposits (together with any
UCC-1 Financing Statements in connection therewith, the "Mortgage"), as well as

by a separate Assignment of Leases, Rents and Security Deposits (the
"Assignment"; the Assignment and the Mortgage, as the same may hereafter be

amended, modified, extended, consolidated, severed, spread, increased, replaced
or supplemented, are collectively referred to as the "Security Documents")

covering Landlord's interest in certain real and personal property located in
Dallas, Texas and more particularly described in Exhibit A hereto (the
"Property"); and

WHEREAS, Tenant has entered into a certain lease, as the same may have
been amended, modified or supplemented (the "Lease") dated _____,

19__, with Landlord (or its predecessor), covering a certain portion of the
Property (the "Premises"); and

WHEREAS, Beneficiary, Landlord and Tenant desire to confirm their
understanding, with respect to the Lease, the Mortgage and the Assignment;

NOW, THEREFORE, in consideration of the promises set forth herein, and
other good and valuable consideration, the receipt and sufficiency of which are
hereby acknowledged, the parties hereby agree as follows:

1. Subordination. Subject to the provisions hereof, Tenant agrees

that the Lease, as it may hereafter be amended from time to time, shall in all
respects be, and is hereby expressly made, subject and subordinate at all times
to the lien of the Security Documents and to all of the terms, conditions and
provisions thereof and to all advances and/or payments made or to be made
thereunder, as the same may hereafter be amended from time to time. Nothing
contained in this Agreement shall in any way impair or affect the lien created
by the Security Documents.

2. Attornment.

(a) In the event that Beneficiary acquires or succeeds to the
interests of Landlord under the Lease by reason of a foreclosure, deed-in-lieu
of foreclosure or otherwise (collectively, a "Foreclosure"), Tenant shall be

bound to Beneficiary under all of the terms, covenants and conditions of the
Lease, except as provided in this Agreement, for the balance of

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the term thereof remaining, with the same force and effect as if Beneficiary
were Landlord. Tenant hereby agrees in such event to (i) attorn to Beneficiary
as its landlord on such terms, (ii) affirm its obligations under the Lease, and
(iii) make payments of all sums thereafter becoming due under the Lease to
Beneficiary. Said attornment, affirmation and agreement is to be effective and
self-operative without the execution of any further instruments upon Beneficiary
succeeding to the interests of Landlord under the Lease.

(b) Tenant agrees to execute and deliver at any time and from
time to time, upon the request of Landlord or Beneficiary, any instrument or
certificate deemed to be necessary or appropriate to evidence such attornment.

(c) If any act or omission of Landlord would give Tenant the
right, immediately or after the lapse of a period of time, to cancel or

terminate the Lease or abate the rent payable thereunder or to claim a partial or total eviction, Tenant shall not exercise such right until (i) it has given written notice of such act or omission to Landlord and Beneficiary, (ii) Landlord fails to remedy such act or omission within the applicable time period stated in the Lease for effecting such remedy and (iii) a reasonable period for remedying such act or omission shall have elapsed following the failure of Landlord to effect such remedy and following the time when Beneficiary shall have become entitled under the Mortgage to remedy the same (which reasonable period shall in no event be less than the period to which Landlord is entitled under the Lease or otherwise, after similar notice, to effect such remedy, plus two additional weeks). In the case of an act or omission which Beneficiary undertakes to remedy but which cannot practicably be remedied by Beneficiary without taking possession of the Premises [and provided that Beneficiary notifies Tenant in writing that Beneficiary will in fact cure that default as soon as reasonably practicable after Beneficiary has taken possession, then] (i) such reasonable period shall not commence until Beneficiary has possession of the Premises and (ii) Beneficiary shall proceed with reasonable diligence to obtain possession of the Premises, and upon obtaining such possession shall with reasonable diligence remedy such act or omission.

(d) From and after such attornment, Beneficiary shall be bound to Tenant under all the terms, covenants and conditions of the Lease; provided, however, Beneficiary shall not be:

(1) obligated to cure any defaults under the Lease of any prior landlord (including Landlord) which occurred prior to the date Beneficiary obtained title to or possession of the Property;

(2) liable for any act or omission of any prior landlord (including Landlord) which occurred prior to the date Beneficiary obtained title or possession of the Property;

(3) obligated to fund any security deposit unless actually received by Beneficiary;

(4) bound by any amendment, modification or termination of the Lease unless such amendment, modification or termination was consented to in writing by Beneficiary;

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(5) subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord); or

(6) bound by any base rental or additional rental or advance payment of rent which Tenant paid for more than the current month to any prior landlord (including Landlord).

(e) Anything herein or in the Lease to the contrary notwithstanding, in the event that Beneficiary shall acquire title to the Premises by reason of a Foreclosure, Beneficiary shall have no obligation, nor incur any liability, beyond Beneficiary's then interest, if any, in the Property (including any title and casualty insurance proceeds and condemnation awards actually paid to Beneficiary), and Tenant shall look exclusively to such interest of Beneficiary in the Property for the payment and discharge of any obligations which may be imposed upon Beneficiary hereunder or under the Lease.

3. Non-Disturbance. Provided Tenant is not in default under the

terms of the Lease and complies with this Agreement, Beneficiary agrees that in the event Beneficiary acquires title to the Property by reason of a Foreclosure, Tenant's possession and occupancy of the Premises and Tenant's rights and privileges under the Lease during the term thereof (including any renewal term) shall not be disturbed, subject to limitations or conditions set forth in this Agreement and Beneficiary shall recognize the Lease and Tenant's rights hereunder. Subject to the limitations and conditions contained herein, Beneficiary upon Foreclosure shall be deemed to be Landlord and shall assume the obligations of Landlord under the Lease thereafter arising or accruing.

4. Notices.

(a) All notices, demands and requests (collectively the "Notices") required or permitted to be given under this Agreement must be in writing and shall be deemed to have been given if personally delivered or delivered by reliable overnight courier or mailed by certified mail, return receipt requested, postage prepaid and shall be deemed delivered as of the date of such Notice if (i) delivered to the party intended; (ii) delivered to the then current address of the party intended, or (iii) rejected at the then current address of the party intended, provided such Notice was sent prepaid. The addresses of the parties are:

If to Beneficiary: German American Capital Corporation
31 West 52nd Street
New York, New York 10019[]

Attention: General Counsel

If to Tenant:

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If to Landlord:

(b) Upon at least ten (10) days prior written Notice, each party shall have the right to change its address to any other address within the United States of America.

5. Miscellaneous. This Agreement (i) contains the entire

agreement with respect to the subject matter hereof; (ii) may not be modified or terminated, nor may any provision hereof be waived, orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors, administrators and assigns; and (iii) shall inure to the benefit of, and be binding upon, the parties hereto, and their successors and assigns (including, without limitation, (a) Tenant's permitted assignees and (b) any purchaser of the Property pursuant to a Foreclosure).

6. Applicable Law. This Agreement shall be governed by and

construed in accordance with the laws of the state in which the Property is located.

IN WITNESS WHEREOF, Beneficiary, Landlord and Tenant have executed this Agreement effective as of the day and year first above written.

GERMAN AMERICAN CAPITAL CORPORATION

By: _____
Its: _____

[TENANT]

By: _____
Its: _____

[LANDLORD]

By: _____
Its: _____

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EXHIBIT "G"

To Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP, as Landlord and EQUINIX, INC., as Tenant

PARKING

This Exhibit "F" describes and specifies Tenant's non-exclusive option, but not the obligation to use non-reserved parking spaces ("Garage Spaces") located inside the Building's exterior card access parking garage ("Parking Garage"), and reserved parking spaces ("Lower Level Spaces") on the lower level of the Building's interior card access parking garage ("Lower Level Garage"). For convenience, the Garage Spaces and the Lower Level Spaces will sometimes be collectively referred to as the "Spaces" in this Exhibit. Landlord reserves the right at Landlord's sole discretion to relocate any of the Spaces. Additionally, spaces in the surface parking lots associated with the Building and located on the Property ("Surface Parking") are provided for the non-exclusive and common use of Landlord, all tenants of the Building, and their respective guests and invitees. Utilization of the Surface Parking is subject to availability (and Landlord shall have no obligation to provide available Surface Parking) and to such rules and regulations as may be promulgated by Landlord from time to time. Use of the Parking Garage, Lower Level Garage and the Surface Parking is subject to the terms and conditions set forth below.

1. DEFINITIONS. Terms which are defined in the Lease will be used without

further definition in this Exhibit.

2. GRANT AND RENTAL FEE. Provided no event of default has occurred and is

continuing under the Lease, Tenant shall be permitted non-exclusive use of Spaces in the Parking Garage during the Lease Term for the parking of

fifty-three (53) vehicles at such monthly rates and subject to such terms, conditions, and regulations as are, from time to time, promulgated by Landlord and charged or applicable to patrons of said parking Garage for spaces similarly situated within said Parking Garage. The parking rate for each of the Spaces as of the date hereof is \$45.00. Provided no event of default has occurred and is continuing under the Lease, Tenant shall be permitted exclusive use of eighteen (18) reserved Lower Level Spaces in the Lower Level Garage upon availability during the Lease Term at such monthly rates and subject to such terms, conditions, and regulations as are, from time to time, promulgated by Landlord and charged or applicable to patrons of said Lower Level Garage. The parking rate for each of the Lower Level Spaces as of the date hereof is \$60.00 for spaces designated on the attached Schedule 1 "Lower Level Garage Pricing Schedule" as "circle" parking and \$90.00 for spaces designated as "diamond" parking. Tenant shall also have the right to use the Surface Parking, free of charge, during the Lease Term.

3. RISK. All motor vehicles (including all contents thereof) shall be parked

 in the Garage Spaces, Lower Level Spaces or in the Surface Parking, as applicable, at the sole risk of Tenant, its employees, agents, invitees and licensees, it being expressly agreed and understood that Landlord has no duty to insure any of said motor vehicles (including the contents thereof), and that Landlord is not responsible for the protection and security of such vehicles. Landlord shall have no liability whatsoever for any property damage

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and/or personal injury which might occur as a result of or in connection with the parking of said motor vehicles in any of the Garage Spaces, Lower Level Spaces or in the Surface Parking, as applicable, and Tenant hereby agrees to indemnify and hold Landlord harmless from and against any and all costs, claims, expenses, and/or causes of action which Landlord may incur in connection with or arising out of Tenant's use of the Garage Spaces, Lower Level Spaces or the Surface Parking pursuant to this Agreement.

4. RULES AND REGULATIONS. In its use of the Garage Spaces, Lower Level Spaces

 and the Surface Parking, Tenant shall follow all of the Rules and Regulations of the Building (attached to the Lease as Exhibit "B") applicable thereto, as the same may be amended from time to time. Upon the occurrence of any breach of such rules or default by Tenant under the Lease, Landlord shall be entitled to terminate this Exhibit, in which event Tenant's right to utilize the Garage Spaces, Lower Level Spaces and/or the Surface Parking shall thereupon automatically cease.

5. SECURITY. Landlord shall be entitled to utilize whatever access device

 Landlord deems necessary (including but not limited to the issuance of parking stickers or access cards), to insure that only tenants authorized to use spaces in the Parking Garage and Lower Level Garage are using such spaces. In the event Tenant, its agents or employees wrongfully park in any of the Parking Garage's or Lower Level Parking Garage's spaces, Landlord shall be entitled and is hereby authorized to have any such vehicle towed away, at Tenant's sole risk and expense, and Landlord is further authorized to impose upon Tenant a penalty of \$25.00 for each such occurrence. Tenant hereby agrees to pay all amounts falling due hereunder upon demand therefor, and the failure to pay any such amount shall additionally be deemed an event of default under the Lease, entitling Landlord to all of its rights and remedies thereunder.

6. ADDITIONAL SPACES. In the event that Tenant expands the Leased Premises,

 Tenant shall be entitled to additional Garage Spaces within the Parking Garage based upon a ratio of one (1) additional Space per additional 1,000 Usable Square Feet incorporated into the Leased Premises and additional Lower Level Spaces within the Lower Level Garage based upon a ratio of one (1) reserved parking space per 3,000 Rentable Square Feet incorporated into the Lease Premises upon availability. Such additional Garage Spaces and Lower Level Spaces shall be subject to such monthly rates, terms, conditions, and regulations as are, from time to time, promulgated by Landlord and charged or applicable to patrons of said Parking Garage or Lower Level Garage for spaces similarly situated within said Parking Garage or Lower Level Garage.

Schedule 1- Lower Level Garage Price Schedule

 INITIALS
 Landlord _____ Tenant _____

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SCHEDULE "1"

To Exhibit E to Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP.,
as Landlord and [TENANT NAME], as Tenant

Lower Level Garage Price Schedule
(For illustrative purposes only)

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EXHIBIT "H"

To Lease Agreement By and Between NEXCOMM ASSET ACQUISITION I, LP, as Landlord
and EQUINIX, INC., as Tenant

WORK LETTER

This Work Letter ("Work Letter") describes and specifies the right and obligations of Landlord and Tenant with respect to certain allowances granted to Tenant hereunder and rights and responsibilities of Landlord and Tenant with respect to the design, construction and payment for the completion of Tenant's installation of the Tenant Equipment defined in Exhibit D (the "Improvements") within the Leased Premises, in the Building or on the Property.

1. DEFINITIONS. Terms which are defined in the Lease shall have the

same meaning in this Work Letter. Additionally, as used in this Work Letter, the following terms (when delineated with initial capital letters) shall have the respective meaning indicated for each as follows:

(a) "Allowance" is intentionally omitted.

(b) "Basic Construction of the Building" shall mean the

structure of the Building as built on the date of this Work Letter.

(c) "Landlord's Architect" shall mean the architect designated

by Landlord as its architect, from time to time, to perform the functions of Landlord's Architect hereunder.

(d) "Plans and Specifications" shall mean collectively, the

plans, specifications and other information prepared or to be prepared by Tenant's Architect and, where necessary, by Landlord's electrical, mechanical and structural engineers, all at Tenant's expense, which shall detail the Work required by Tenant in the Leased Premises and which shall be approved in writing by both Tenant and Landlord prior to the commencement of such Work.

(e) "Tenant's Architect" shall mean an architect, selected by

Tenant, and approved by Landlord in an exercise of reasonable discretion who is an architect licensed to practice in the State of Texas.

(f) "Work" shall mean all materials and labor to be added to the

Basic Construction of the Building in order to complete the installation of the Improvements within the Leased Premises, in the Building or on the Property for Tenant in accordance with the Plans and Specifications, including, without limitation any modifications to the Building, any electrical or plumbing work required to meet Tenant's electrical and plumbing requirements, and any special air conditioning work required to be performed in the Leased Premises, in the Building or on the Property.

(g) "Cost of the Work" shall mean the cost of all materials and

labor to be added to the Basic Construction of the Building in order to complete the installation of the

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Improvements within the Leased Premises, in the Building or on the Property in accordance with the Plans and Specifications.

(h) "Tenant's Costs" shall mean that portion of the Cost of the

Work in excess of Allowance.

(i) "Change Costs" shall mean all costs or expenses attributable

to any change in the Plans and Specifications which, when added to other costs and expenses incurred in completing the Work, exceed Allowance, including, without limitation, (i) any cost caused by direction of Tenant to omit any item of Work contained in the Plans and Specifications, (ii) any additional architectural or engineering services, (iii) any changes to materials in the process of fabrication, (iv) the cancellation or modification of supply or fabricating contracts, (v) the removal or alteration of any Work or any plans completed or in process, or (vi) delays affecting the schedule of the Work.

(j) "Working Days" shall mean all days of the week other than

Saturday, Sunday, and legal holidays.

(k) "Contractor" shall mean the contractor or contractors

engaged by Tenant to perform the Work in accordance with the provisions of Section 4.2(b) of the Lease.

2. PROCEDURE AND SCHEDULES FOR THE COMPLETION OF PLANS AND

SPECIFICATIONS. The Plans and Specifications shall be completed in accordance

with the following procedure and time schedules:v

(a) Design Drawings. Within ninety (90) Working Days from execution

of the Lease, Tenant shall submit to Landlord four (4) sets of prints of design drawings, specifying the intended design, character and finishing of the Improvements within the Leased Premises, in the Building or on the Property. Such package shall include separate drawings for signs in accordance with Landlord's sign criteria. The design drawings shall set forth the requirements of Tenant with respect to the installation of the Improvements within the Leased Premises, in the Building or on the Property, and such drawings shall include, without limiting their scope, a Tenant approved space plan, architectural design of the space, including office front, plans, elevations, sections, and renderings indicating materials, color selections and finishes.

(i) After receipt of design drawings, Landlord shall return to Tenant one set of Prints of design drawings with Landlord's suggested modifications and/or approval. If, upon receipt of approved design drawings bearing Landlord's comments, Tenant wishes to take exception thereto, Tenant may do so in writing, by certified mail addressed to Landlord, within five (5) Working Days from the date of receipt of Landlord's comments on the design drawings. Unless such action is taken, Tenant will be deemed to have accepted and approved all of Landlord's comments on the design drawings.

(ii) If design drawings are returned to Tenant with comments, but not bearing approval of Landlord, the design drawings shall be immediately revised by Tenant and resubmitted to Landlord for approval within ten (10) Working Days of their receipt by Tenant.

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(b) Completion of Plans and Specifications. All Plans and

Specifications shall be prepared in strict compliance with applicable Building standards and requirements, this Work Letter and otherwise, and shall also adhere to the design drawings approved by Landlord. In order to assure the compatibility of Tenant's electrical and mechanical systems and the compatibility of Tenant's structural requirements with the existing Building and in order to expedite the preparation of Tenant's electrical, mechanical and structural drawings, Tenant or Tenant's Architect shall deliver to Landlord's Architect, not later than thirty (30) Working Days from the date of Landlord's approval of design drawings, a detailed plan setting forth any and all electrical, mechanical and structural requirements, and Landlord's Architect shall retain, at Tenant's expense, Landlord's electrical, mechanical and structural engineers to prepare all necessary electrical, mechanical and structural construction drawings which shall be included as a part of the Plans and Specifications. All construction documents and calculations prepared by Tenant's Architect shall be submitted by Tenant, in the form of four (4) sets of blue-line prints, to Landlord for approval within ten (10) Working Days after the date of receipt by Tenant of Landlord's approval of design drawings. If the Plans and Specifications are returned to Tenant with comments, but not bearing approval of Landlord, the Plans and Specifications shall be immediately revised by Tenant and resubmitted to Landlord for approval within fifteen (15) Working Days of their receipt by Tenant.

(i) The fees for Tenant's Architect and any consultants or engineers retained by or on behalf of Tenant or Tenant's Architect (including, but not limited to, the electrical, mechanical and structural engineers required to be retained under this paragraph) shall be paid by Tenant. Tenant shall also

pay for any preliminary drawings by Landlord's Architect for review of the design drawings, the Plans and Specifications, and any revisions to such documents, and the fees and expenses of Landlord's Architect for inspection of the Work, as required by Landlord. Tenant may use funds from the Allowance to make such payments.

(ii) Tenant shall have the sole responsibility for compliance of the Plans and Specifications with all applicable statutes, codes, ordinances and other regulations, and the approval of the Plans and Specifications or calculations included therein by Landlord shall not constitute an indication, representation or certification by Landlord that such Plans and Specifications or calculations are in compliance with said statutes, codes, ordinances and other regulations. In instances where several sets of requirements must be met, the requirements of Landlord's insurance underwriter or the strictest applicable requirements shall apply where not prohibited by applicable codes.

3. TERMINATION RIGHT. If for any reason (other than default by

Tenant) Landlord and Tenant have not agreed in writing upon final Plans and Specifications on or before the date which is ninety (90) Working Days from the date hereof, then Landlord or Tenant shall have the right to terminate the Lease by providing the other party with written notice of the electing parties' decision to terminate this Lease within thirty (30) days from the expiration of such ninety (90) day period. The failure of either party to exercise such termination right in the manner and within the time period specified above shall be deemed to be an irrevocable waiver of such right.

4. PAYMENT. In the event Landlord acts as the general contractor for

the Improvements in the Leased Premises, in the Building or on the Property, the Allowance will be

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applied to offset the amounts due Landlord as reflected in the monthly invoices therefor submitted by Landlord to Tenant. In the event Landlord does not act as the general contractor for the Improvements in the Leased Premises, in the Building or on the Property, Landlord shall pay the Allowance to Tenant within forty-five (45) days of Landlord's receipt of general contractor's waiver of lien submitted by Tenant to Landlord.

5. PERFORMANCE OF WORK AND DELAYS. Tenant shall cause the Contractor

to perform the Work in strict accordance with the Plans and Specifications. If a delay shall occur in the completion of the Work by Tenant as the probable result of (i) any failure to furnish when due Tenant's design drawings, Tenant's electrical, mechanical and/or structural requirements, Tenant's Plans and Specifications or any revision to any such documents, (ii) any change by Tenant in any of the Plans and Specifications, (iii) any state of facts which gives rise to a change referred to in the definition of Change Costs or any changes resulting in a Change Cost, (iv) any other act or omission of Tenant, its agents or employees, including any violation of the provisions of the Lease or any delay in giving authorizations or approvals pursuant to this Work Letter, or (v) any other cause except (a) as specified in Section 8.1 of the Lease or (b) arising from a default by Landlord, then any such delay shall not justify any

extension of the Commencement Date of the Lease.

6. CHANGE ORDERS. All changes and modifications in the Work from

that contemplated in the Plans and Specifications, whether or not such change or modification gives rise to a Change Cost, must be evidenced by a written Change Order executed by both Landlord and Tenant. In that regard, Tenant shall submit to Landlord such information as Landlord shall require with respect to any Change Order requested by Tenant. After receipt of requested Change Order, together with such information as Landlord shall require with respect thereto, Landlord shall return to Tenant either the executed Change Order, which will evidence Landlord's approval thereof, or the Plans and Specifications with respect thereto with Landlord's suggested modification.

7. WHOLE AGREEMENT; NO ORAL MODIFICATION. This Work Letter embodies

all representations, warranties and agreements of Landlord and Tenant with respect to the matter described herein, and this Work Letter may not be altered or modified except by an agreement in writing signed by the parties.

8. PARAGRAPH HEADINGS. The paragraph headings contained in this Work

Letter are for convenient reference only and shall not in any way affect the meaning or interpretation of such paragraphs.

9. NOTICES. All notices required or contemplated hereunder shall be

given to the parties in the manner specified for giving notices under the Lease.

10. BINDING EFFECT. This Work Letter shall be construed under the

laws of the State of Texas and shall be binding upon and shall inure to the
benefit of the parties hereto and their respective permitted successors and
assigns.

11. CONFLICT. In the event of conflict between this Work Letter and

any other exhibits or addenda to this Lease, this Work Letter shall prevail.

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INITIALS
Landlord _____ Tenant _____

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[*]

DEED OF LEASE
FOR
WAREHOUSE SPACE

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*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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[*]

DEED OF LEASE

THIS DEED OF LEASE (the "Lease") is made and entered into this 15/th/ day of December, 1999, by and between TRIZECHAHN CENTERS, INC. dba TRIZECHAHN BEAUMEADE CORPORATE MANAGEMENT, a California corporation ("Landlord") and EQUINIX, INC., a Delaware corporation ("Tenant").

In consideration of the Rent hereinafter reserved and the agreements hereinafter set forth, Landlord and Tenant mutually agree as follows:

1. DEFINITIONS.

Except as otherwise expressly provided or unless the context otherwise requires, the following terms shall have the meanings assigned to them in this Section:

A. Alterations: Any improvements, alterations, fixed decorations or modifications, structural or otherwise, to the Premises, the Building or the Land, as defined below, including but not limited to the installation or modification of carpeting, partitions, counters, doors, air conditioning ducts, plumbing, piping, lighting fixtures, wiring, hardware, locks, ceilings and window and wall coverings.

B. Building: The building located on [*] in Ashburn, Virginia, in the Park (as hereinafter defined) in which the Premises are located. Except as expressly indicated otherwise, the term "Building" shall include all portions of said building, including but not limited to the Premises and the common areas of said building .

C. Consumer Price Index (Regular and Base): [Intentionally omitted.]

D. Default Rate: That rate of interest which is two (2) percentage points above the annual rate of interest which is publicly announced by Bank of America or its successor entity, if applicable ("Bank of America"), from time to time as its "prime" rate of interest, irrespective of whether such rate is the lowest rate of interest charged by Bank of America to commercial borrowers. In the event that Bank of America ceases to announce such a prime rate of interest, Landlord, in Landlord's reasonable discretion, shall designate the prime rate of interest by another bank located in the Washington, D.C. metropolitan area, which shall be the prime rate of interest used to calculate the default rate.

E. Fiscal Year: Each consecutive twelve (12) month period during the Term of this Lease that commences on January 1 and concludes on December 31 inclusive.

F. Ground Leases: All ground and other underlying leases from which Landlord's title to the Land and/or the Building is or may in the future be derived.

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"Ground Lessors" shall denote those persons and entities holding such ground or underlying leases.

G. Holidays: New Year's Day, Presidents' Day, Martin Luther King, Jr.'s Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day and any other holidays designated by an executive order of the President of the United States or by Act of Congress.

H. Land: The real estate that supports the Building as more

fully described on Exhibit F attached hereto and made a part hereof, and all associated easements.

I. Park Common Areas: All areas, improvements, facilities and equipment from time to time designated by Landlord for the common use or benefit of Tenant, other tenants of the Building or the Park and their agents, including, without limitation, roadways, entrances and exits, landscaped areas, open areas, park areas, exterior lighting, service drives, loading areas, pedestrian walkways, sidewalks, atriums, courtyards, concourses, stairs, ramps, washrooms, maintenance and utility rooms and closets, exterior utility lines, hallways, lobbies, elevators and their housing and rooms, common window areas, common walls, common ceilings, common trash areas and parking facilities.

J. Landlord's Work: All work to be performed by Landlord as set forth on Exhibit C-1 attached hereto and made a part hereof.

K. Lease Commencement Date: The date this Lease commences, as determined pursuant to Subsection 2.A. below.

L. Lease Year: That period of twelve (12) consecutive calendar months that commences on the first day of the calendar month in which the Lease Commencement Date occurs, and each consecutive twelve (12) month period thereafter. The earliest such twelve (12) month period shall be referred to as the "first Lease Year," and each of the following Lease Years shall similarly be numbered for identification purposes.

M. Mortgages: All mortgages, deeds of trust and similar security instruments which may now or in the future encumber or otherwise affect the Building or the Land, including mortgages related to both construction and permanent financing. "Mortgages" shall denote those persons and entities holding such mortgages, deeds of trust and similar security instruments.

N. Park Common Area Maintenance Expenses: All costs and expenses incurred by Landlord during any Fiscal Year in owning, managing, operating and maintaining the Park Common Areas, as determined by Landlord in accordance with an accounting system established and regularly applied by Landlord. Such costs and expenses shall include, but not be limited to the cost of insurance for the Building and the Park; labor costs (including social security taxes and contributions and fringe benefits); charges under maintenance and service contracts (including but not limited to chillers, boilers, elevators, window and security services); the cost of water, gas, sanitary sewer, storm sewer, electricity, and other utilities to Park Common Areas; the cost of services to Park Common Areas and facilities and systems related thereto (including but not limited to, paving and parking areas,

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lighting and sound facilities, storm and sanitary drainage systems, utility conduits, systems and ducts, fire protection systems, sprinkler systems, security systems, Building signs, whether or not located on the Land, retaining walls, curbs, gutters, fences, sidewalks, canopies, steps, ramps, grass, trees and shrubbery), which services may include, among other things, ice and snow removal, lighting, cleaning, landscaping, gardening, sweeping, painting, and resurfacing; that portion of management fees which does not exceed three percent (3%) of the aggregate gross revenues received by Landlord from the Park from all sources; business taxes, license fees, public space and vault rentals and charges; assessments imposed by any association now or hereafter established to maintain the Park Common Areas (including, but not limited to, assessments imposed by any association with respect to the Park); and the cost of any equipment or services provided by Landlord in connection with the servicing, operation, maintenance repair and protection of the Park Common Areas and related exterior appurtenances (whether or not provided on the Lease Commencement Date). Park Common Area Maintenance Expenses shall include the cost of capital improvements made by Landlord to manage, operate or maintain the Park Common Areas together with any financing charges incurred in connection therewith, provided that such costs shall be amortized over the useful life of the improvements and only the portion attributable to the Fiscal Year shall be included in Park Common Area Maintenance Expenses for the Fiscal Year; further provided, that such expenditures shall be (a) limited to those replacements of Park components (other than buildings) with other Park components (other than buildings) which serve similar purposes and which are reasonably necessary to keep the Park in good repair, in Landlord's reasonable judgment, and which will not change the character of the Park, (b) improvements or Park components (other than buildings) added to the Park which in Landlord's reasonable judgment will increase the efficiency the Park (i.e., are reasonably anticipated by Landlord to reduce Park Common Area Maintenance Expenses as they relate to the item which is the subject of the capital expenditure or to reduce the rate of increase in the Park Common Area Maintenance Expense which relates to the item which is the subject of the capital expenditure from what it otherwise may have been reasonably anticipated to be in the absence of such capital expenditure), and (c) improvements or replacements which are required to comply with the requirements of any laws, regulations or insurance or utility company requirements, except for conditions existing in violation thereof on the Lease Commencement Date. Common Area Maintenance Expenses shall not include (i) Real Estate Tax Expenses, (ii) payments of principal and interest on any Mortgages,

(iii) leasing commissions, (iv) costs of preparing, improving or altering any spaces in preparation for occupancy of any new or renewal tenant, (v) costs incurred by Landlord on account of utilities, char services or other services attributable to space occupied by any tenant of the Building, (vi) the cost of damage and repairs necessitated by the gross negligence or willful misconduct of Landlord or of Landlord's agents and employees, (vii) any cost or expense incurred by reason of the remediation or clean-up of any contamination of the Building, the Land or the Park, or the soils or ground water underlying the Building, the Land or the Park, by hazardous materials or toxic substances to the extent that either (A) such contamination existed prior to the Lease Commencement Date and was not caused by Tenant or any of its employees, agents or contractors, or (B) such contamination arose on or after the Lease Commencement Date and was caused by any other tenant of the Park or by Landlord or any of its employees, agents or contractors, (viii) overhead costs and profit increment paid to subsidiaries or affiliates of Landlord for services on or for the Building, the Land or the Park, to the extent only that the cost of such services exceed the competitive costs of such services were they not so rendered by a subsidiary or affiliate of Landlord, (ix) any

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deductible on Landlord's insurance policy in excess of Fifty Thousand Dollars (\$50,000,00), (x) the costs, including permit, license and inspection costs, incurred with respect to the construction of the Building, (xi) the cost of any services provided to other tenants of the Park which are not made available to Tenant, (xii) legal fees, brokerage commissions, advertising costs, or other related expenses incurred in connection with the leasing of the Building or the Park or associated with monetary disputes with tenants or other occupants of the Building or the Park or with the enforcement of any monetary provision of any lease or defense of Landlord's title to or interest in the Building or the Park or any part thereof, (xiii) except to the extent allocable to the Park, salaries of personnel to the extent that such personnel perform services other than in connection with the management, operation, repair or maintenance of the Building, the Land or the Park, and (xiv) Landlord's general corporate overhead and general and administrative expenses not related to the Building, the Land or the Park.

O. Park: That certain business park located in Ashburn, Virginia known as [*] which as of the date of this Lease contains approximately [*] rentable square feet in five (5) buildings, known as 21731, 21721, 21711, 21701, and the Building (with an address to be determined).

P. Premises: [*] square feet of rentable area comprising the entirety of the Building, including, but not limited to, the roof of the Building as shown on the floor plan attached hereto as Exhibit A. However, the area and plan of the Premises may change in the event of the exercise of any option to expand or contract the Premises set forth in this Lease. The rentable area of the Premises has been determined in accordance with the Greater Washington Commercial Association of REALTORS(R) Standard Method of Measurement dated June 13, 1995 (the "GWCAR Standard Method of Measurement"). Tenant shall have the option, exercisable by written notice to Landlord within thirty (30) days following the Lease Commencement Date, to verify the rentable area of the Premises by having the Premises remeasured by Tenant's architect in the manner provided for in the GWCAR Standard Method of Measurement (the Tenant's Remeasurement"). If the rentable area of the Premises resulting from the Tenant's Remeasurement is within two percent (2%) of the rentable area of the Premises as stated above (the Stated Area), the rentable area of the Premises shall be equal to the Stated Area. If the Tenant's Remeasurement is not within two percent (2%) of the Stated Area, Landlord and Tenant shall negotiate in good faith for ten (10) days to attempt to reach agreement as to the rentable area of the Premises. If within such 10-day period the parties have not mutually agreed on the rentable area of the Premises, then within five (5) days following such 10-day period Landlord's architect and Tenant's architect shall jointly appoint a third architect. The third architect shall independently make his determination of the rentable area of the Premises within ten (10) days after his appointment. The highest and the lowest measurements among the three (3) architects shall be disregarded and the remaining determination shall be deemed to be the rentable area of the Premises. Each party shall pay for the cost of its architect and one-half of the cost of the third architect. In the event that Landlord's architect and Tenant's architect do not agree on a third architect within such 10-day period, the dispute shall be resolved by arbitration in accordance with the then prevailing Commercial Rules of the American Arbitration Association. For purposes of this Section 1.P., an "architect" shall mean an architect certified by The American Institute of Architects and licensed or registered to practice architecture in the Commonwealth of Virginia.

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If the rentable area of the Premises as determined above is not within two percent (2%) of the Stated Area, then within fifteen (15) days after final determination of the rentable area of the Premises, Landlord shall prepare, and Landlord and Tenant shall each promptly execute, an amendment to this Lease pursuant to which the Base Rent, Tenant's Share of Park Common Area Maintenance

Expenses and Tenant's Share of Real Estate Tax Expenses and any other affected provisions of this Lease are recalculated to reflect such increase or decrease in the rentable area of the Premises, which amendment shall be effective retroactive to the Lease Commencement Date.

Q. Premises' Standard Electrical Capacity: [Intentionally omitted.]

R. Real Estate Tax Expenses: All taxes and assessments, general or special, ordinary or extraordinary, and foreseen or unforeseen, that are assessed, levied or imposed upon the Park, including, but not limited to, the Building and the Land, under any current or future taxation or assessment system or modification of, or supplement or substitute for, such system, whether or not based on or measured by the receipts or revenues from the Park Building or and the Land (including all taxes and assessments for public improvements or any other purpose and any gross receipts or similar taxes). Real Estate Tax Expenses also shall include all reasonable expenses incurred by Landlord in obtaining or attempting to obtain a reduction of any such taxes, rates or assessments, including but not limited to legal fees, but shall not include any taxes on Tenant's Personal Property or other tenants personal property, which taxes are the sole obligation of each tenant.

S. Rent: All Base Rent and Additional Rent.

(1) Base Rent: The amount payable by Tenant pursuant to Subsection 4.A. below.

(2) Additional Rent: All sums of money payable by Tenant pursuant to this Lease other than Base Rent.

(3) Monthly Rent: A monthly installment of Base Rent and Additional Rent, if any, which shall equal one-twelfth (1/12th) of Base Rent and Additional Rent then in effect.

T. Tenant's Personal Property: All Alterations, equipment, improvements, furnishings and/or other property now or hereafter installed or placed in or on the Premises by and at the sole expense of Tenant or with Tenant's permission (other than any property of Landlord), with respect to which Tenant has not been granted any credit or allowance by Landlord, and which: (i) is removable without damage to the Premises, the Building and the Land, unless such damage is repaired by Tenant at its sole cost and expense, and (ii) is not a replacement of any property of Landlord, whether such replacement is made at Tenant's expense or otherwise.

U. Tenant's Share:

(1) Tenant's Share of Park Common Area Maintenance Expenses shall be that percentage of Park Common Area Maintenance Expenses which is equal

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to the number of square feet of rentable area in the Premises divided by the total number of square feet of rentable area in the Park ([*] on the Lease Commencement Date). As of the Lease Commencement Date, Tenant's Share of Park Common Area Maintenance Expenses shall be [*] percent ([*]).

(2) Tenant's Share of Real Estate Tax Expenses shall be that percentage of Real Estate Tax Expenses which is equal to the number of square feet of rentable area in the Premises divided by the total number of square feet of rentable area in the Building Park ([*] on the Lease Commencement Date). As of the Lease Commencement Date, Tenant's Share of Real Estate Tax Expenses shall be [*] percent ([*]).

(3) Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses shall change any time the number of square feet of rentable area leased hereunder by Tenant or the number of square feet of rentable area in the Park increases or decreases.

V. Unavoidable Delay: Any delays due to strikes, labor disputes, shortages of material, labor or energy, acts of God, governmental restrictions, enemy action, civil commotion, fire, unavoidable casualty or any other causes beyond the control of Landlord.

W. Work Agreement: [Intentionally omitted.]

2. TERM.

A. Term of Lease: The term of this Lease (the "Term") shall commence on a date (the "Lease Commencement Date"), as defined below, and shall terminate at midnight on the day which is the tenth (10th) anniversary of the Lease Commencement Date, or such earlier date on which this Lease is terminated pursuant to the provisions hereof (the "Lease Expiration Date"). The Lease Commencement Date shall be that date on which Landlord notifies Tenant that the Premises is in a "substantially complete" Cold Dark Shell Condition (as hereinafter defined), as certified by Landlord's architect based upon practices

as are detailed by The American Institute of Architects. Landlord hereby leases the Premises to Tenant and Tenant hereby leases the Premises from Landlord for the Term.

Landlord shall use reasonable efforts to substantially complete Landlord's Work in accordance with the schedule set forth on Exhibit C-2 which is attached hereto and made a part hereof (the "Construction Schedule") on or before May 31, 2000. However, Landlord shall in no event be liable or subject to any claim for failure to substantially complete Landlord's Work by such date or for delay or inability to deliver possession of the Premises to Tenant for any reason. Notwithstanding anything contained herein to the contrary, if Landlord shall be delayed in substantially completing Landlord's Work as a result of:

(a) Tenant's failure to furnish to Landlord, on or before the dates and time periods set forth in the Construction Schedule, the information, requirements and/or approvals for any work to be done hereunder;

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(b) Tenant's request for changes in any plans subsequent to the date(s) set forth for such approval in the Construction Schedule;

(c) Tenant's failure to approve the plans, specifications or cost estimates for Additional Tenant Work (as hereinafter defined) or make any payment within the time required under Section 3 hereof;

(d) Tenant's request for materials, finishes or installations other than Landlord's Park standard;

(e) The result of Tenant's or its agents' or employees' acts, failure to act, or failure to act in a timely manner;

(f) Landlord's provision for Tenant's contractor to commence Tenant's initial buildout of the Premises prior to completion of Landlord's Work pursuant to the Cold Dark Shell Specifications; or

(g) Delays caused by coordination of Additional Tenant Work and delivery of the Cold Dark Shell Specifications;

then, solely for the purposes of determining the commencement date of Tenant's liability for Base Rent and other charges under this Lease, such delay shall neither postpone the Lease Commencement Date nor the date of substantial completion by Landlord of the Premises.

B. Declarations: If requested by Landlord at any time during the Term, Tenant promptly will execute a declaration in the form attached hereto as Exhibit B.

C. Effective Date: The rights and obligations set forth in this Lease, except for the obligation to pay Rent and as otherwise specifically provided herein to the contrary, shall become effective on the date of final execution of this Lease.

3. CONDITIONS OF PREMISES.

Landlord shall deliver the Premises to Tenant in a "Cold Dark Shell Condition", which shall be in accordance with the specifications set forth on Exhibit C-1 (the "Cold Dark Shell Specifications"). Landlord and Tenant shall each use diligent efforts to fulfill their respective obligations necessary to achieve the construction dates set forth on the Construction Schedule. Except as set forth in Exhibit C attached hereto, Landlord shall have no obligation to make any improvements or alterations to the Premises.

If Tenant shall desire any work to be performed by Landlord in the Premises, other than Landlord's Work, that is, any work not contained in the Cold Dark Shell Specifications ("Additional Tenant Work"), then (i) such Additional Tenant Work shall be subject to Landlord's sole and absolute discretion, (ii) Landlord shall cooperate with Tenant in order to obtain the approval of the [*] Owners Association, Inc. (the "Beaumeade Association") with respect to Additional Tenant Work, if such approval is required pursuant to Section 8.A. hereof, and (iii) all Additional Tenant Work shall be performed at Tenant's sole cost and expense, including, but not limited to, the costs incurred by Landlord

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relating to attempts to obtain the approval of such Additional Tenant Work by the Beaumeade Association. If any, Tenant shall pay the full amount of the costs thereof to Landlord, as Additional Rent hereunder, as follows: Not later than three (3) business days following Tenant's receipt from Landlord of written notice of the cost of the Additional Tenant Work (the "Additional Tenant Work

Cost"), Tenant shall deposit in escrow with Commercial Settlements, Inc. ("CSI") the full amount of the Additional Tenant Work Cost as set forth in Landlord's notice. Such amount deposited in escrow, or such lesser amount as remains therein after disbursements therefrom, is hereinafter referred to as the "Additional Tenant Work Cost Escrow". At each time that a portion of the Additional Tenant Work has been substantially completed, Landlord shall have the right to request from Tenant that Tenant authorize the disbursement from the Additional Tenant Work Cost Escrow of such portion of the Additional Tenant Work Cost as is allocable to such portion of the Additional Tenant Work, which request shall be made in writing and accompanied by copies of the relevant disbursement request from the contractor(s) or supplier(s) requesting such disbursement. Within three (3) business days following receipt of Landlord's request for approval by Tenant of a disbursement from the Additional Tenant Work Cost Escrow, Tenant shall either notify Landlord of any objections thereto or approve such request in writing, which approval shall not be unreasonably withheld, conditioned or delayed. In the event that Tenant does not approve a disbursement request, CSI shall not disburse the funds to Landlord, and Tenant shall indemnify Landlord against, and hold Landlord harmless from, any and all losses, costs, damages, liabilities, claims of action and expenses (including, but not limited to, late charges, penalties, reasonable costs and reasonable attorneys' fees) incurred by Landlord as a result, direct or indirect, of Tenant's failure to timely approve a disbursement request. The Additional Tenant Work Cost Escrow shall be disbursed in not more than six (6) payments therefrom.

4. RENT.

From and after the Lease Commencement Date, Tenant shall pay to Landlord such Base Rent and Additional Rent as set forth in this Section 4 and in Section 5 below.

A. Base Rent: Base Rent shall equal: The following amounts:

<TABLE>
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Lease Year	Base Rent Per Square Foot Per Annum	Base Rent Per Annum	Monthly Base Rent
<S>	<C>	<C>	<C>
1	\$ [*]	\$ [*]	\$ [*]
2	\$ [*]	\$ [*]	\$ [*]
3	\$ [*]	\$ [*]	\$ [*]
4	\$ [*]	\$ [*]	\$ [*]
5	\$ [*]	\$ [*]	\$ [*]
6	\$ [*]	\$ [*]	\$ [*]
7	\$ [*]	\$ [*]	\$ [*]
8	\$ [*]	\$ [*]	\$ [*]
9	\$ [*]	\$ [*]	\$ [*]
10	\$ [*]	\$ [*]	\$ [*]

</TABLE>

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

Tenant shall pay Base Rent to Landlord in equal monthly installments ("Monthly Base Rent") in advance on the first day of each calendar month during the Term, without notice, except that the first monthly installment of Base Rent shall be paid upon execution of this Lease. If the Lease Commencement Date occurs on a date other than the first day of a calendar month, Tenant shall receive a credit equal to the Monthly Base Rent multiplied by the number of days in said calendar month prior to the Lease Commencement Date and divided by the number of days in such month, which credit shall be applied toward the installment of Monthly Base Rent next due hereunder. If the Lease Expiration Date occurs after the expiration of the last numbered Lease Year set forth above in this Section 4.A. for which an amount of Monthly Base Rent is specified, then Monthly Base Rent shall continue to be payable by Tenant at such rate for each month or portion of a month thereafter which is prior to the Lease Expiration Date.

B. Payment: All Base Rent and Additional Rent due and payable to Landlord under this Lease shall be made payable to TrizecHahn Centers, Inc. dba TrizecHahn Beaumeade Corporate Management and delivered to TrizecHahn Centers, Inc. dba TrizecHahn Beaumeade Corporate Management at Bank of America, P.O. Box #631577, Baltimore, MD 21263-1577.

C. Late Fee: If Tenant fails to make any payment of Rent on or before the date when payment is due, then Tenant also shall pay to Landlord a late fee equal to five percent (5%) of the amount that is past due for each month or part thereof until such Rent is fully paid; provided, however, that, if, during each of the first three (3) Lease Years, Tenant has made all payments of Rent on or before the date when such payments are due and payable hereunder, then, commencing on the first day of the fourth (4th) Lease Year and continuing

for the remainder of the Term, in lieu of the foregoing, the late fee provided for in this Section 3.C. shall not be assessed unless Tenant fails to make full payment of Rent within five (5) days after the day on which such payment is due. Said late fee shall be deemed reimbursement to Landlord for its costs of carrying and processing Tenant's delinquent account. Acceptance by Landlord of said late fee shall not waive or release any other rights or remedies to which Landlord may be entitled on account of such late payment.

D. Arbitration: Any statement provided to Tenant by Landlord pursuant to Section 5 below shall be conclusive and binding upon Tenant unless, within thirty (30) days after receipt thereof, Tenant notifies Landlord of the respects in which the statement is claimed to be incorrect. Unless otherwise mutually agreed, any such dispute shall be determined by arbitration in the jurisdiction in which the Premises are located, in accordance with the then current commercial rules of the American Arbitration Association. The costs of the arbitration shall be divided equally between Landlord and Tenant, except that each party shall bear the cost of its own legal fees, unless (i) the arbitration results in a determination that Landlord's statement contained a discrepancy of less than five percent (5%) in Landlord's favor in which event Tenant shall bear all costs incurred in connection with such arbitration including without limitation reasonable legal fees or (ii) the arbitration results in a determination that Landlord's statement contained a discrepancy of at least five percent (5%) in Landlord's favor, in which event Landlord shall bear all costs incurred in connection with such arbitration, including, without limitation, reasonable legal fees. Pending determination of any dispute Tenant shall pay all amounts due pursuant to the disputed statement but such payments shall be without prejudice to Tenant's position. Upon at least fifteen (15) days notice to Landlord,

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Tenant shall have reasonable access during normal business hours and at Tenant's expense to appropriate books and records of Landlord relating to the amount of expenses covered by the disputed statement for the purpose of verifying the statement. Any such review shall be made only by Tenant's employees and/or by an auditor hired by Tenant who is a Certified Public Accountant and who is employed on other than a contingent fee basis.

5. ADDITIONAL RENT.

A. To Cover Consumer Price Index Increases: [Intentionally omitted.]

B. To Cover Park Common Area Maintenance Expenses and Real Estate Tax Expenses: In addition to all other Rent set forth herein for each Fiscal Year Tenant shall pay to Landlord as Additional Rent an amount equal to the sum of Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses; provided, however, that for the Fiscal Years during which the Term begins and ends, Tenant's Share of the aforesaid sum shall be prorated based upon the greater of: (i) the number of days during such Fiscal Year that this Lease is in effect or (ii) the number of days that Tenant actually occupies the Premises or any portion thereof.

C. Statements:

(1) [Intentionally omitted.]

(2) For each Fiscal Year Landlord shall deliver to Tenant a statement estimating Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses for such Fiscal Year, which Tenant shall pay in equal monthly installments in advance on the first day of each calendar month during each Fiscal Year. Tenant shall continue to pay such estimated Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses until Tenant receives the next such statement from Landlord at which time Tenant shall commence making monthly payments pursuant to Landlord's new statement. With the first payment of Monthly Base Rent which is due at least fifteen (15) days after Tenant's receipt of a statement from Landlord specifying estimated Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses payable during the Fiscal Year Tenant shall pay the difference between its monthly share of such sums for the preceding months of the Fiscal Year and the monthly installments which Tenant has actually paid for said preceding months.

D. Retroactive Adjustments: After the end of each Fiscal Year Landlord shall determine and shall provide to Tenant a statement of Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses for the Fiscal Year. Within thirty (30) days after delivery of any such statement Tenant shall pay to Landlord any deficiency between the amount shown as Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses for the Fiscal Year and the estimated payments made by Tenant. Tenant shall be credited with any excess estimated payments toward payments by Tenant of the share of estimated Tenant's Share of Park Common Area Maintenance Expenses and Tenant's Share of Real Estate Tax Expenses or if the Term has expired Landlord shall refund such amount to Tenant within thirty (30) days following the date

of issuance of Landlord's statement provided that Tenant is not then in default under this Lease or if Tenant is then in default under this Lease such refund shall be made within thirty (30) days following the date that such default is cured.

E. Change In or Contest of Taxes: In the event of any change by any taxing body in the period or manner in which any of the Real Estate Tax Expenses are levied assessed or imposed Landlord shall have the right in its sole discretion to make appropriate adjustments with respect to computing increases in Real Estate Tax Expenses. Real Estate Tax Expenses which are being contested by Landlord shall be included in computing Tenant's Share of Real Estate Tax Expenses under this Section but if Tenant shall have paid Rent on account of contested Real Estate Tax Expenses and Landlord thereafter receives a refund of such taxes Tenant shall receive a credit toward subsequent estimated payments in an amount equal to Tenant's Share of such refund.

F. Sales, Use or Other Taxes: If during the Term any governmental authority having jurisdiction over the Building or the Land levies assesses or imposes any tax on Landlord the Premises the Building the Land or the Rent payable hereunder in the nature of a sales tax use tax or any tax except (i) taxes on Landlord's income (ii) estate or inheritance taxes or (iii) Real Estate Tax Expenses then Tenant shall pay its proportionate share to Landlord within fifteen (15) days after receipt by Tenant of notice of the amount of such tax.

6. USE.

A. Permitted Use: Tenant shall use and occupy the Premises solely for general office use and as a telecommunications service center with related legal uses and for no other purpose.

B. Legal and Other Restrictions of Tenant's Use: In its use of the Premises, Tenant shall comply with all present and future laws regulations (including but not limited to fire and zoning regulations) and ordinances of all other public and quasi-public agencies having Jurisdiction over the Land or the Building. Tenant shall not use the Park the Land, the Building or use or occupy the Premises for any unlawful disorderly or hazardous purposes or in a manner which will interfere with the rights of Landlord other tenants or their invitees or in any way injure or annoy any of them; Landlord acknowledges that Tenant's permitted uses as set forth in Section 6.A. above which are in accordance with the provisions of this Lease and all applicable laws and governmental regulations shall not be deemed to cause such interference. Notwithstanding the foregoing Tenant shall not be responsible for (i) any such noncompliance of the Cold Dark Shell Condition existing on the Lease Commencement Date (ii) making any Alterations to the Premises except to the extent that such Alterations are required either due to Tenant's particular use of the Premises, due to Alterations made by Tenant within the Premises or due to any requirements of applicable law or any governmental requirements or (iii) any remediation of Hazardous Materials (as hereinafter defined) except to the extent caused by Tenant or any of its employees agents or contractors.

7. CARE OF PREMISES.

Tenant shall at its expense keep the Premises (including all improvements fixtures and other property located therein) in a neat and clean condition and in good order and repair and will suffer no waste or injury thereto. Tenant shall surrender the Premises at the end of the Term in as good order and condition as they were in on the Lease Commencement Date ordinary wear and tear excepted.

8. ALTERATIONS BY TENANT.

A. Making of Alterations; Landlord's Consent; Beaumeade Association's Consent: Tenant shall not make or permit to be made any Alterations without the prior written consent of Landlord both as to whether the Alterations may be made and as to how and when they will be made which consent shall not be unreasonably withheld or delayed with respect to any proposed Alteration which would not be visible from outside of the Premises nor affect any of the structural components of the Building; provided however that the consent of Landlord shall not be required for (i) painting or carpeting of the Premises or (ii) Alterations costing less than Fifty Thousand Dollars (\$50,000) in the aggregate which are not visible from outside of the Premises and which do not affect any of the structural components of the Building; further provided that Tenant shall give Landlord at least ten (10) days prior written notice of any such Alterations not requiring Landlord's consent and Tenant shall observe all reasonable rules and regulations promulgated by Landlord with respect to the performance of Alterations. Any Alterations shall be made at Tenant's expense by its contractors and subcontractors and in accordance with complete plans and specifications approved in advance in writing by Landlord and only after Tenant: (i) has obtained all necessary permits from governmental authorities having jurisdiction and has furnished copies thereof to Landlord, (ii) has submitted to

Landlord an architect's certificate that the Alterations will conform to all applicable laws and regulations and (iii) has complied with all other requirements reasonably imposed by Landlord including without limitation any requirements due to the underwriting guidelines of Landlord's insurance carriers. Landlord's consent to any Alterations and approval of any plans and specifications constitutes approval of no more than the concept of these Alterations and not a representation of warranty with respect to the quality or functioning of such Alterations plans and specifications. Tenant shall be and is solely responsible for the Alterations and for the proper integration thereof with the Building the Building's systems and existing conditions. Landlord shall have the right but not the obligation to supervise the making of any Alterations, if any Alterations are made without the prior written consent of Landlord or the Beaumeade Association, if applicable or which do not conform to plans and specifications approved by Landlord or the Beaumeade Association if applicable or to other conditions imposed by Landlord or the Beaumeade Association if applicable and such nonconformity is not fully corrected by Tenant within fifteen (15) days after notice from Landlord to Tenant or such shorter notice period as Landlord in good faith reasonably believes to be necessary in order to comply with the requirements of any applicable law governmental regulation or insurance company requirement, then Landlord may in its sole discretion correct or remove such Alterations at Tenant's expense. Following completion of any Alterations at Landlord's request Tenant either shall deliver to Landlord a complete set of "as built" plans showing the Alterations or shall reimburse Landlord for any expense incurred by Landlord in causing the Building plans to be modified to reflect the Alterations. In addition to the foregoing, any Alterations which are visible from outside of the

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Premises are subject to the prior review and approval of the Beaumeade Association, which approval may be granted or denied in the sole and absolute discretion of the Beaumeade Association, and which approval Tenant is solely responsible for obtaining.

B. No Liens: Tenant shall take all necessary steps to ensure that no mechanic's or materialmen's liens are filed against the Premises, the Building or the Land as a result of any Alterations made by the Tenant. If any mechanic's lien is filed Tenant shall discharge the lien within ten (10) days thereafter at Tenant's expense, by paying off or bonding the lien.

9. EQUIPMENT.

A. Permitted Equipment: With the exception of the items of equipment or machinery which are reflected on Tenant's plans for Tenant's initial buildout of the Premises Tenant shall not install or operate in the Premises any equipment or other machinery without: (i) obtaining the prior written consent of Landlord who may condition its consent upon the payment by Tenant of Additional Rent for additional wiring or other expenses resulting therefrom, which consent shall not be unreasonably withheld, conditioned or delayed, unless Landlord determines, in its sole and absolute discretion, that such equipment or machinery causes noise or vibration which would disturb any other tenant of the Park, (ii) securing all necessary permits from governmental authorities and utility companies and furnishing copies thereof to Landlord, and (iii) complying with all other requirements reasonably imposed by Landlord. Tenant shall not install any equipment or machinery which may necessitate any changes, replacements or additions to or material changes in the use of the water systems of the Building without obtaining the prior written consent of Landlord, who may withhold its consent in its absolute discretion.

B. Payment For Excess Utility Usage: [Intentionally omitted.]

C. Noise; Vibration; Floor Load: Business machines and equipment belonging to Tenant, which cause noise or vibration that may be transmitted to any part of the Building to such a degree as to be objectionable to Landlord or to any tenant of the Park, shall be installed and maintained by Tenant at Tenant's expense on devices that eliminate the noise and vibration. Tenant shall not place any load upon the floor of the Premises which exceeds the per square foot load the floor was designed to carry (it being understood and agreed that the floor is a six inch (6") slab with a capacity of two hundred fifty (250) pounds per square foot.

10. OWNERSHIP AND REMOVAL OF PROPERTY.

A. Landlord's Property: Any Alterations, including, but not limited to, Additional Tenant Work and Tenant's initial buildout of the Premises, and other improvements and any equipment, machinery, furnishings and other property, installed or located in the Premises, the Building or the Land by or on behalf of Landlord or Tenant, except for Tenants Personal Property: (i) shall immediately become the property of Landlord, and (ii) shall be surrendered to Landlord with the Premises as a part thereof at the end of the Term; provided, however, that if Landlord requests Tenant to remove any Alterations installed by or on behalf of Tenant, Tenant shall cause the same to be removed at Tenant's expense on or before

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the Lease Expiration Date, or shall reimburse Landlord for the cost of such removal, as elected by Landlord (unless Landlord expressly waives in writing the right to require such removal at the time Landlord give its consent to the making of such Alterations). Notwithstanding the foregoing, Tenant, upon submitting its request to Landlord to make Alterations, including, but not limited to, Additional Tenant Work, shall have the right to request therein that Landlord specify whether and to what extent Landlord will require Tenant to remove the Alterations in question at the end of the Term, provided that Tenant refers therein to the provisions of this Section 10.A. If Tenant shall fail to request such information in its request to make any Alterations, such right shall be deemed null and void as to the Alterations in question, and all such Alterations shall thereafter be subject to the exercise of Landlord's rights and to Tenant's obligations set forth in the first sentence of this Section 10.A. If Tenant submits its request for such information in accordance with the foregoing provisions and Landlord consents to the Alterations requested, Landlord shall, together with its consent, specify in writing whether and to what extent it will require Tenant to remove the Alterations in question at the end of the Term, and if Landlord falls so to specify, Tenant shall have no further obligation to remove the Alterations which were the subject of Tenant's request.

B. Removal of Property At End of Term: Tenant shall remove all of Tenant's Personal Property, and all computer cabling and wiring installed by or on behalf of Tenant (irrespective of whether such cabling and wiring constitutes Tenant's Personal Property under the terms of this Lease, and at Tenant's expense, using a contractor approved in advance by Landlord in writing), from the Building and the Land on or before the Lease Expiration Date. Any personal property belonging to Tenant or to any other person or entity which is left in the Building or on the Land after the date this Lease is terminated for any reason shall be deemed to have been abandoned. In such event, Landlord shall have the right to store such property at Tenant's sole cost and/or to dispose of it in whatever manner Landlord considers appropriate, without waiving its right to claim from Tenant all expenses and damages caused by Tenant's failure to remove such property, and Tenant and any other person or entity shall have no right to compensation from or any other claim against Landlord as a result.

11. LANDLORD'S ACCESS TO PREMISES.

Upon such notice as is reasonable under the circumstances (which notice shall not be of less than forty-eight (48) hours, except in an emergency, and which notice may be given orally), Landlord may at any reasonable time enter the Premises to examine them to make alterations or repairs thereto or for any other purposes which Landlord considers necessary or advisable; however in the case of any emergency Landlord and its agents may enter the Premises at any time and in any manner. Tenant shall allow the Premises to be exhibited by Landlord upon such notice as is reasonable under the circumstances (which notice shall not be of less than forty-eight (48) hours and which notice may be given orally): (i) at any reasonable time to representatives of lending institutions or to prospective purchasers of the Building, and (ii) at any reasonable time to persons who may be interested in leasing the Premises during the last twelve (12) months of the Term. Landlord reserves the right and shall be permitted reasonable access to the Premises to install facilities within and through the Premises and to install and service any systems deemed advisable by Landlord to provide services or utilities to any tenant of the Building. Notwithstanding the foregoing, Landlord shall not enter the Premises without being accompanied by a representative of Tenant; provided, however, that, in consideration for

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such right granted to Tenant by Landlord, (i) Tenant hereby authorizes Landlord and any of its employees, agents and contractors to break any locks and the doors and walls to which locks are attached, if Landlord deems such action necessary, and to enter the Premises without accompaniment by Tenant's representative (a) in the event of an emergency, if Tenant's representative is not reached immediately, or (b) in the event of the need to make inspections, repairs, maintenance or improvements and Tenant's failure to provide Landlord access to the Premises when requested by Landlord pursuant to this Section 11, and (ii) Tenant hereby indemnifies Landlord (including its shareholders, partners, members, employees, agents and contractors) against and holds Landlord (including its shareholders, partners, members, employees, agents and contractors) harmless from, any and all liabilities, losses, damages, causes of action, suits, claims, demands, judgments, costs and expenses of any kind (including court costs and reasonable attorneys' fees) asserted against Landlord by any third party relating to or arising from or in connection with Landlord's exercise of its rights under this sentence.

12. SERVICES AND UTILITIES.

A. Utilities Provided: Tenant will provide, at its expense, for the separate metering of all utilities to be supplied to the Premises, and shall contract directly with the appropriate public utility companies for the supplying of all such utilities to the Premises. Tenant shall pay all submetered utility charges to the appropriate utilities, as and when due. In the event the Premises cannot be submetered for a particular utility, Landlord may, at its option, cause a survey to be made by an independent electrical engineering or

consulting firm, at Tenant's expense, to measure Tenant's consumption of such utility. For all utility consumption measured by survey, Tenant shall pay to Landlord, as Additional Rent, all sums necessary to reimburse Landlord for its costs of providing such utilities, within ten (10) days after Landlord submits to Tenant any statement setting forth such costs. It is expressly understood that, in the event Tenant is unable to have the Premises submetered for a particular utility, in lieu of causing a survey to be done, Landlord shall have the option to charge Tenant for its equitable share of the cost of such utility to all non-submetered rentable areas in the Building.

B. Right to Discontinue: [Intentionally Omitted.]

C. No Liability: Except as otherwise specifically set forth herein, Landlord shall have no liability to Tenant or others based on any failure by Landlord to furnish any utilities and services to be furnished by Landlord hereunder, due to Unavoidable Delays, repair or maintenance work or any other reason, and such failure shall neither render Landlord liable for damages to either person or property, nor be construed as an eviction of Tenant, nor cause a diminution or abatement of Rent nor relieve Tenant of any of Tenant's obligations hereunder.

D. Conservation: Tenant hereby agrees to comply with all energy conservation procedures, controls and requirements instituted by Landlord pursuant to any government regulations or otherwise in good faith, including but not limited to controls on the permitted range of temperatures, the volume of energy consumption or the hours of operation of the Building. Institution by Landlord of such controls and requirements shall not entitle Tenant to terminate this Lease or to an abatement of any Rent payable hereunder.

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E. Recycling: Without limiting the foregoing, Tenant covenants and agrees, at its sole cost and expense, to comply with all present and future laws, orders, and regulations of the jurisdiction in which the Building is located and of the federal, municipal, and local governments, departments, commissions, agencies and boards having jurisdiction over the Building to the extent that they or this Lease impose on Tenant duties and responsibilities regarding the collection, sorting, separation, and recycling of trash. Tenant shall pay all costs, expenses, fines, penalties, or damages that may be imposed on Landlord or Tenant by reason of Tenant's failure to comply with the provisions of this Section 12.D., and, at Tenant's sole cost and expense, shall indemnify, defend and hold Landlord harmless (including legal fees and expenses) from and against any actions, claims, and suits arising from such noncompliance, using counsel reasonably satisfactory to Landlord.

13. RULES AND REGULATIONS.

Tenant shall abide by and observe (i) the rules and regulations attached hereto as Exhibit D-1 and such other rules and regulations as may be made by Landlord from time to time, provided that such rules and regulations shall not be inconsistent with the provisions of this Lease, and (ii) the obligations imposed upon users of space in [*], as set forth in Exhibit D-2 attached hereto ("Declaration of Protective Covenants [*]"), by the Beaumeade Association and any additions and any modifications thereto adopted from time to time by the Beaumeade Association. Nothing contained in this Lease or in any rules and regulations shall be interpreted to impose upon Landlord any obligations to enforce against any tenant its rules and regulations, or the provisions of any lease with any other tenant, and Landlord shall not be liable to Tenant or any other entity for any violation of said rules, regulations or lease provisions.

14. REPAIR OF DAMAGE CAUSED BY TENANT: INDEMNIFICATION.

A. Repairs: Except as otherwise expressly provided in this Lease, all injury, breakage and damage to the Land, the Building or the Premises, caused by any act or omission of Tenant shall be repaired by and at the sole expense of Tenant, except Landlord shall have the right, at its option, to make such repairs and to charge Tenant for all costs and expenses incurred in connection therewith as Additional Rent payable within ten (10) days after the rendering of a bill therefor. Tenant shall notify Landlord promptly of any injury, breakage or damage to the Land, the Building, or the Premises caused by Tenant.

B. Indemnification: Tenant hereby agrees to indemnify and hold Landlord harmless from and against all costs, damages, claims, liabilities and expenses, including attorney's fees, suffered by or claimed against Landlord, directly or indirectly, based on, arising out of or resulting from: (i) Tenant's use and occupancy of the Premises or the business conducted by Tenant therein or Tenant's presence in the Building or on the Land (ii) the making by Tenant of any Alterations, (iii) any act or omission of Tenant or its employees, agents or invitees, and (iv) any breach or default by Tenant in the observance or performance of its covenants and obligations under this Lease. In the event that Landlord intends to settle any claim against Landlord which is the subject of Tenant's indemnification and hold harmless obligation under this Section 14.B. (an "Indemnified Claim"), Landlord shall use reasonable efforts to keep Tenant

informed of the progress of its negotiations with respect to the settlement

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of such indemnified Claim, and, prior to entering into a settlement of such an indemnified Claim, Landlord shall solicit Tenant's comments on the terms and conditions of the proposed settlement, which comments shall be solely of an advisory nature and non-binding on Landlord and shall not affect Landlord's rights or Tenant's obligations under this Section 14.B. If Landlord or any other indemnified party obtains recovery of any of the amounts that Tenant has paid to such party pursuant to the indemnity set forth in this Section 14.B. or such other Section of this Lease, then Landlord or such other indemnified party under this Section 14.B., as applicable, shall promptly pay to Tenant the amount of such recovery.

15. LIMITATION ON LANDLORD LIABILITY.

A. Liability Standard: Landlord shall not be liable to Tenant or any other individual or entity for any damage, loss or claim whatsoever, except damages, losses and claims that are the direct result of either (i) Landlord's gross negligence or willful misconduct or (ii) Landlord's breach of this Lease; however, in no event shall Landlord be liable for consequential damages.

B. Limitation on Total Liability: Notwithstanding any other provision of this Lease, it is expressly understood and agreed that the total liability of Landlord arising out of or in connection with this Lease, the relationship of Landlord and Tenant hereunder and/or Tenant's use of the Premises, shall be limited to the estate of Landlord in the Building. No other property or assets of Landlord or any partner or owner of Landlord shall be subject to levy, execution, or other enforcement proceedings or other judicial process for the satisfaction of any judgment or any other right or remedy of Tenant arising out of or in connection with this Lease, the relationship of Landlord and Tenant hereunder and/or Tenant's use of the Premises.

16. FIRE AND OTHER CASUALTY.

If the Premises shall be damaged by fire or other casualty, other than as a result of the negligence or misconduct of Tenant, the Lease shall not terminate and, upon adjustment of insurance claims, Landlord shall repair the damage, provided that (a) Landlord shall have no obligation to repair damage to or replace Tenant's Personal Property, and (b) Landlord's obligation to repair any damage under this Section 16 shall be limited to repairs necessary to restore the Premises to its original Cold Dark Shell Condition. Except as otherwise provided herein, if any part of the Premises are rendered untenable by reason of any such damage, Rent shall abate from the date of the damage to the date the damage is repaired, as determined by Landlord, in the proportion that the area of the untenable part bears from time to time to the total area of the Premises. No compensation or reduction of Rent shall be paid or allowed for inconvenience, annoyance or injury to Tenant or Tenant's business arising from any damage to or repair of the Premises or the Building.

Notwithstanding the foregoing, if Landlord does not receive sufficient insurance proceeds to fully repair the damage (it being agreed that Landlord shall make a good faith effort to persuade any Mortgagee to make such insurance proceeds available for the restoration of such damage, which good faith effort shall not include any obligation on the part of Landlord to agree to any modification of the terms of the loan secured by the Mortgage or any obligation to pay any money to the Mortgagee or deposit any money into escrow, other than the amount of any

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deductible under Landlord's insurance policy), or if the Building shall be so damaged that, as determined by Landlord, substantial reconstruction of the Premises or the Building is required (whether or not the Premises have been damaged), then Landlord, at its option, may give Tenant, within sixty (60) days after the casualty, written notice of termination of this Lease (the "Casualty Termination Notice"), and this Lease and the Term shall terminate (whether or not the Term has commenced) upon the expiration of thirty (30) days from the date of the Casualty Termination Notice, with the same effect as if the new expiration date had been the date initially fixed for expiration of the Term, and all Rent shall be apportioned as of such date; provided, however, that, in the event that Landlord elects to terminate this Lease pursuant to this Section 16, Tenant shall have the option to override the Casualty Termination Notice and fully repair the damage to the Building by giving written notice to Landlord, which notice shall be given, if at all, within ten (10) days following the Casualty Termination Notice, in which event (a) Landlord shall assign all insurance proceeds which Landlord actually receives with respect to such fire or other casualty to Tenant, (b) Tenant shall promptly repair such damage, and (c) such repairs by Tenant shall be subject to

Landlord's prior written approval in accordance with the provisions of Section 8 hereof.

If the Premises or the Building shall be damaged by fire or other casualty due to the negligence or misconduct of Tenant: (i) Landlord shall have no obligation to repair the Premises or the Building, (ii) this Lease shall, at Landlord's option, not terminate, (iii) Landlord may at Tenant's expense repair the damage, provided that Landlord shall apply all insurance proceeds which Landlord actually receives with respect to such damage toward the costs of such repairs, and (iv) Landlord may pursue any legal and equitable remedies available to it.

17. TENANT INSURANCE.

A. Types of Insurance Required: Tenant, at its expense, shall obtain and maintain in effect at all times during the Term an insurance policy providing the following coverage:

(1) An "all risk" insurance policy covering all of Tenant's Personal Property within, and improvements and alterations made by Tenant to, the Premises for not less than the full replacement value thereof.

(2) A commercial general liability policy on an occurrence basis, with the following limits:

<TABLE> <S>	<C>
Each occurrence limit for bodily injury and property damage	\$1,000,000
General aggregate	\$2,000,000
Product/completed operations aggregate	\$2,000,000
Fire damage legal liability	\$ 50,000
Medical payments (any one person)	\$ 5,000

Said insurance shall name Landlord (in care of Landlord's management agent and referring to the Building by its address), Landlord's management agent and Mortgagee as an additional insured. The policy shall protect Landlord, Landlord's management agent, and the Mortgagee any liability for bodily injury, personal injury, death or property damage occurring upon, in or

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about the Premises, the Building or the Land or arising out of or relating to any risks against which Tenant is required to indemnify Landlord, Landlord's management agent and the Mortgagee. From time to time during the Term, Landlord may require Tenant to increase said limits of said insurance to the limits of liability insurance then customarily required of tenants of other comparable buildings in the city (or, if not a city, other local Jurisdiction) in which the Building is located.

B. Required Provisions of Policies: All insurance policies required to be maintained by Tenant under this Lease must: (i) be issued by insurance companies approved by Landlord; (ii) be in form and have content satisfactory to Landlord; (iii) be written as primary policy coverage and not contributing to or in excess of any coverage which Landlord or the Mortgagees may carry; (iv) contain an express waiver of any right of subrogation by the insurance company against Landlord, the Mortgagees and the Landlord's and the Mortgagees' employees and agents; and (v) provide that the policy may not be cancelled or permitted to lapse unless Landlord shall have received at least fifteen (15) days prior written notice of cancellation or non-renewal. Tenant shall deliver to Landlord (in care of Landlord's management agent and referring to the Building by its address) certified copies or duplicate originals of each such policy and any renewal policy, together with evidence of payment of all applicable premiums, at least ten (10) days before the Lease Commencement Date and at least thirty (30) days before the renewal of any policies. Any insurance required of Tenant under this Section may be carried under a blanket policy, provided that said policy shall specifically set forth the amount of insurance allocated to this Lease.

C. Effect of Tenant's Activities on Insurance: Tenant shall not conduct or permit to be conducted any activity, or place any equipment in or about the Land, the Building or the Premises which will increase the rate of, or make void or voidable, any fire or other insurance maintained or required to be maintained by Landlord or any Mortgagee on the Building, the Land or the property kept thereon or therein, which will conflict with the provisions of any such insurance policy or which will make it impracticable for Landlord to obtain insurance covering any risks against which Landlord reasonably deems it advisable to obtain insurance. In the event any increases in the rates of such insurance are, in Landlord's reasonable judgment, due to Tenant's presence in the Building, to any activity conducted or property installed or placed by Tenant on or about the Land, the Building or the Premises or to Alterations installed by Tenant or at Tenant's request, Tenant shall reimburse Landlord for the amount of such increases promptly upon demand therefor. Statements by the applicable insurance company or insurance rating bureau that such increases are due to any activity, property or improvements shall be conclusive for the

purposes of determining Tenant's liability hereunder.

D. Termination Right: Landlord shall have the right to terminate this Lease upon thirty (30) days notice to Tenant in the event Landlord receives notice from any of Landlord's insurance carriers that such carrier intends to cancel its insurance on the Building, or to increase the cost of such insurance by more than one hundred percent (100%) above the premium payable by Landlord immediately prior to such notice, due to the activities of Tenant or the presence of Tenant in the Building. However, Landlord shall not terminate this Lease in the event Landlord is able, with good faith efforts, to obtain equivalent insurance from an insurance carrier satisfactory to Landlord at a premium not more than one hundred percent (100%) greater

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than the premium for the cancelled insurance; provided that Tenant shall reimburse Landlord for all additional premiums charged to Landlord by such new insurance carrier. It is expressly understood that Landlord shall not have the right to terminate this Lease pursuant to this Subsection D, if any cancellation or rate increase is due to factors generally applicable to the insurance or rental market, rather than to Tenant's activities or presence in the Building.

E. Waiver: Landlord and Tenant hereby each waive and release each other from any and all liabilities, claims and losses for which Landlord or Tenant is or may be held liable, to the extent either party: (i) receives insurance proceeds on account thereof, or (ii) is required to maintain insurance pursuant to this Section, whichever is greater.

F. Landlord's Insurance: Landlord shall maintain in force such property insurance and liability insurance with respect to the Building as are required by any first mortgagee or Ground Lessor or, if at any time there is no first mortgagee and no Ground Lessor, Landlord shall maintain in force such property insurance and liability insurance as Landlord, in its reasonable judgment, determines to be appropriate based upon coverages in force with respect to comparable buildings in Loudoun County, Virginia; provided, however, that in no event shall the property insurance be less than what would be required to prevent Landlord from being considered a co-insurer. Each property insurance policy maintained by Landlord shall include an express waiver of any right to subrogation by the insurance company against Tenant. All insurance policies actually maintained by Landlord shall contain an express waiver of any right of subrogation by the insurance Company against Tenant.

18. CONDEMNATION.

A. Landlord's Right to Terminate: If a substantial part of the Premises, the Building or the Land is taken or condemned by any governmental authority for any purpose or is granted to any authority in lieu of condemnation (collectively, a "taking"). Landlord shall have the right in its sole discretion to terminate this Lease by written notice to Tenant, and upon the giving of such notice, the Term shall terminate as of the date title vests in the authority, and Rent shall be abated as of that date. For purposes of this Section, a substantial part of the Premises, the Land or the Building shall be considered to have been taken if, in the sole opinion of Landlord, the taking shall render it commercially undesirable for Landlord to permit this Lease to continue or to continue operating the Building.

B. Adjustment of Rent: If a portion of the Premises is taken and Landlord does not elect to terminate this Lease pursuant to the preceding paragraph, then Rent shall be equitably adjusted as of the date title vests in the authority and this Lease shall otherwise continue in full force and effect.

C. Division of Award: Tenant shall have no claim against Landlord arising out of or related to any taking, or for any portion of the amount that may be awarded as a result, and Tenant hereby assigns to Landlord all its rights, title and interest in and to any such award; provided, however, that Tenant may assert any claim it may have against the authority for compensation for Tenant's Personal Property for the then unamortized portion of the cost of Additional Tenant Work and Alterations and for any relocation expenses compensable by statute,

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as long as such awards shall be made in addition to and stated separately from the award made for the Land, the Building and the Premises.

19. DEFAULT.

A. Default of Tenant: The following events shall be a default by Tenant (a "Default") under this Lease:

(1) Failure of Tenant to pay Rent as and when due, if the failure continues for five (5) days after notice from Landlord specifying the failure.

(2) Failure of Tenant to comply with or perform any covenant

or obligation of Tenant under this Lease, other than those concerning the payment of Rent, if the failure continues for twenty (20) days after notice from Landlord to Tenant specifying the failure; provided, however, that if the failure on the part of Tenant is not capable of being cured within such 20-day period but Tenant expeditiously commences to cure same and diligently proceeds with such cure, Tenant's time to cure such failure shall be extended for the time necessary to cure same, but in no event longer than sixty (60) days, inclusive of the original 20-day period.

(3) [Intentionally omitted.]

(4) If Tenant, any guarantor of Tenant's performance hereunder (a "Guarantor") or, if Tenant is a partnership, any partner of Tenant ("Partner"), shall file a voluntary petition in bankruptcy or insolvency, shall be adjudicated bankrupt or insolvent or shall file a petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other law, or shall make an assignment for the benefit of creditors, or shall seek or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or of any Guarantor or Partner or of all or any part of the property of Tenant or of such Guarantor or Partner.

(5) If, within thirty (30) days after the commencement of any proceeding against Tenant or a Guarantor or Partner, whether by the filing of a petition or otherwise, seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future applicable federal, state or other law, such proceeding shall not have been dismissed or if, within thirty (30) days after the appointment of any trustee, receiver or liquidator of Tenant or any Guarantor or Partner, or of all or any part of the property of Tenant or of any Guarantor or Partner without the acquiescence of such individual or entity, such appointment shall not have been vacated or otherwise discharged, or if any execution or attachment shall have been issued against the property of Tenant or of any Guarantor or Partner, pursuant to which the Premises shall be taken or occupied or attempted to be taken or occupied.

(6) If Tenant fails to take possession of the Premises on the Lease Commencement Date or vacates, abandons or ceases to carry on its ordinary activities in the Premises prior to the Lease Expiration Date, with or without an intention of paying Rent; provided, however, that if (i) Tenant gives Landlord at least thirty (30) days prior written notice that it intends to vacate the Premises, (ii) Tenant pays the full amount of all Rent when due under

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this Lease while the Premises are vacant, (iii) the fact that the Premises are vacant does not adversely affect the Building or other tenants of the Park and does not result in any liability to, or expenditure of funds by, Landlord, and (iv) Tenant leaves the Premises in a condition satisfactory to Landlord and continues to maintain the Premises in a condition satisfactory to Landlord throughout the remainder of the Term, then, and in such event only, Tenant shall not be deemed to be in Default under this Section 19.A.(6) and Landlord shall have the right, exercisable by sending written notice to Tenant, to sublet from Tenant for the balance of the Term of this Lease all or any portion of the Premises at Tenant's then rental rate hereunder, or to terminate this Lease as to all or any portion of the Premises, which rights of Landlord as to subletting and termination shall be exercisable by Landlord in its sole discretion.

B. Remedies Upon Default: Upon the occurrence of a Default, Landlord shall have the right, then or at any time

(1) Without demand or notice, to reenter and take possession of all or any part of the Premises, to expel Tenant and those claiming through Tenant and to remove any property therein, either by summary proceedings or by any other action at law, in equity or otherwise, with or without terminating this Lease without being deemed guilty of trespass and without prejudice to any other remedies of Landlord for breach of this Lease, and/or

(2) To give Tenant written notice of Landlord's intent to terminate this Lease, and on the date specified in Landlord's notice, Tenant's right to possession of the Premises shall cease and this Lease shall terminate.

If Landlord elects to terminate this Lease, everything contained in this Lease on the part of Landlord to be done shall cease, without prejudice to Landlord's right to recover from Tenant all Rent, as set forth in Subsections C. and D. below. If Landlord elects to reenter pursuant to Subsection B.(1) above, Landlord may terminate this Lease, or, from time to time without terminating this Lease, may relet all or any part of the Premises as the agent of Tenant, for such term, at such rental and upon such other provisions as Landlord deems acceptable, with the right to make any alterations and repairs to the Premises that Landlord deems appropriate, at Tenant's expense. No such reentry or taking of possession of the Premises shall be construed as an election to terminate this Lease, unless notice of such intention is given pursuant to Subsection B.(2) above, or unless termination be decreed by a court of competent jurisdiction at the instance of Landlord. Landlord shall in no event be under

any obligation to relet any part of the Premises.

C. Liability of Tenant: If Landlord terminates this Lease or reenters the Premises (with or without terminating this Lease), Tenant shall remain liable (in addition to all other liabilities of Tenant accrued at the time of the Default) for the sum of (i) any unpaid Rent accrued prior to the time of termination and/or reentry, as the case may be, plus interest thereon from the due date at the Default Rate, (ii) all Base Rent and Additional Rent provided for in this Lease from the time of termination and/or reentry, as the case may be, until the date this Lease would have expired had a Default not occurred, plus interest thereon from the due date at the Default Rate, (iii) any and all expenses (including but not limited to attorneys' and brokerage fees) incurred by Landlord in reentering and repossessing the Premises, in correcting any default, in painting, altering or repairing the Premises in order to place the Premises in first-class rentable

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condition (whether or not the Premises are relet), in protecting and preserving the Premises and in reletting or attempting to relet the Premises, and (iv) any other amounts necessary to compensate Landlord for any other injury or detriment caused by the Default, minus the net proceeds (after deducting any rental abatements, tenant improvement allowances and other concessions and inducements) actually received by Landlord, if any, from any reletting to the extent attributable to the period prior to the date this Lease would have expired had a Default not occurred. Landlord shall have the option to recover any damages sustained by Landlord either at the time of reletting, or in separate actions from time to time as said damages shall have been made more easily ascertainable by successive relettings or, at Landlord's option, to defer any such recovery until the date this Lease would have expired in the absence of a Default, in which event Tenant hereby agrees that the cause of action shall be deemed to have accrued on the aforesaid date. The provisions of this Section shall be in addition to, and shall not prevent the enforcement of, any claim Landlord may have for anticipatory breach of this Lease.

D. Liquidated Damages: In addition to Landlord's rights pursuant to Subsection C. above, if Landlord terminates this Lease, Landlord shall have the right at any time, at its sole option, to require Tenant to pay to Landlord on demand, as liquidated damages, the sum of (i) the total of the Base Rent, Additional Rent and all other sums which would have been payable under this Lease from the date of Landlord's demand for liquidated damages ("Landlord's Demand") until the date this Lease would have terminated in the absence of the Default, discounted to present value at the rate of five percent (5%) per annum (the "Discount Rate"), (ii) all unpaid Rent accrued prior to the time of Landlord's Demand, plus interest thereon from the due date at the Default Rate, (iii) any and all expenses (including but not limited to attorneys' and brokerage fees) incurred by Landlord in reentering and repossessing the Premises, in correcting any default, in painting, altering or repairing the Premises in order to place the Premises in first-class rentable condition (whether or not the Premises are relet), in protecting and preserving the Premises and in reletting or attempting to relet the Premises, and (iv) any other amounts necessary to compensate Landlord for any other injury or detriment caused by the Default; minus the sum of (a) the net fair market rental value of the Premises for the period referred to in Subsection D.(i) above, discounted to present value at the Discount Rate, and (b) any sums actually paid by Tenant to Landlord pursuant to Subsection C. above; provided, however, that if said damages shall be limited by law to a lesser amount, Landlord shall be entitled to recover the maximum amount permitted by law. The "net fair market rental value" referred to in Subsection D.(a) above shall be the fair market rental value of the Premises at the time of Landlord's Demand, reduced by any rental abatements, tenant improvement allowances and other concessions and inducements generally provided by landlords seeking to lease comparable commercial property in the area of the Premises at the time of Landlord's Demand. If reletting is accomplished within a reasonable time after Lease termination, the 'net fair market rental value' referred to in Subsection D (a) above shall be deemed prima facie to be the net rental income (after deducting any rental abatements, tenant improvement allowances and other concessions and inducements) realized upon such reletting.

E. Waiver: Tenant, on its own behalf and on behalf of all persons and entities claiming through Tenant, including but not limited to creditors of Tenant, hereby waives any and all rights and privileges which Tenant and such other persons and entities might otherwise have under any present or future law: (i) to redeem the Premises, (ii) to reenter or repossess the Premises, or (iii) to restore the operation of this Lease, with respect to any

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dispossession of Tenant by judgment or warrant of any court, any reentry by Landlord or any expiration or termination of this Lease, whether by operation of law or pursuant to the provisions of this Lease. Tenant hereby expressly waives receipt of a Notice to Quit.

F. Lien on Personal Property: [Intentionally omitted.]

G. Right of Distress: Landlord shall, to the extent permitted by law, have a right of distress for Rent.

H. Right of Landlord to Cure: If Tenant defaults in the making of any payment or in the doing of any act required to be made or done by Tenant under this Lease, then Landlord may, at its option, make such payment or do such act, and the expenses thereof, with interest thereon at the Default Rate, from the date paid by Landlord, shall constitute Additional Rent hereunder due and payable by Tenant with the next payment of Monthly Base Rent.

I. Attorneys' Fees: In the event of any Default hereunder, Tenant shall pay to Landlord all reasonable attorneys fees incurred by Landlord in connection with such Default or the enforcement of Landlord's rights or remedies arising in connection therewith, whether or not this Lease is terminated and whether or not Landlord institutes any lawsuit against Tenant as a result of such Default. In the event that either party initiates litigation against the other party, the prevailing party in such litigation, based upon a judgment by a court of competent jurisdiction, shall be entitled to recover from the non-prevailing party the prevailing party's court costs and reasonable attorneys' fees in connection with such litigation; provided, however, that in the event that any such litigation is resolved without a final determination by a court in a manner which results in the non-initiating party paying substantially all of the money which was sought by the initiating party in such litigation or taking' substantially the same action as was sought by the initiating party in such litigation, then, in either of such cases, the non-initiating party shall pay to the initiating party the initiating party's court costs and reasonable attorneys' fees in connection with such litigation.

J. Survival: Tenant's liability pursuant to this Section 19 shall survive the termination of this Lease, the institution of summary proceedings and/or the issuance of a warrant thereunder.

20. NO WAIVER.

No failure or delay by Landlord in enforcing its right to strict performance by Tenant of every provision of this Lease or in exercising any right or remedy hereunder, and no acceptance by Landlord of full or partial rent during the continuance of any Default, shall constitute a waiver of the provision or the Default, and no provision shall be waived or modified except by a written instrument executed by Landlord. No payment by Tenant, or receipt by Landlord, of a lesser amount than the full Rent shall be deemed to be other than a payment on account, notwithstanding any endorsement or statement on any check or letter accompanying any payment of any Rent. No waiver of any Default or settlement of any proceeding instituted on account of any claimed Default shall affect or alter this Lease or constitute a waiver of any of Landlord's rights hereunder.

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21. HOLDING OVER.

If Tenant shall be in possession of the Premises after termination of this Lease (whether by normal expiration of the Term or otherwise), at Landlord's option: (i) Landlord may deem Tenant to be occupying the Premises as a tenant from month-to-month, (a) for the first month of such holdover, at the sum of one hundred fifty percent (150%) of the Monthly Base Rent in effect for the last full month of the Term, (b) for the second month of such holdover, at the sum of one hundred seventy-five percent (175%) of the Monthly Base Rent in effect for the last full month of the Term, and (c) thereafter, at the sum of two hundred percent (200%) of the Monthly Base Rent in effect for the test full month of the Term, and, in each case (that is, with respect to any holdover to which any of the immediately foregoing clauses (a), (b), or (c), or any combination thereof, applies), plus the monthly installment of Additional Rent which is then payable pursuant to Section 5.C. of this Lease, and subject to all of the other provisions of this Lease, as applicable to a month-to-month tenancy, or (ii) Landlord may exercise any or all remedies for Default and at law and in equity, including but not limited to an action against Tenant for wrongfully holding over.

22. SUBORDINATION.

A. Lease Subordinate: This Lease shall be subject and subordinate to the lien of any and all Mortgages and to any Ground Leases, and any and all renewals, extensions, modifications, recastings and refinancings thereof. This clause shall be self-operative, without execution of any further instrument; but if requested by Landlord or any Mortgagee, Tenant shall promptly execute a certificate or other document evidencing and providing for such subordination. Landlord shall have the right to execute said document on behalf of Tenant if Tenant fails to do so within five (5) days after receipt of the request. Tenant agrees that, if any Mortgage is foreclosed or Ground Lease terminated, upon request by the purchaser at the foreclosure sale or Ground Lessor, as the case may be, Tenant shall attend to and recognize the purchaser or Ground Lessor as the landlord under this Lease and shall make all payments required hereunder to such new landlord without any deduction or set-off of any kind whatsoever. Tenant waives the provisions of any law or regulation, now or hereafter in

effect, which may give or purport to give Tenant any right to terminate or otherwise affect this Lease or the obligations of Tenant hereunder in the event that any such foreclosure, termination or other proceeding is filed, prosecuted or completed. Notwithstanding anything herein to the contrary, any Mortgagee may at any time subordinate the lien of its Mortgage to the operation and effect of this Lease without Tenant's consent, by giving Tenant written notice of such subordination, in which event this Lease shall be deemed to be senior to such Mortgage, and thereafter such Mortgagee shall have the same rights as it would have had if this Lease had been executed, delivered and recorded before said Mortgage. Landlord shall obtain from any current Mortgagee or Ground Lessor a non-disturbance agreement for the benefit of Tenant in such Mortgagee's or Ground Lessor's, as the case may be, usual form; provided, however, that Tenant shall pay all costs incurred by Landlord which are imposed by such Mortgagee or Ground Lessor, as the case may be, with respect to such non-disturbance agreement. Furthermore, Landlord shall obtain from any future Mortgagee or Ground Lessor a non-disturbance agreement for the benefit of Tenant in such Mortgagee's or Ground Lessor's, as the case may be, usual form; provided, however, that (i) Tenant shall pay all costs incurred by Landlord which are imposed by such Mortgagee or Ground Lessor, as the case may be, with respect to such non-disturbance agreement,

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and (ii) in the event that either (A) Tenant's net worth is not equal to at least fifty percent (50%) of Tenant's net worth as shown on Exhibit H attached hereto and made a part hereof, or (B) Tenant's creditworthiness is not then greater than or equal to, in Landlord's sole and absolute discretion, Tenant's creditworthiness as shown on said Exhibit H, Landlord shall not have any obligation to obtain such non-disturbance agreement; provided, however, that even in such circumstance(s), Landlord shall nevertheless use commercially reasonable efforts to obtain such non-disturbance agreement.

B. Modifications to Lease: In the event any of Landlord's insurance carriers or any Mortgagee requests modifications to this Lease, Tenant shall execute a written amendment incorporating such requested modifications within thirty (30) days after the same has been submitted to Tenant by Landlord, provided that such modifications do not adversely affect Tenant's use of the Premises as herein permitted or increase the rentals and other sums payable by Tenant hereunder. In the event Tenant refuses or fails to execute such amendment within thirty (30) days, Landlord shall have the right, at its sole option, in addition to Landlord's other remedies for Default, to terminate and cancel this Lease by written notice to Tenant specifying the date on which this Lease will terminate. From and after said termination date, both Landlord and Tenant shall be relieved of any and all further obligations hereunder, except liabilities arising prior to the date of termination.

23. ASSIGNMENT AND SUBLETTING.

A. No Transfer Without Consent. Tenant shall not, without the prior written consent of Landlord in each instance (which consent may be withheld in Landlord's sole and absolute discretion) (i) assign, mortgage or otherwise encumber this Lease or any of its rights hereunder, (ii) sublet the Premises or any part thereof or permit the occupancy or use of the Premises or any part thereof by any persons or entities other than Tenant; or (iii) permit the assignment of this Lease or any of Tenant's rights hereunder by operation of law (each of the actions set forth in clauses (i), (ii) and (iii) of this sentence is referred to herein as a "Transfer"). Any attempted assignment, mortgaging or encumbering of this Lease or any of Tenants rights hereunder and any attempted subletting or grant of a right to use or occupy all or a portion of the Premises in violation of the foregoing sentence shall be void. Notwithstanding any provision of this Lease to the contrary, Tenant shall have the right, without obtaining the prior written consent of Landlord, to Transfer to (a) any parent corporation of Tenant, (b) any subsidiary corporation of Tenant or of Tenant's parent corporation, (c) any entity in which Tenant, any parent corporation of Tenant or any subsidiary corporation of Tenant or of Tenant's parent corporation holds a majority the outstanding shares or ownership interests, or (d) any corporation resulting from the merger, consolidation or reorganization of Tenant or Tenant's parent corporation with another corporation (any entity which is described in clauses (a), (b), (c) or (d) is hereinafter referred to as an "Affiliate"); provided, however, that the combined net worth and creditworthiness of such Affiliate and Tenant shall be at least equal to the greater of either Tenant's net worth and creditworthiness as of the Effective Date of this Lease or Tenant's net worth and creditworthiness as of the date of such Transfer. In addition, Landlord's consent shall not be required for any agreements with Customers (as such term is defined in the Special Tenant Requirements which are attached hereto as Exhibit G and made a part hereof) (the "Customer Agreements"). Any and all of the transactions permitted under this Section 23.A. shall not constitute an assignment, subletting or other transaction requiring the consent of Landlord under

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the provisions of this Section 23 and shall not be subject to the consent requirements hereof or any of the provisions of Section 23.B., 23.C. or 23.D.

B. Take-Back Rights: In addition, Tenant may not assign this Lease, nor sublet (or permit occupancy or use of) the Premises, or any part thereof, without giving Landlord thirty (30) days prior written notice thereof. For thirty (30) days following receipt of said notice, in the event that either (a) such proposed sublease would result in an aggregate of at least 140,000 rentable square feet of the area comprising the Premises being sublet, or (b) Tenant is proposing assisting the Lease to any party other than an Affiliate, In accordance with the terms and conditions of Section 23.A. hereof, Landlord shall have the right, exercisable by sending notice to Tenant, to sublet from Tenant for the balance of the Term of this Lease (i) all of the Premises in the event Tenant notified Landlord of its desire to assign this Lease, or (ii) so much of the Premises as Tenant intends to sublet in the event Tenant notified Landlord of its desire to sublet the Premises or permit another to make use thereof, at the same rental Tenant is obligated to pay to Landlord hereunder. In the event Landlord does not exercise the aforesaid right within said thirty (30) days, Tenant may attempt to assign, sublet or permit use of this Lease or such space; provided that Tenant shall obtain the prior written consent of Landlord as set forth in Subsection A. above. In the event that Tenant defaults hereunder, Tenant hereby assigns to Landlord the Rent due from any assignee or subtenant and hereby authorizes each such party to pay said Rent to Landlord.

C. Transfer of Stock: If Tenant and/or any Guarantor is a corporation, then the sale, issuance or transfer of any voting capital stock of Tenant or any Guarantor, by the person, persons or entities owning a controlling interest therein as of the date of this Lease, which results in a change in the voting control of Tenant or the Guarantor, shall be deemed an assignment within the meaning of this Section 23; provided, however, that the provisions of this Section 23.C. shall not be applicable to (i) transfers of stock among persons who are shareholders of Tenant as of the Effective Date of this Lease, (ii) transfers of stock to any spouse, child, grandchild, sibling or aunt or uncle of any shareholder, or to the spouse of any of the foregoing persons, or any trust for the benefit of any of the foregoing persons, or (iii) transfers of stock at any time that Tenant is an entity the shares of which are publicly held and traded on a national or regional stock exchange. If Tenant and/or any Guarantor is a partnership, the sale or transfer of the partnership share, or any portion thereof, of any general partner shall be deemed an assignment of this Lease.

D. Expenses and Profits; Effect of Consent:

(1) In the event Landlord permits Tenant to assign or sublet all or a portion of the Premises to a third party, fifty percent (50%) of any sums that are paid by such third party for the right to occupy the Premises, in excess of the sum of (i) the Rent then in effect plus (ii) reasonable costs actually incurred by Tenant in connection with such sublease or assignment for brokerage commissions, advertising fees, attorneys' fees and tenant improvements, and the then unamortized costs of any initial Additional Tenant Work and of Tenant's initial buildout of the Premises shall be paid by Tenant to Landlord on a monthly basis as Additional Rent. This Section 23.D.(1) shall not apply to Customer Agreements.

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(2) Tenant shall be responsible for all costs and expenses, including attorneys' fees, incurred by Landlord in connection with any proposed or purported assignment or sublease and an administrative fee of Two Thousand Five Hundred Dollars (\$2,500.00).

(3) The consent by Landlord to any assignment or subletting shall neither be construed as a waiver or release of Tenant from any covenant or obligation of Tenant under this Lease, nor as relieving Tenant from giving Landlord the aforesaid thirty (30) days notice of, or from obtaining the consent of Landlord to, any further assignment or subletting. The collection or acceptance of Rent from any such assignee or subtenant shall not constitute a waiver or release of Tenant from any covenant or obligation of Tenant under this Lease, except as expressly agreed by Landlord in writing.

E. Tenant's Equipment Financing: The foregoing notwithstanding, Tenant may grant a security interest in rights under this Lease to the entity that provides equipment financing to Tenant. The entity holding the security interest in this Lease as authorized under this Section 23.E. may foreclose on such security interest and transfer this Lease to the party purchasing at the foreclosure, provided that Landlord consents to such party as the new Tenant hereunder, which consent shall not be unreasonably withheld or delayed, provided that all of the following conditions are satisfied: (1) there shall be no default at the time of the transfer, (2) the proposed new tenant shall be creditworthy, (3) the proposed new tenant shall not be a governmental entity or a person or entity enjoying sovereign or diplomatic immunity, (4) the use of the Premises by the proposed new tenant shall not attract a volume, frequency or type of visitor or employee to the Building which is not consistent with the standards of a high quality office building, (5) the proposed new tenant shall specifically covenant and agree to perform the obligations of Tenant hereunder and to occupy the Premises subject to the provisions of this Lease, and (6) Tenant remains liable for the faithful performance of this Lease.

Landlord (and any successor or affiliate of Landlord) may freely sell, assign or transfer all or any portion of its interest in this Lease or the Premises, the Building or the Land and, in the event of any such sale, assignment or transfer, shall be relieved of any and all obligations under this Lease from and after the date of the sale, assignment or transfer. From and after said date, Tenant shall be bound to such purchaser, assignee or other transferee, as the case may be, as though the latter had been the original Landlord hereunder, provided that the purchaser, assignee or transferee agrees to assume the obligations of Landlord hereunder.

25. INABILITY TO PERFORM.

This Lease and Tenant's obligation hereunder shall in no way be affected, impaired or excused, nor shall Tenant have any claim against Landlord for damages, because Landlord, due to Unavoidable Delays, is unable to fulfill any of its obligations under this Lease, including, but not limited to, any obligations to provide any services, repairs, replacements, alterations or decorations or to supply any improvements, equipment or fixtures.

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26. ESTOPPEL CERTIFICATES.

Tenant shall, without charge, within ten (10) days after receipt of any request therefor, execute and deliver to Landlord a certificate stating: (i) whether this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect and seeing forth all such modifications); (ii) whether there then exist any defenses against the enforcement of any right of Landlord hereunder (and, if so, specifying the same in detail); (iii) the dates to which rent and any other charges hereunder have been paid by Tenant; (iv) that Tenant has no knowledge of any then uncured defaults under this Lease (or, if Tenant has knowledge of any such defaults, specifying the same in detail); (v) that Tenant has no knowledge of any event that will or may result in the termination of this Lease (or if Tenant has such knowledge, specifying the same in detail); (vi) the address to which notices to Tenant are to be sent; and (vii) such other information as may be reasonably requested. It is understood that any such certificate may be relied upon by Landlord, any Mortgagee, prospective Mortgagee, Ground Lessor, prospective Ground Lessor, or purchaser or prospective purchaser of the Land or the Building. On not more than one (1) occasion in each Fiscal Year, within ten (10) days after receipt of a request therefor from Tenant, Landlord shall execute and deliver to Tenant a certificate which addresses the matters described in clauses (i) through (vi) of the preceding sentence.

27. COVENANT OF QUIET ENJOYMENT.

Landlord covenants that it has the right to make this Lease and that, if Tenant shall pay all Rent and perform all of Tenant's other obligations under this Lease, Tenant shall have the right, during the Term and subject to the provisions of this Lease, to quietly occupy and enjoy the Premises without hindrance by Landlord or its successors and assigns.

28. WAIVER OF JURY TRIAL.

Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other with respect to any matter arising out of or connected with this Lease.

29. BROKERS.

Landlord and Tenant each represents and warrants to the other that, except as hereinafter set forth, neither of them has employed any broker in procuring or carrying on any negotiations relating to this Lease. Landlord and Tenant shall indemnify and hold each other harmless from any loss, claim or damage relating to the breach of the foregoing representation and warranty. Landlord recognizes only Advantis, Inc., as agent of Landlord, as broker with respect to this Lease and agrees to be responsible for the payment of any leasing commissions owed to said brokers.

30. CERTAIN RIGHTS RESERVED BY LANDLORD.

Landlord shall have the following rights, exercisable without notice, without liability for damage or injury to property, person or business and without effecting an eviction,

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constructive or actual, or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for set-off, abatement of Rent or otherwise:

A. To change the Park's and the Building's name or street address.

B. [Intentionally omitted.]

C. To designate and approve, prior to installation, all window shades, blinds, drapes, awnings, window ventilators, lighting and other similar equipment to be installed by Tenant that may be visible from the exterior of the Premises or the Building.

D. To make repairs, whether structural or otherwise, in, to and about the Building and any part thereof, and for such purposes to enter the Premises, and, during the continuance of any such work, to close temporarily doors, entry ways, common areas in the Building and to interrupt or temporarily suspend Building services and facilities, all without affecting Tenant's obligations hereunder, as long as the Premises remain tenantable.

E. To grant to anyone the exclusive right to conduct any business or render any service in the Parks provided Tenant is not thereby excluded from uses expressly permitted herein.

F. To alter, relocate, reconfigure and reduce the common areas of the Park, as long as the Premises remain reasonably accessible.

G. To alter, relocate, reconfigure, reduce and withdraw the Park Common Areas located outside the Building, including parking and access roads, as long as the Premises remain reasonably accessible; provided, however, that any such alteration, relocation, reconfiguration, reduction or withdrawal of the Park Common Areas located outside the Building not adversely affect Tenant's parking rights as set forth in this Lease.

H. To erect, use and maintain pipes and conduits in and through the Premises, if required by any applicable law or governmental regulation.

31. NOTICES.

No notice, request, approval, waiver or other communication which may be or is required or permitted to be given under this Lease shall be effective unless the same is in writing and hand-delivered, sent by registered or certified mail, return receipt requested, first-class postage prepaid, or sent with charges prepaid by a nationally recognized air courier service, addressed as follows:

If to Landlord:

TrizecHahn Mid-Atlantic Management Services LLC
1250 Connecticut Avenue, N.W.
Suite 500
Washington, D.C. 20036
Attention: Portfolio Manager - [*]

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

If to Tenant:

Prior to the Lease Commencement Date:

Equinix, Inc. _____
901 Marshall Street _____
Redwood City, California 94063 _____
Attn: Mr. Keith Taylor _____

or at any other address of which either party shall notify the other in accordance with this Section. Such communications, if sent by registered or certified mail, shall be deemed to have been given to three (3) business days after the date of mailing, or if sent by a nationally recognized air courier service, shall be deemed to have been given one (1) business day after the date of deposit of the notice with such service. If any Mortgagee shall notify Tenant that it is the holder of a Mortgage affecting the Premises, no notice, request or demand thereafter sent by Tenant to Landlord shall be effective until a copy of same shall be sent to such Mortgagee in the manner prescribed in this Section at such address as such Mortgagee shall designate.

32. MISCELLANEOUS PROVISIONS.

A. Benefit and Burden: The provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective successors and permitted assigns.

B. Governing Law: This Lease shall be construed and enforced in accordance with the laws of the jurisdiction in which the Building is located.

C. No Partnership: Nothing contained in this Lease shall be deemed to create a partnership or joint venture between Landlord and Tenant, or to create any other relationship between the parties other than that of Landlord and Tenant.

D. Delegation by Landlord: Wherever Landlord has the authority to take any action under this Lease, Landlord shall have the right to delegate such authority to others, and Landlord shall be responsible for the authorized actions of such agents, employees and others, to the same extent as if Landlord had taken such action itself.

E. Tenant Responsibility for Agents: In any case where Tenant is responsible for performing or refraining from an act or for preventing an action or result from occurring, Tenant shall also be responsible for any actions taken or omitted by Tenant's agents, employees, business invitees, licensees, contractors, subtenants, family members, guests and any other individuals or entities present in the Building or on the Land at Tenant's invitation.

F. Invalidity of Particular Provisions: If any provision of this Lease or the application thereof to any person, entity or circumstance shall, to any extent, be held invalid or unenforceable, the remaining provisions and the application of such invalid or unenforceable provisions to persons, entities and circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby. Each provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

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G. Counterparts: This Lease may be executed in several counterparts, all of which shall constitute one and the same document.

H. Entire Agreement: This Lease, and any exhibits and addenda attached hereto, embody the entire agreement of the parties hereto relating to the Premises, and no representations, inducements or agreements, oral or otherwise, between the parties not contained in this Lease or in the exhibits or addenda shall be of any force or effect. No rights, privileges, easements or licenses are granted to Tenant hereby, except as expressly set forth herein.

I. Amendments: This Lease may not be modified in whole or in part in any manner other than by an agreement in writing.

J. Mortgagee's Performance: Tenant shall accept performance of any of Landlord's obligations hereunder by any Mortgagee.

K. Limitation on Interest: In any case where this Lease provides for a rate of interest that is higher than the maximum rate permitted by law, the rate specified herein shall be deemed to equal, and the party designated as recipient of such interest shall be entitled to receive, the maximum rate of interest permitted by law.

L. Remedies Cumulative: All rights and remedies of Landlord shall be cumulative and shall not be exclusive of any other rights or remedies of Landlord hereunder or now or hereafter existing at law or in equity.

M. Annual Financial Statements: Within five (5) business days following Landlord's request therefor, Tenant shall submit to Landlord an audited financial statement covering the preceding Fiscal Year, which has been prepared in accordance with generally accepted accounting principles by an independent certified public accountant. Tenant's most recent audited financial statement as of the Effective Date of this Lease is attached hereto and made a part hereof as Exhibit H.

33. LENDER APPROVAL [Intentionally omitted].

34. PARKING.

Parking will be made available to Tenant pursuant to the provisions of Exhibit E attached hereto.

35. SECURITY DEPOSIT.

A. Amount and Uses: Landlord acknowledges receipt from Tenant of [*] Dollars (\$ [*]) (the "Security Deposit"), to be held by Landlord as security for the payment of all Rent payable by Tenant and for the faithful performance by Tenant of all other obligations of Tenant under this Lease. Notwithstanding the foregoing, the Security Deposit shall be reduced (i) by [*] Dollars (\$ [*]) after the expiration of the third (3rd) Lease Year of the Term, (ii) by Dollars (\$ [*]) after the expiration of the sixth (6th) Lease Year of the Term, and (iii) by

[*] Dollars (\$[*]) after the expiration of the seventh (7th) Lease Year of the Term, except that there shall be no such reduction for any Lease Year at the end of which either (a) there exists any Default or any circumstance which with the giving of notice or the passage of time would constitute a Default under this Lease or (b) Tenant's net worth and creditworthiness are not at least equal, in Landlord's reasonable judgment, to Tenant's net worth and creditworthiness as of the Effective Date of this Lease, until such time as such Default or circumstance has been cured, at which time the reduction in the Security Deposit shall resume. After the end of the seventh (7th) Lease Year, the required amount of the Security Deposit at that time shall remain as the Security Deposit for the remainder of the Term hereof. Said Security Deposit shall be repaid to Tenant after the termination of this Lease (or any renewal thereof) provided Tenant shall have made all such payments and performed all such obligations hereunder. Landlord shall not be required to maintain the Security Deposit in a separate account. The Security Deposit shall not be mortgaged assigned transferred or encumbered by Tenant without the prior written consent of Landlord and any such act shall be void. Landlord may at Landlord's option appropriate and apply the entire Security Deposit or so much thereof as Landlord believes may be necessary to compensate Landlord for the payment of any past-due Rent and for loss or damage sustained by Landlord due to any Default. In the event Landlord appropriates or applies the Security Deposit in such a manner Tenant within five (5) days after notice thereof shall pay to Landlord an amount sufficient to restore the Security Deposit to the original sum deposited. Tenants failure to restore any such deficiency shall constitute a Default hereunder. In the event of bankruptcy or other debtor creditor proceedings by or against Tenant the Security Deposit shall be applied first to the payment of Rent due Landlord for all periods prior to the filing of such proceedings. In lieu of the cash Security Deposit herein above provided for, Tenant shall have the option to deposit with Landlord a letter of credit (the "Letter of Credit") in an amount equal to the Security Deposit, which Letter of Credit shall thereupon constitute the Security Deposit. The Letter of Credit shall be maintained throughout the remainder of the Term. Any Letter of Credit delivered to Landlord by Tenant shall be an unconditional, irrevocable letter of credit in a form and from a financial institution located in the Washington, D.C. metropolitan area, capable of being drawn upon at any of the such issuer's offices in the Washington, D.C. metropolitan area, and acceptable to Landlord in its sole discretion; provided, however, that the initial issuer of the Letter of Credit may be Comercia Bank of California ("Comercia") if the Letter of Credit is capable of being drawn upon in any of Comercia's offices in California. Said Letter of Credit shall provide that it shall expire on the thirtieth (30th) day following the date of expiration of the Term of this Lease. At Tenant's option, said Letter of Credit shall have a term equal to the period expiring on the first anniversary of the date of issuance thereof, in which event Tenant covenants that a renewal of said Letter of Credit shall be delivered to Landlord by that date which is thirty (30) days prior to the expiration date thereof, and thereafter a renewal of the Letter of Credit shall be delivered to Landlord by Tenant by that date which is thirty (30) days prior to each succeeding anniversary of the original expiration date of the Letter of Credit. If Tenant fails to so renew and deliver said Letter of Credit to Landlord by the thirtieth (30th) day preceding each said expiration date, such failure shall constitute a Default hereunder (as to which no cure period shall be applicable) and Landlord may draw upon the Letter of Credit then in effect without the necessity of any other monetary or other default hereunder by Tenant, in which event the proceeds thereof shall be held by Landlord. Said Letter of Credit shall provide that Landlord shall be permitted to draw on same on multiple occasions following the occurrence of a Default by Tenant under this Lease;

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

provided, however, that in the event that said Letter of Credit would expire during the pendency of any litigation to resolve whether such Default has occurred, Landlord may draw upon said Letter of Credit prior to the expiration thereof. In the event that Landlord draws upon the Letter of Credit after a Default by Tenant as aforesaid, Landlord shall use, apply or retain all or any portion of the proceeds thereof for (1) the payment of any Rent or any other sums as to which Tenant is in default, (2) the payment of any amount which Landlord may spend or become obligated to spend to repair damage to the Premises or the Building for which repairs Tenant is liable hereunder, or (3) compensation to Landlord for any losses which Landlord is entitled to recover hereunder by reason of Tenant's Default, including, but not limited to, any damage or deficiency arising in connection with the reletting of the Premises and all associated reasonable legal fees. In the event that the Letter of Credit is drawn upon by Landlord for failure of Tenant to renew said Letter of Credit as aforesaid, the proceeds thereof shall be held by Landlord in accordance with the provisions respecting the Security Deposit under this Section 35, and, in such event, within thirty (30) days after the expiration of the Term, and provided Tenant has vacated the Premises and is not in default hereunder, Landlord shall return such proceeds to Tenant, less such portion thereof as Landlord may be entitled hereunder to apply to satisfy any Default by Tenant hereunder. In the event that Tenant is in default upon the expiration of the

Term and Landlord does not use all of the Security Deposit to cure such default, then, after such default has been cured, Landlord shall return any unused balance of the Security Deposit to Tenant. The use, application or retention of the proceeds of the Letter of Credit, or any portion thereof, by Landlord shall not prevent Landlord from exercising any other right or remedy provided by this Lease or by law, and shall not limit any recovery to which Landlord may otherwise be entitled. In the event of the sale or transfer of Landlord's interest in the Building or the Land, Landlord shall transfer the proceeds of the Letter of Credit to the purchaser or transferee, in which event Tenant shall look only to the purchaser or transferee for the return of the proceeds of the Letter of Credit, and Landlord shall be released from all liability to Tenant for the return of such proceeds.

B. Transferability: In the event of a sale or transfer of Landlord's interest in the Building or of the interest of any successor or assign of Landlord, Landlord (or such successor or assign) shall have the right to transfer the Security Deposit to any vendee or transferee and shall thereupon be released automatically from any liability therefor Tenant shall look solely to the transferee for the return of the Security Deposit. No Mortgagee or purchaser of any or all of the Building at any foreclosure proceeding shall (regardless of whether the Lease is at the time subordinated to the lien of said Mortgage) be liable to Tenant or any other person for any of such Security Deposit, or any other payment made by Tenant hereunder, unless Landlord has actually delivered said deposit or other such sum to such Mortgagee or purchaser in the event of any rightful and permitted assignment of Tenant's interest in this Lease, the Security Deposit shall be deemed to be held by Landlord as a deposit made by the assignee, and Landlord shall have no liability to the assignor with respect to the return of the Security Deposit

36. HAZARDOUS MATERIALS

A. Definition. As used in this Lease, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "infectious wastes", "hazardous

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materials" or "toxic substances", now or subsequently regulated under any federal, state or local laws, regulations or ordinances including without limitation, oil, petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons

B. General Prohibition. Tenant shall not cause or permit any Hazardous Material to be generated, produced, brought upon, used, stored, treated, discharged, released, spilled or disposed of on, in under or about the Premises, the Building, or the Land (hereinafter referred to collectively as the "Property") by Tenant, its affiliates, agents, employees, contractors, subtenants, assignees or invitees; provided, however, that such prohibition shall not apply to fuel for Tenant's generators, batteries and customary office and cleaning supplies, so long as all of same are stored, used and disposed of in accordance with all applicable laws and governmental regulations. Tenant shall indemnify, defend and hold Landlord harmless from and against any and all actions (including, without limitation, remedial or enforcement actions of any kind, administrative or judicial proceedings, and orders or judgments arising out of or resulting therefrom), costs, claims, damages (including without limitation, attorneys', consultants', and experts' fees, court costs and amount paid in settlement of any claims or actions), fines, forfeitures or other civil, administrative or criminal penalties, injunctive or other relief (whether or not based upon personal injury, property damage, or contamination of, or adverse effects upon, the environment, water tables or natural resources), liabilities or losses arising from a breach of this prohibition by Tenant, its affiliates, agents, employees, contractors, subtenants, assignees or invitees.

C. Notice. In the event that Hazardous Materials are discovered upon, in, or under the Property, and any governmental agency or entity having jurisdiction over the Property requires the removal of such Hazardous Materials, Tenant shall be responsible for removing those Hazardous Materials arising out of or related to the use or occupancy of the Property by Tenant or its affiliates, agents, employees, contractors, subtenants, assignees or invitees but not those of its predecessors. Notwithstanding the foregoing, Tenant shall not take any remedial action in or about the Property or any portion thereof without first notifying Landlord of Tenant's intention to do so and affording Landlord the opportunity to protect Landlord's interest with respect thereto. Tenant immediately shall notify Landlord in writing of: (i) any spill, release, discharge or disposal of any hazardous Material in, on or under the Property or any portion thereof; (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated, or threatened (if Tenant has notice thereof) pursuant to any laws respecting Hazardous Materials; (iii) any claim made or threatened by any person against Tenant or the Property or any portion thereof relating to damage, contribution,

cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iv) any reports made to any governmental agency or entity arising out of or in connection with any Hazardous Materials in, on under or about or removed from the Property or any portion thereof, including any complaints, notices, warnings, reports or asserted violations in connection therewith. Tenant also shall supply to Landlord as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Premises, the Property or Tenant's use or occupancy thereof.

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D. Survival. The respective rights and obligations of Landlord and Tenant under this Section 36 shall survive the expiration or earlier termination of this Lease.

37. RELOCATION OF TENANT [Intentionally omitted].

38. MEMORANDUM OF LEASE.

A Memorandum of Lease (i) referring to this Lease, including, but not limited to, the names of the parties, the description of the Land, the Term, a statement regarding the use of the Premises, and such other provisions hereof as Landlord and Tenant shall mutually approve, and (ii) in the form attached hereto and made a part hereof as Exhibit 1, shall, at Tenant's or Landlord's request, be executed by Landlord and Tenant and recorded among the Land Records in the Circuit Court of Loudoun County, Virginia, in which case the party requesting such recordation shall pay all recordation fees, taxes and charges which are assessed by the recording official.

39. ANTENNA LICENSE.

Subject to the terms of this Section 39, Landlord hereby grants to Tenant a license during the Term provided that Tenant is not in default under this Lease: to install and operate a reasonable number of satellite dishes (solely for Tenant's business as conducted within the Premises, and not for any resale or other commercial purpose, except for use by Customers (as hereinafter defined in Paragraph 7 of Exhibit G hereto)), microwave antennae and other similar equipment in and on the Building in accordance with specifications and at locations approved by Landlord in writing in advance, in Landlord's sole discretion (all of the foregoing items being hereinafter collectively referred to as the "Equipment").

The installation of the Equipment shall be performed only by contractors which are bonded, licensed, insured and reputable.

In the event Tenant undertakes installation of any Items of the Equipment, Tenant shall not be obligated to pay any fee or rental with respect to the use of the roof for the Equipment which is in addition to the Base Rent or the Additional Rent which is provided for in Section 5 hereof.

This Section 39 shall be subject at all times to the following conditions (the failure of any of which shall be a material breach of this Section 39 by Tenant and shall give Landlord the right to terminate Tenant's access and use of the roof for said Equipment):

(a) The Equipment shall be installed and at all times operated, maintained and repaired by Tenant, at Tenant's sole cost and expense. All penetrations into any of the Building surfaces shall be sealed so as to prevent any water leakage. Tenant shall not undertake or engage in any installation of the Equipment without first submitting to Landlord detailed working plans of all such installations and obtaining prior written approval of Landlord.

(b) Throughout the period of such installation, and thereafter during any operation, maintenance or repair of the Equipment, Tenant shall install and utilize, at Tenant's sole expense, such screening supports, walk boards, and such other materials as may be

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required by Landlord to protect the Building or any part thereof, the Building generally, pedestrians, vehicles on adjacent roadways and any other property or owners of property adjacent to the Building.

(c) The Equipment installed or operated by Tenant hereunder shall be installed, operated, maintained and repaired by Tenant in a good and workmanlike manner and in a manner which shall not impair the structure, value, rental value or rentability of, or detract from the appearance of, the Building or any part thereof.

(d) The Equipment installed or operated by Tenant hereunder shall be installed, operated, maintained and repaired by Tenant in a manner which shall not cause a violation of any mortgage, deed of trust, ground lease

or other financing instrument now existing or hereafter recorded with respect to the Building at any time after Landlord has provided Tenant with notice of the applicable provisions thereof, or any agreements or warranties with respect to the Building or any part thereof as are now or hereafter shall be held by or entered into by Landlord or Landlord's management agent. The provisions of this Section 39(d) shall not apply to any mortgage, deed of trust, ground lease or financing instrument, the provisions of which would preclude Tenant from exercising its right to install Equipment pursuant to this Section 39.

(e) The Equipment installed or operated by Tenant hereunder shall be installed, operated, maintained and repaired by Tenant in a manner which shall not interfere with or disturb any tenant or other occupant of the Park.

(f) The Equipment shall not cause interference with any other equipment of any nature in, on or about the Building or the Park or any other equipment owned by any other person, irrespective of where located and irrespective of whether such person has any interest in the Park. In the event that the Equipment causes such interference, Tenant agrees it will take all steps necessary to correct and eliminate the interference consistent with appropriate government rules and regulations upon receipt of written notification of the interference. If Tenant does not commence to eliminate the interference within one (1) calendar day after receipt of notification, or if the interference is not in fact eliminated within two (2) business days of receipt of notification, Tenant will cease operation of the equipment causing such interference until such interference is cured.

(g) Neither the Equipment nor Tenant shall unreasonably interfere with the use of the roof of the Building by Landlord.

(h) Prior to the installation of the Equipment, Tenant shall obtain, and shall thereafter comply with and keep in force throughout the Term, all permits, licenses, inspections and other governmental requirements and authorizations required by all governmental authorities having jurisdiction over the Building, the Equipment, Tenant, or the business operations in which the Equipment shall be utilized.

(i) The installation, operation, maintenance and repair of the Equipment shall be performed by Tenant in accordance with all applicable laws, regulations and

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other requirements of all federal and local government and quasi-governmental entities and authorities.

Tenant acknowledges and agrees that Landlord has not made any representation, warranty or other statement to Tenant (and none is implied) regarding the feasibility of installing or operating the Equipment hereunder.

Landlord agrees to permit Tenant reasonable, non-exclusive access to portions of the Building as necessary so as to facilitate the installation, operation, maintenance, repair, and removal of the Equipment in accordance with this Section 39.

40. OPTIONS TO EXTEND.

Provided that Equinix, Inc., a Delaware corporation, or an Affiliate (as defined in Section 23.A. hereof) (said Equinix, Inc. or an Affiliate being hereinafter collectively referred to as "Equinix") (i) is not then in default in the payment of any Rent due under this Lease and is not then in Default in the performance of any of its other obligations under this Lease, and (ii) has not been in Default more than once during the immediately preceding two (2) years of the Term, in each case both at the time of exercise of the Renewal Option, as hereinafter defined, in question, and at the commencement of the Renewal Period, as hereinafter defined, in question, and is then in occupancy of the Premises at the time of exercise of the Renewal Option, as hereinafter defined, in question, and at the time of the commencement of the Renewal Period, as hereinafter defined, in question, Equinix shall have three (3) successive options (the "Renewal Options") to extend the Term of the Lease, each for a successive additional five (5) year period (the "Renewal Periods") after the expiration of the Initial Term. Each Renewal Option shall be exercisable only by written notice given by Equinix to Landlord not later than twelve (12) months, nor earlier than fifteen (15) months, prior to the expiration of the initial Term, or the Renewal Period then in effect, as the case may be. In the event that Equinix does not timely exercise a Renewal Option, said Renewal Option and all successive Renewal Options shall be null and void and of no further force or effect, time being of the essence in the exercise of each Renewal Option and it being acknowledged and agreed by Equinix that Landlord shall be entitled to rely on any failure by Equinix to give written notice of its exercise of its Renewal Option by the date set forth herein for such exercise thereof.

All terms and conditions of this Lease shall be applicable during the Renewal Period except that the amount of Base Rent charged for each Renewal Period shall be the then "Prevailing Market Rent", which shall be the rent for

comparable space in comparable buildings in Loudoun County, Virginia; provided, however, that in no event shall the Prevailing Market Rent determined as aforesaid be deemed to be less than the Base Rent payable under this Lease during the Lease Year immediately preceding the first Lease Year of the Renewal Period. If within thirty (30) days following delivery of Equinix's notice, Landlord and Equinix have not mutually agreed on the Prevailing Market Rent for the Renewal Period in question, then within ten (10) days after the expiration of such thirty-day period, each party shall file written notice to the other setting forth the name and address of a Broker (as hereinafter defined) selected by such party who has agreed to act in such capacity, to determine the Prevailing Market Rent. If either party shall fail to select a Broker as aforesaid, the Prevailing Market Rent shall be determined by the Broker selected by the other party. Each Broker shall thereupon independently make his

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determination of the Prevailing Market Rent within twenty (20) days after the appointment of the second Broker. If the two Brokers' determinations are not the same, but the higher of such two values is not more than one hundred five percent (105%) of the lower of them, then the Prevailing Market Rent shall be deemed to be the average of the two values. If the higher of such two values is more than one hundred five percent (105%) of the lower of them, then the two Brokers shall jointly appoint a third Broker within ten (10) days after the second of the two determinations described above has been rendered. The third Broker shall independently make his determination of the Prevailing Market Rent within twenty (20) days after his appointment. The highest and the lowest determinations of value among the three Brokers shall be disregarded and the remaining determination shall be deemed to be the Prevailing Market Rent. Within thirty (30) days after the Prevailing Market Rent is determined as aforesaid, the parties shall execute an amendment to this Lease setting forth the new Rent to be paid for the Renewal Period.

For the purposes of this Section 40, "Broker" shall mean a real estate broker licensed in the Commonwealth of Virginia, who has been regularly engaged in such capacity in the business of commercial leasing in Loudoun County, Virginia for at least ten (10) years immediately preceding such person's appointment hereunder. Each party shall pay for the cost of its Broker and one-half of the cost of the third Broker.

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IN WITNESS WHEREOF, Landlord and Tenant have executed this Deed of Lease under seal as of the day and year first above written.

WITNESS:

LANDLORD:

TRIZECHAHAN CENTERS, INC. dba
TrizecHahn Beaumeade Corporate
Management, a California corporation
By: _____
Name: _____
Its: _____

By: _____

ATTEST:

TENANT:

[Corporate Seal]
By: /s/ Jay S. Adelson

Name: Jay S. Adelson

Its: Chief Financial Officer

EQUINIX, INC., a Delaware corporation
By: /s/ Philip J. Koen

Name: Philip J. Koen

Its: Chief Financial Officer

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EXHIBIT A

[Graphic of Layout of Premises]

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EXHIBIT B

DECLARATION BY LANDLORD AND TENANT
AS TO DATE OF DELIVERY AND ACCEPTANCE OF
POSSESSION, LEASE COMMENCEMENT DATE, ETC.

THIS DECLARATION is hereby attached to and made a part of the Deed of Lease dated the _____ day of _____, 1999 (the "Lease"), entered into by and between TRIZECHAHN CENTERS, INC. dba TRIZECHAHN BEAUMEADE CORPORATE MANAGEMENT, a California corporation, as Landlord and EQUINIX, INC., a Delaware corporation, as Tenant. All terms used in this Declaration have the same meaning as they have in the Lease.

(i) Landlord and Tenant do hereby declare that possession of the

Premises was accepted by Tenant on the ___ day of _____, 19__;

(ii) As of the date hereof, the Lease is in full force and effect, and Landlord has fulfilled all of its obligations under the Lease required to be fulfilled by Landlord on or prior to said date;

(iii) The Lease Commencement Date is hereby established to be _____, 19__; and

(iv) The Lease Expiration Date is hereby established to be _____, unless the Lease is sooner terminated pursuant to any provision thereof.

WITNESS:

LANDLORD:

TRIZECHAHN CENTERS, INC. dba TrizecHahn
Beaumeade Corporate Management, a
California corporation

By: _____

By: _____

Name: _____

Its: _____

ATTEST:

TENANT:

[Corporate Seal]

EQUINIX, INC., a Delaware corporation

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____

[NOTE: NOT TO BE EXECUTED AT TIME OF EXECUTION OF LEASE]

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EXHIBIT C-1

Outline Specifications for [*] Building F
[*], Virginia

TECHNICAL SECTIONS

23 September 1999

DIVISION 1 GENERAL REQUIREMENTS

1010 - SUMMARY OF THE WORK

The project consists of a one-story base building structure and related site and utility development on a previously undeveloped suburban tract in [*] near Dulles, Virginia, The site is approximately 9.0 acres of land. The building shall be rectangular in shape with outside dimensions of [*] for approximately [*] gsf. The site will have approximately 360 parking spaces provided. The structure is a tilt-up concrete frame with steel columns with joist girders and bar joists supporting the roof. The majority of the facade shall be articulated with reveals and minimum punched windows at the entrances. The building height will be approximately 30' with 24' clear to underside of joist. Glazing shall be insulated and dark bronze tint. Bronze spandrel panel shall be utilized for all glazing above 10'. Service and loading areas shall be located on a rear facade, as well as a specially designed generator enclosure area. The front, sides and rear parking area are landscaped as required. Assume 3 non-motorized overhead dock doors (12' x 14').

1020 - ALLOWANCES

[_] Per Owner direction, allowances will be quoted for specifically identified items.

01026 - UNIT PRICES

01030 - ALTERNATES

01035 - MODIFICATION PROCEDURES

01040 - PROJECT COORDINATION

The contractor is responsible for all the components that are necessary parts-of full and complete building systems per design intent. All subparts of any building system or any part reasonably inferable there from shall be considered part of the Architect's or Engineer's drawings and would be assumed to be part of this contract

for construction.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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01050 - FIELD ENGINEERING

[_] The contractor shall be responsible for building layout and staking. Restaking, stake displacement, and any related activity due to contractor errors shall be the responsibility of the contractor.

01090 - DEFINITIONS AND STANDARDS

01300 - SUBMITTALS

01310 - SCHEDULES, REPORTS, PAYMENTS

01340 - SHOP DRAWINGS, PROD. DATA, AND SAMPLES

01400 - QUALITY CONTROL SERVICES

[_] Life Safety Provisions: BOCA 1996, ADA and Commonwealth of Virginia Labor and Industrial Standards apply. Testing of soils, concrete and steel connections are among construction testing required. All testing services supplied by Owner.

01500 - TEMPORARY FACILITIES

01600 - MATERIAL AND EQUIPMENT

01631 - PRODUCT SUBSTITUTIONS

01700 - PROJECT CLOSEOUT

01740 - WARRANTIES AND BONDS

DIVISION 2 - SITEWORK

02110 - SITE CLEARING

[_] Service court accommodating trucks will also be included. Site drainage will be to an existing regional management system.

02200 - EARTHWORK

[_] The intent of this project is to make the excavation an unclassified bid. Identify lump sum prices for overall earthwork as well as costs for individual work items.

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02422 - IRRIGATION

[_] All planting and lawn areas immediately adjacent to the building shall be irrigated with an automatic underground irrigation system. Materials and installation shall conform to all requirements of park covenants and local jurisdiction and the Commonwealth of Virginia water, sewer and electrical requirements. Covenants for park will also apply.

02480 - LANDSCAPING

[_] All plant material shall meet or exceed the American Nurseryman's Association (AAN) and Commonwealth of Virginia Standards. All planting means and methods shall conform to ASLA standards of practice. Plants shall be installed per proper and recognized procedures for the climate of Chantilly, Virginia and indigenous to area. All plant materials shall be guaranteed for one year from the date of Final Acceptance. Park covenants must be followed. Detailed plantings will be provided at building entrances. Trees will border entrances and parking islands. All lawns and open areas will be seeded or covered with ground cover. Property lines will be buffered with plant material.

02481 - LAWNS

[_] All seed and sod shall meet applicable Commonwealth of Virginia Standards and shall be certified by the local Turf Growers Association. Installation of lawns shall be in accordance with the ASLA. Guarantee all lawns until acceptance.

02483 - SIGNAGE COORDINATION

[_] All exterior signage for the site must conform to the covenants,

regulations and zoning restrictions of the park as well as local codes.

02513 - ASPHALT CONCRETE PAVING (Final sections will be base on geotechnical report) Car Parking Paving Detail: 3" base course, 1 1/2 " surface course of asphaltic concrete on 6" of crushed stone. Include parking stripes. Heavy-duty Paving Detail: 4: base course, 2" surface course of asphaltic concrete on 6" of crushed stone. Include lane stripes. Final design to be used is to be based on actual CBR Values obtained by on-site testing.

02520 - Concrete Paving

Local jurisdiction requirements and ACI standards shall apply. Curbs will be continuous at site and building entrances and comply with ADA.

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02660 - POTABLE WATER SYSTEMS

Provide per local county standards. Hook-up fees are the responsibility of the contractor.

02720 - STORM SEWER SYSTEMS

Both surface swale systems and underground conduit systems will direct run-off water to a regional facility.

DIVISION 3 - CONCRETE

03310 - CONCRETE

Individual reinforced concrete spread footings shall be used in accordance with test results from borings. The slab on grade will be a rebar reinforced 6"-3500 psi concrete slab. All spread footings and grade beams shall be 3000 psi concrete. Concrete slab shall be designed for load capacity of 250 psf, F.F. = 20, F.L.= 15.

03410 - TILT-UP CONCRETE PANELS

Tilt-up concrete panels will be cast in modular shapes and poured on site. Panels to be engineered for load bearing duty at exterior wall. Panels will be finished with the Tex-coat (XL-70) system with medium texture finish. The tilt panels will be moderately articulated and configured with punched opening for windows. Proper bond breakers and fiberglass reveals shall be used. All panels are to be priced as 8" thick, 4000 psi concrete, or as per final engineering documents.

DIVISION 4 - MASONRY

04200 - UNIT MASONRY

Masonry walls shall be used to enclose the electrical and sprinkler rooms to 10' AFF. Mortar: All mortar to be field mixed Portland Cement-Lime type. Type S for exterior and bearing walls, and Type M below grade. Conforming to ASTM C270. Color to be selected from standard colors and equal to "Colorport" by Riverton Corporation.

DIVISION 5 - METALS

05200 - STRUCTURAL STEEL

Bar joist and joist girders shall be used to support the roof. Roof deck shall be 1-1/2" Type B painted roof deck. The standard structural bay shall be approximately 45' x 40'.

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05210 - STEEL JOISTS/JOIST GIRDERS

Structural system shall employ bar joists and joist girders for roof construction only. Steel columns shall provide vertical support. The roof structure shall be designed for 25-lb. dead load and 30-lb. live (snow) load. The roof joists and girders along the second bay back from the front facade shall be upgraded to accommodate future rooftop units.

05500 - METAL FABRICATIONS

Exit stairs shall be fabricated with steel channels and concrete filled metal pans. Provide two 4' x 3-1/2" dia. concrete filled bollards at each at each service door. Provide 4" x 4" x 1/4" steel

angle door guards to 4'.

05521 - PIPE AND TUBE RAILINGS

[_] Painted pipe railings to be used at all exit stairways. Rails shall be 1-1/2" diameter painted steel tubes. All stairs shall provide guardrails to 42" above tread and handrails at 34" above tread. All guardrails shall have 1/2 diameter vertical balusters at 4.5" o.c.

DIVISION 6 - WOOD AND PLASTICS

06100 - ROUGH CARPENTRY

06200 - FINISH CARPENTRY

DIVISION 7 - THERMAL AND MOISTURE PROTECTION

07190 - VAPOR BARRIERS

[_] Polyurethane sheets 6 mil. to be used under grade slab.

07200 - INSULATION

[_] Roof insulation shall be R-19 utilizing Polyisocyanurate insulation. Alternate shall be R-19 EPS insulation with thermal barrier (3/4" Fresco board). Fire safety insulation to be used as per BOCA 1996, and local county code. Landlord to provide insulation as necessary to obtain permits for a shell building to meet energy envelope requirements. Wall insulation shall be tenant supplied. Slab insulation shall be R-7.5 utilizing 2" rigid boards and limited to within 4' of slab edge (run horizontally and vertically) at the perimeter.

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07530 - FLEXIBLE SHEET ROOF SYSTEMS

[_] EPDM single ply (45 mil) ballasted roofing system shall be installed with 10-year warranty. Roof membrane will be ballasted with smooth river run gravel of 3/4" minimum and 2" maximum diameter. Coverage shall be even. Ballast shall be provided at a rate of 12 psf for the remaining roof area. Roof will utilize Termination bar detail per standard manufacturer detail.

07600 - FLASHING AND SHEET METAL

07620 - METAL FASCIA AND COPING

07700 - ROOF SPECIALTIES & ACCESSORIES

[_] Ladder access shall be provided to the roof. The roofing manufacturer's standards shall be followed for all roof penetrations of conduit and supports for satellite antenna, etc. Walkways to be precast pavers (2'x2'x2') to run from roof hatch to each roof top unit. (To be supplied by tenant during tenant construction.)

07900 - JOINT SEALERS

[_] Joint sealers shall be of a custom color where visible from exterior and generally match the exterior wall color. Product selections shall depend upon application. Acceptable companies shall include Tremco. All precast panels shall be caulked with backer rods at two locations (outside edge and inside edge) as well as for each top. All panels shall be painted first and then the joints shall be sealed. GC shall take necessary precautions to prevent texture paint from entering joint and preventing a proper seal.

DIVISION 8 - DOORS AND WINDOWS

08110 - STEEL DOORS AND FRAMES

[_] Exterior insulated, 20 ga. face steel doors (3'-0" x 7'-0" x 1-3/4") and frames 16 ga. (welded with 2" trim) will be used at utility rooms and for exit doors. Painted steel frames will be used for all other base building interior conditions. All fire doors shall carry UL label for entire door frame assembly.

08333 - OVERHEAD DOORS

[_] Sectional overhead doors shall be 12' x 14' insulated metal doors with steel frames. Provide each sectional overhead door as a complete unit produced by one manufacturer, Thermacore 190 (or equal)). All doors to be operated mechanically unless otherwise specified.

08410 - ALUMINUM ENTRANCE DOORS

[_] Black anodized Kawneer #190 doors or equal with dark bronze steel horizontal push bars and CS9 bright stainless steel vertical pull bars will be used at entry doors and other public access doors throughout the project. These doors "will be glazed with 1/4" non-insulated safety glazing. Provide latch paddle device. Entry doors to have concealed closures. Thresholds shall be similar light metal finish (brushed aluminum)

08525 - ARCHITECTURAL ALUMINUM WINDOWS

[_] Kawneer 450 (or equal) glazing system will be used for windows. Color shall be permanodic Kawneer (or equal) black.

08710 - FINISH HARDWARE

[_] The building hardware metal color shall be white (stainless steel for exterior doors or bright chromium plated for interior doors). Hardware noted is by Schlage (625 finish) (or equal) and handicap rated: Latchsets to be Athens (ATM) D10S, Locksets to be Athens (ATM) D50PD, Mortised deadbolts where required, Deadbolts to be B460P, 6 pin tumblers, Thresholds to be brushed aluminum at entryway, exits, labeled doors and loading areas with maximum 1/2" rise.

08800 - GLASS AND GLAZING (To match buildings A-E)

[_] The building glazing shall be 1" insulated (1/4" Glass, 1/2" Airspace, 1/4" Glass) and lightly tinted. Glass shall be bronze tinted. Spandrel glazing shall be AFGD Clear with Solex Frit, EX-26-111 (bronze) or equal. Tinted 1/4" safety glazing shall be used for entry doors. Glass adjacent to entry doors shall be safety glazing. All glass to meet local Jurisdiction's and Commonwealth of Virginia codes.

DIVISION 9 - FINISHES

09250 - GYPSUM DRYWALL

[_] Base building electrical and sprinkler-demising partitions shall utilize USG gypsum board standards from 10' aff to roof deck. A construction joint shall be placed to break up each expansion of 25' or more of gypsum wall. Deflection joints to be provided at all stud walls extending to underside of structure or roof deck.

09512 - ACOUSTICAL TILE CEILINGS (N/A)

09651 - RESILIENT FLOOR MOULDING (N/A)

09653 - RESILIENT BASE MOULDING (N/A)

09680 - CARPET (N/A)

09900 - PAINTING

[_] Miscellaneous metals including exterior stairs

DIVISION 10 - SPECIALTIES

10155 - TOILET COMPARTMENT (N/A)

10522 - FIRE EXTINGUISHERS, CABINETS & ACCESSORIES

[_] Provide surface mounted fire extinguishers per local code requirements for a shell building.

10801 - TOILET & BATH ACCESSORIES (N/A)

DIVISION 11 - EQUIPMENT

11160 - LOADING DOCK EQUIPMENT (By tenant, listed is TrizecHahn standard)

[_] Dock Levelers: Provide (1) To be fully mechanical, requiring no manual lifting to operate. To be spring counter balanced. Lip to automatically extend. Hinged legs to provide full rated capacity support at dock level. To allow lowering of ramp below dock level without exceeding lip. To meet U.S. Department of Commerce Standard C.S. 202-S6. Dock levelers shall be 6x6, 25,000lb. capacity. Kelley Company, model M606C.

Dock Bumpers: Dock bumpers shall be furnished and installed by Contractor.

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DIVISION 12 - FURNISHINGS

12511 - HORIZONTAL LOWER BLINDS

12680 - FOOT GRILLES

No provision for recessed walk off mat

DIVISION 15 - MECHANICAL

15010 - BASIC MECHANICAL REQUIREMENTS

15050 - BASIC MECHANICAL MATERIALS AND METHODS

15055 - BASIC PIPING MATERIALS AND METHODS

15250 - MECHANICAL INSULATION

15300 - FIRE PROTECTION

15411 - WATER DISTRIBUTION PIPING

15420 - DRAINAGE AND VENT SYSTEMS

15440 - PLUMBING FIXTURES

Equipment to include standpipe riser, valves, fire pump, sprinkler mains, annunciator, fire controls as required by code. Building shell systems shall be designed and sized for office use. Main distribution of the sprinkler line shall extend throughout a mutually agreed upon elevation. Sprinkler heads oriented per Fire Marshall instructions. Provide sprinkler system with full coordination with structure and NFPA 231C, Commodity 4 code. Provide a 6" sanitary line running the entire building length. Provide water mains and meters for domestic water service and fire service to building.

Rainwater leaders shall be internalized on the outside walls with underground (under slab) laterals. Drain overflows will be scuppered to day light at building. All overflow leaders and roof leaders shall be separate from the drains to the under slab lateral in accordance with the plumbing codes.

15781 - PACKAGED HEATING AND COOLING UNITS.

Provide heating units in the electrical and sprinkler rooms to provide freeze protection. All other unit heaters and rooftop HVAC units shall be part of the tenant improvement contract.

15850 - AIR HANDLING

15891 - AIR OUTLETS AND INLETS

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15933 - AIR TERMINALS

15971 - CONTROL SYSTEMS

All building systems and construction will be designed to meet all applicable local, state and federal codes and regulations.

15990 - TESTING, ADJUSTING AND BALANCING

DIVISION 16 - ELECTRICAL

16010 - BASIC ELECTRICAL REQUIREMENTS

Exterior lighting in the parking areas shall provide and average or 1.5 foot candles for security and nighttime visibility. Metal halide lamps shall be used on the building and parking light poles. All poles and light fixtures shall conform to Beaumeade Technology Park standards or approved equal.

16110 - RACEWAYS

16120 - WIRES AND CABLES

16145 - WIRING DEVICES

- 16170 - CIRCUIT AND MOTOR DISCONNECTS
- 16425 - MAIN SWITCHBOARDS
- 16452 - GROUNDING
- 16460 - TRANSFORMERS (To be Coordinated with Tenant)

[] Pad mounted transformer Primary underground service 2000 amp, 277/480 volt, 3 phase, 4 wire. Calculation to assume 3 watts for lighting and 6 watts for office equipment power.

[] Main switch with ground fault protection to be provided per code requirements at switchboard, with fusible branch devices. Emergency and exit lighting in accordance with local code requirements.

- 16470 - PANEL BOARDS (To be coordinated with Tenant)

[] 277/480 volt, cable in conduit risers to connect main switch gear to panels in electrical room. The electrical room shall have house panel boards a minimum of 277/480 volts serving site lighting, minimum indoor lighting and emergency lighting and sprinkler room requirements. Through capacity for additional four sub-panels for future tenants shall also be provided.

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- 16512 - EXTERIOR LIGHTING FIXTURES

[] 400 watt HID high-pressure sodium wall mounted fixtures shall be provided at truck court. 400 watt HID high-pressure sodium pole mounted fixtures shall be provided in parking areas. Maintain an average of 1.5 foot-candles at grade. All exterior lighting shall be on a photocell switch.

- 16515 - INTERIOR LIGHTING FIXTURES (To be Coordinated with Tenant)

[] Warehouse lighting will by metal halide, 400W every other bay.

- 16621 - EMERGENCY POWER ELECTRICAL SYSTEMS

- 16721 - FIRE ALARM SYSTEMS

Minimum required to meet county code.

END OF OUTLINE SPECIFICATION

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EXHIBIT C-2

[Graphic of Chart Describing Project Schedule]

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EXHIBIT D-1

RULES AND REGULATIONS

The following rules and regulations have been formulated for the safety and well-being of all the tenants of the Park. Adherence to these rules and regulations by each and every tenant contributes to safe occupancy and quiet enjoyment of the Park. Any violation of these rules and regulations by any tenant which continues after notice from Landlord shall be a Default under such tenant's lease, at the option of Landlord.

Landlord may, upon request by any tenant, waive compliance by such tenant of any of the following rules and regulations, provided that (a) no waiver shall be effective unless signed by Landlord or Landlord's authorized agent, (b) no such waiver shall relieve any tenant from the obligation to comply with such rule or regulation in the future, unless expressly consented to by Landlord, and (c) no such waiver granted to any tenant shall relieve any other tenant from the obligation of complying with said rule or regulation unless such other tenant has received a similar waiver in writing from Landlord.

1. The sidewalks, entrances, passages, courtyards, elevators, vestibules, stairways, corridors, halls and other parts of the Park not occupied by any tenant (hereinafter "Common Areas") shall not be obstructed or encumbered by any tenant or used for any purposes other than ingress and egress to and from the tenant's premises. No tenant shall permit the visit to its premises of persons in such numbers or under such conditions as to interfere with the use and enjoyment of the Common Areas by other tenants.

2. No awnings or other projections shall be attached to the outside

walls of the Building without the prior written consent of Landlord. No drapes, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of a tenant's premises, without the prior written consent of Landlord. Such awnings, projections, curtains, blinds, screens and other fixtures shall be of a quality, type, design and color acceptable to Landlord and shall be attached in a manner approved by Landlord.

3. No sign, advertisement, notice or other lettering shall be exhibited, inscribed, painted or affixed by any tenant on any part of the outside or inside of the tenant's premises or in the Park without the prior written consent of Landlord. In the event of any violation of the foregoing by any tenant, Landlord may remove the same without any liability and may charge the expense incurred by such removal to the tenant or tenants responsible for violating this rule. All exterior signs on the doors of the Building Park shall be inscribed, painted or affixed by Landlord at the expense of each tenant, and shall be of a size, color and style acceptable to Landlord.

4. No show cases or other articles shall be put in front of or affixed to any part of the exterior of the Building, nor placed in the Common Areas without the prior written consent of Landlord.

5. The water and wash closets and other plumbing fixtures shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish,

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rags or other substances shall be thrown therein. No tenant shall throw anything out of the doors or windows or down any corridors or stairs.

6. No tenant shall construct, maintain, use or operate on the outside of the Building, any electrical device, wiring or apparatus in connection with a loud speaker system or other sound system. Tenant may install Muzak or other internal music system within the tenant's premises if the music system cannot be heard outside of the premises.

7. No tenant shall make or permit to be made any disturbing noises or disturb or interfere with the occupants of the Park or those having business with them, whether by the use of any musical instrument, radio, tape recorder, whistling, singing or any other way.

8. No bicycles, vehicles, animals, birds or pets of any kind shall be brought into or kept in or about a tenant's premises or in the Park.

9. [Intentionally omitted.]

10. No space in or about the Building shall be used for the manufacture, storage, sale or auction of merchandise goods or property of any kind.

11. [Intentionally omitted.]

12. Tenant shall allow Landlord access to the Premises in accordance with the terms and conditions of the Lease, including, but not limited to, Section 11 thereof. Each tenant shall, upon the termination of its tenancy, return to Landlord all keys used in connection with its premises, including any keys to the premises, to rooms and offices within the premises, to storage rooms and closets, to cabinets and other built-in furniture, and to toilet rooms, whether or not such keys were furnished by Landlord or procured by the tenant, and in the event of the loss of such keys, such tenant shall pay to Landlord the cost of replacing the locks. On termination of a tenant's lease, the tenant shall disclose to Landlord the combination of all locks for safes, safe cabinets and vault doors, if any, remaining in the premises.

13. [Intentionally omitted.]

14. [Intentionally omitted.]

15. No tenant shall purchase spring water, ice, coffee, soft drinks, towels or other like merchandise or service from any company or person who has, in Landlord's opinion committed violations of Park regulations or caused a hazard or nuisance to the Park and/or its occupants.

16. Landlord shall have the right to prohibit any advertising by any tenant which, in Landlord's opinion, tends to impair the reputation or desirability of the Park and, upon written notice from Landlord, such tenant shall refrain from and discontinue such advertising.

17. Landlord reserves the right to exclude from the Park at all times any person who is not known or does not properly identify himself to the Park's management or its

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agents. Each tenant shall be responsible for all persons for whom it authorized

entry into the Building, and shall be liable to Landlord for all acts of such persons.

18. [Intentionally omitted.]

19. The requirements of tenants will be attended to only upon application at the office of the Park. Park employees have been instructed not to perform any work or do anything outside of their regular duties, except with special instructions from the management of the Park.

20. Canvassing, soliciting and peddling in the Park is prohibited, and each tenant shall cooperate to prevent the same.

21. [Intentionally omitted.]

22. [Intentionally omitted.]

23. Access plates to under floor conduits shall be left exposed. Where carpet is installed, carpet shall be cut around the access plates.

24. [Intentionally omitted.]

25. [Intentionally omitted.]

26. [Intentionally omitted.]

27. Landlord's employees are prohibited from receiving articles delivered to the Park and, if any such employee receives any article for any tenant, such employee shall be acting as the agent of such tenant for such purposes.

28. All cigarettes and related trash shall be disposed of in trash receptacles and not on the sidewalk, parking lot or grass.

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EXHIBIT D-2

DECLARATIONS OF PROTECTIVE COVENANTS [*]

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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DECLARATION OF PROTECTIVE COVENANTS

[*]

THIS CORRECTED DECLARATION OF PROTECTIVE COVENANTS FOR [*] (the "Declaration") is made by Beau Meade Associates, a Maryland general partnership, owner of record of the real property shown on the plat attached hereto as Exhibit A (hereinafter referred to as "Declarant").

WITNESSETH:

Declarant, for the use and benefit of itself and its successors and assigns, does hereby place and impose upon those certain parcels of real property hereinafter described the following conditions, covenants, reservations, easements and restrictions, for the mutual benefit of Declarant and all Owners (hereinafter defined), to insure the proper use, appropriate development and improvement of such property; to protect against the construction of improvements and structures built of improper or unsuitable materials; to insure compliance with all applicable zoning ordinances, building codes and environmental laws and regulations; to provide for a method for the maintenance and continued improvement of certain common areas and facilities appurtenant to such property; and to otherwise provide for the construction and development of first class quality improvements on such property.

Therefore, in consideration of the premises and of the mutual benefits and duties herein contained, and for the overall development of the property subjected to this Declaration as a consistent and unified whole, Declarant hereby declares for itself and its successors and assigns, that the parcels of real property hereinafter described shall be held, sold and conveyed subject to the following covenants, reservations, easements, conditions and restrictions, all of which are for the purpose of protecting the value and desirability of, and which shall run with, the real estate shown in Exhibit A, and which shall be binding on all parties having any right, title, or interest

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therein, along with their heirs, successors, and assigns, and which shall inure to the benefit of each owner thereof.

ARTICLE I

Definition and Purpose

Section 1. Definitions.

- (a) "Architectural Committee" shall mean the Committee established pursuant to Article VII:, Section 10 of this Declaration.
- (b) "Association" shall mean and refer to the [*] Owners Association, Inc., its successors and assigns, a corporation formed or to be formed by Declarant.
- (c) "Common Property" shall mean and refer to all real property (if any) that is owned, now or in the future, by the Association for the common use and enjoyment of all the owners.
- (d) "Common Use and Access Easement" shall mean an easement in favor of the Association and its employees, agents or contractors (but not in favor of any individual owner) to install, maintain, repair and replace (i) any and all utility lines (other than utility lines serving any individual building, which are the responsibility of the Owner of such building), landscaping and vegetation and any roadway signage or park entry signage (other than any sign erected by an Owner referring to an individual site ("site entry signage"), which is the responsibility of the Owner of such site) within any Lot for a distance of fifty (50) feet from the edge of public rights of way within or adjacent to the Properties (such fifty (50) foot easement hereinafter also referred to as the Street Landscape Basement"), as shown on the record plat for each Lot, and ten (10) feet into each lot from the side and rear lot lines; and (ii) all entrances to [*], medians, streets and traffic signs and signals whether or not dedicated to a governmental authority; and (iii) all flood plain areas, drainage facilities and management ponds (whether within or outside a Lot) which serve [*].

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- (e) "Declarant" shall mean and refer to Beau Meade Associates, a Maryland general partnership, the owner of record of the property shown on Exhibit A.
- (f) "Guidelines" shall mean and refer to the architectural and landscaping guidelines prepared by the Declarant and the Architectural Committee, and made available upon request to prospective purchasers, users and others, to implement the overall design scheme for the Property and to provide illustration of and guidance in the architecture, design details and landscaping features recommended by or acceptable to the Architectural Committee. Declarant and the Architectural Committee shall have the right to modify, amend or update the Guidelines from time to time, on a prospective basis. The Guidelines are intended to supplement this Declaration; however, in the event of any inconsistency between this Declaration and the Guidelines, the terms of this Declaration shall govern and control.
- (g) "Improvements" shall mean any and all structures, improvements, or betterments made or placed upon the properties or any portion thereof, including but not limited to any and all buildings, roofed structures, parking areas, loading docks or loading areas, fences, walls, hedges, mass plantings, poles, lighting fixtures, communications equipment, driveways, ponds, lanes, swimming pools, tennis courts, signs, picnic facilities, or any other improvements placed or built on the Properties by any person.
- (h) "Lot" shall mean and refer to any lot, parcel or tract of land subdivided out of the Properties in accordance with Loudoun County subdivision regulations.
- (i) "Member" or "Members" shall mean and refer to those persons or entities entitled to membership in the Association as set forth In Article IV. All Members, and the Lots which they own, shall be subject to and shall comply with the Articles of Incorporation and the Bylaws of the Association and any rules and regulations validly promulgated by the Association.
- (j) "Owner" or "Owners" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a

part of the Properties,

except those having such interest merely as security for the repayment of indebtedness or the performance of an obligation.

(k) "Properties" or "Property" shall mean and refer to the real property shown on Exhibit A, along with any additional real property hereafter subjected to this Declaration.

ARTICLE II

Properties

Section 1. Description. The real property made subject to this Declaration is
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shown on the plat marked as Exhibit A, which is attached hereto and made a part hereof as if set forth in full in this Article II, Section 1. The Declarant reserves the right to subject additional property to the operation and effect of this Declaration by recording an instrument to such effect (which instrument shall specifically describe such additional property) in the office of the Clerk of the Circuit Court for Loudoun County, Virginia.

ARTICLE III

Common Property/Common Use and Access Easement

Section 1. Title. The Common Property shall be that property which is
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specifically identified and shown as Common Property on the Declarant's record plat of the Property, as approved by Loudoun County, Virginia, or which is subsequently declared by Declarant to be Common Property and deeded by Declarant to the Association. The Common Property shall also include any subdivided land contributed to the Association by an Owner.

Section 2. Owner's Rights. Every Owner shall have a right and easement of
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enjoyment in and to the Common Property which shall be appurtenant to and shall pass with the title to every Lot subject to this Declaration and the bylaws, rules and regulations adopted from time to time by the Association.

Section 3. Common Use and Access Easement. The Association and its employees,
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agents and contractors (but not any individual owner in his or its individual capacity as Owner) shall have a nonexclusive easement extending (i) fifty (50) feet into each Lot from the edge of any public right of way within or adjacent to the Properties (i.e., the Street Landscape Easement), as

shown on the record plat for each Lot, and (ii) ten (10) feet into each Lot from the side and rear lot lines, for ingress, egress, and access to install, maintain, repair, and replace any and all utility lines, landscaping and vegetation and any roadway signage or park entrance signage within any such areas. Any and all utility lines (other than utility lines seeing any individual building), landscaping, vegetation, and signage so installed by the Association shall comply with the requirements of this Declaration and the Exhibits hereto. Notwithstanding the foregoing, it shall be the responsibility Of the Owner of each Lot, concurrently with the construction of the initial Improvements on such Lot, to install or cause to be installed the initial landscaping vegetation and sprinkler system, and utility lines as necessary on the portion of such Owner's Lot subject to the Common Use and Access Easement (except along Panorama Parkway where such installations shall be provided by Declarant). The Association and its employees, agents and contractors (but not any individual Owner in his or its individual capacity as Owner) shall also have a nonexclusive easement to enter upon any Lot to the extent necessary for the installation, maintenance, repair and replacement of (i) the entrances to [*] and any medians, streets and traffic signs and signals whether or not dedicated to a governmental authority, and (ii) all flood plain areas, drainage facilities, and retention ponds (whether within or outside a Lot) which serve [*] and are not dedicated to a governmental authority. In no event, however, shall the Association have the right to construct and install a storm water retention pond on the property of any owner without the written consent of such owner.

ARTICLE IV

Membership

Section 1. Members. Every person or entity who is an owner of any Lot which is
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included in the Property shall be a Member of the Association and shall be
entitled to one vote for each acre (or fraction thereof In excess of 1/2 acre)
owned by such Owner in the Property. If any Lot is leased for a term of 25
years or more (not including extensions or renewal options) the voting privilege
shall accrue to the lessee rather than the owner of fee simple title during the
term of the lease. Every Member shall be bound by the Articles of Incorporation
and Bylaws of the Association.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED
SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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Section 2. Reservation of Declarant's Rights. Notwithstanding anything to the
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contrary contained herein, Declarant shall have the right to assume the duty to
perform all of the functions of the Association and to refrain from establishing
the Association until the earlier to occur of (i) the sale by Declarant of the
last Lot in the Property owned by Declarant or (ii) ten (10) years from the date
of recordation of this Declaration in the land records of Loudoun County,
Virginia. In the alternative, Declarant shall have the right to establish the
Association at any earlier date, whereupon the control of the Association shall
be determined by voting in accordance with the same procedure used for
amendments described in Article V, Section 1.

ARTICLE V

Voting

Section 1. Amendments.
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- (a) This Declaration or any provision hereof, or any covenant, condition or
restriction contained herein, may be terminated, extended, modified or
otherwise amended, as to the whole of the subject Property or any portion
thereof, with the written consent of Owners having fifty percent (50%) of
the total number of votes in the Association; provided, however, that so
long as Declarant owns a Lot or for a period of ten (10) years from the
effective date hereof, whichever period is shorter, no such termination,
extension, modification or other amendment shall be effective without the
written approval of Declarant, which approval shall not be unreasonably
withheld.
- (b) No such termination, extension, modification or other amendment to this
Declaration that abrogates or limits the rights of any lender holding a
mortgage or deed of trust or equivalent financing instrument encumbering a
Lot as security for a loan may be made without the consent of all lenders
who have provided the Association with notice of such mortgage or deed of
trust and an address to which notices or requests for consent may be sent.
- (c) No such termination, extension, modification or other amendment shall be
effective until a proper instrument in writing has been executed,
acknowledged and recorded.

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Section 2. Special Assessments. Special assessments relating to the Common
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Property and the area of the Common Use and Access Easement may be made upon
approval by the Owners in accordance with the procedure described in Section
1(a) of this Article.

ARTICLE VI

Assessments

Section 1. Creation of Lien and Personal Obligation of Owner. Each Owner of
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any Lot shall, by acceptance of a deed (or lease over twenty-five (25) years)
therefor, whether or not it shall be so expressed in any such deed, lease, or
other conveyance, be deemed to covenant and agree to all the terms and
provisions of this Declaration and any duly authorized amendment hereto, and
promises to pay to the Association both annual assessments and charges and duly
authorized special assessments, together with such interest thereon and costs of
collection therefore as are hereinafter provided, all of which shall be a charge
and continuing lien upon the Lot against which such assessment is made as of the
effective date of each assessment. Any such lien shall, however, be subordinate
to the lien, operation and effect of any mortgage or deed of trust or equivalent

financing instrument encumbering such Lot or Lots and securing the repayment of indebtedness and no lender shall be responsible for the repayment or discharge of such lien. Each such assessment, together with such interest thereon and costs of collection therefore as are hereinafter provided, shall also be the personal obligation of the person or entity who was the Owner of such Lot at the time when the assessment fell due. In the case of co-ownership of a Lot, all of such co-owners shall be jointly and severally liable for the entire amount of the assessment. In no event, however, shall any lender holding an interest in any Lot as security for the repayment of indebtedness (or a transferee from such lender or a purchaser at a foreclosure sale) be liable for any of such assessments, interests or collection charges unless such lender (or a transferee from such lender or a purchaser at a foreclosure sale) acquires title to or physical possession of such Lot, and in such event the lender's (or transferee or purchaser's) responsibility for charges and assessments shall commence only as of the date the lender (or transferee or purchaser) acquires title to or physical possession of such Lot, and shall only apply to assessments becoming due after the date on which such lender, transferee or purchaser acquires title to or physical possession of such Lot.

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Section 2. Purpose of Annual Assessments. The annual assessments levied by the

Association shall be used exclusively for the operation, maintenance, and repair of the Common Property and the areas covered by the Common Use and Access Easement, including, but not limited to, (i) the payment of any taxes and insurance on the Common Property (ii) the costs of landscaping, sign and fence maintenance and repair; (iii) the payment of utility bills on common facilities (including water for sprinkler systems); (iv) the maintenance, repair, and replacement of the common elements located at the entrances of [*], of dedicated streets and medians (including traffic signs and signals) not accepted by the Virginia Department of Transportation ("VDOT"), or those not dedicated to a governmental authority, and of the flood plain areas, drainage facilities, and retention ponds serving [*]; (v) for the cost of labor, equipment, materials, management and supervision of all of the foregoing; and (vi) organizational and operational expenses of the Association relating to the foregoing. The regular annual assessment will be adjusted according to increases in costs (including taxes, insurance and utility bills) and competitive bids submitted by qualified management and maintenance companies approved by the Association.

Section 3. Special Assessments. In addition to the annual assessments

hereinabove authorized, the Association may levy special assessments for the purpose of defraying, in whole or part, the cost of any construction or reconstruction, unexpected repair or replacement of the Common Property or the areas covered by the Common Use and Access Easement, including the necessary fixtures and personal property related thereto; provided, however, that any such special assessment shall be approved as set forth in Article V. Special assessments shall be due and payable on the date(s) which are fixed by the resolution authorizing such assessment.

Section 4. Commencement. Assessments shall commence on the date fixed by the

Association. Assessments on Lots that first become, subject to assessments during a calendar year shall be prorated on a calendar year basis for the remainder of such calendar year.

Section 5. Due Date. Unless otherwise provided herein, annual assessments

shall be determined by the Association by January 31 of each calendar year and shall be due and payable in full on a prospective basis for the upcoming year within 30 days after the date on which such assessments are billed to an Owner by the Association.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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Section 6. Records of Assessments. The Association shall cause to be

maintained in the office of the Association a record of all Lots and assessments applicable thereto which shall be open for inspection by any Owner or lender. Written notice of each assessment shall be mailed to every Owner of the Lot subject to assessment, provided that such Owner shall have provided the Association with an address to which such notice is to be mailed. The Association shall upon demand and payment of a reasonable charge furnish to any Owner or lender a certificate in writing signed by an officer of the Association and setting forth whether the assessments against the Owner's Lot have been paid, and if so, the date through which such assessments have been paid, and if not, the amount due and owing. Such certificates shall be conclusive as evidence for third parties as to the status of assessments against such Lot.

Section 7. Effect of Non-Payment of Assessment. If any annual assessment or

special assessment is not paid on the date when due, then such assessment shall be delinquent and shall accrue interest thereon from the due date at the highest lawful rate deemed appropriate by the Board of the Association, not to exceed, however, six percentage points over the annual yield rate on six month Treasury Bills as of the first day of each month. If such assessment is not paid within thirty (30) days after the due date, then the Association may, after ten (10) days written notice to the Owner and to any lender who has requested copies of such notices, during which time the Owner or such lender may make such payment without penalty, bring an action at law or in equity against the Owner personally and/or to foreclose the lien against the Lot, and there shall be added to the Amount of such assessments all reasonable attorneys' fees and costs incurred by the Association in such actions, and in the event a judgment is obtained, such judgment shall include interest on the assessments as indicated above.

ARTICLE VII

Construction of Improvements and Uses

Any and all Improvements constructed on any Lot, and any and all alterations or changes to any such Improvements, shall require the prior written approval of the Architectural Committee of the Association, and shall be designed, constructed, used and operated in compliance with this Declaration and the Guidelines. Ordinary maintenance, repair, or replacement of portions of an Improvement, if occasioned by normal wear and tear, and which

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do not alter the exterior color and appearance of an Improvement, shall not require Committee approval.

Section 1. Permitted Uses and General Restrictions.

A. Permitted Uses. Lots may be used for offices, research and

development facilities, light assembly, and warehouses (other than "mini-warehouses"), distribution facilities and such other compatible uses such as servicing the products distributed as may be permitted from time to time under the Zoning Ordinances of Loudoun County, Virginia (or such other governmental authority having zoning jurisdiction over the Properties) except that in no event shall any of the following uses be permitted: cemeteries (public or private); commercial poultry, livestock and swine production, cattle feeder lots or fur-bearing animal rearing or breeding farms; commercial animal kennels; abattoirs; junk yards; bailing, storage or processing of scrap metal, glass, paper or rags; storage or processing of wrecked or junked motor vehicles; quarries; race tracks, raceways or dragstrips; sanitary land fills or garbage disposal areas; trailer or mobile home parks; "mini-warehouses"; massage parlors or similar business operations; or any other businesses which may produce or emit substantial gases, smokes, odors or noises that are determined by the Architectural Committee to be objectionable in a high quality, environmentally controlled commercial development.

Retail uses are allowed only if such use is a support facility for an office use and whose primarily clientele is not the general public. Notwithstanding the foregoing, a hotel use is a permissible use hereunder, if and to the extent that a hotel use is allowed by the Loudoun County Zoning Ordinances, and such hotel may include retail uses incidental to the operation of the hotel; provided, however, that said hotel shall be governed by this Declaration.

B. General restrictions. The Properties shall be continually

maintained by the Owners at all times, including during the process of construction of improvements, in an attractively clean manner, free of trash, rubbish and debris. All uses and improvements shall conform with all federal, state, and local building codes, zoning ordinances, bylaws and regulations, and shall comply with current Loudoun County Zoning Ordinances and the regulation of all governmental bodies with jurisdiction over the area of the Properties.

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C. Resubdivision of Lots. Any two or more Lots may be combined into

a larger lot. No Lot shall contain less than three (3) acres of land, unless such Lot was shown on the subdivision plat originally recorded by Declarant as containing less than three (3) acres. Any resubdivision or consolidation of such lots must conform with the Loudoun County Zoning and Subdivision Ordinances.

D. Water, Sanitary, and Storm Sewer Easements. Each Owner shall be

obligated upon request of another Owner to grant the requesting Owner without cost (other than the cost of preparing and recording the easement, which shall be borne by the requesting Owner) such easements as may be necessary to provide the requesting Owner with adequate water, sanitary sewer, and storm water management facilities (not including wet or dry storm water management ponds) to serve the Improvements on the requesting Owner's property. Any such easement shall conclusively be deemed necessary if the requesting Owner is required by Loudoun County, Virginia to provide such easement as a condition of obtaining site plan approval or a building permit. However, all Owners shall endeavor during the design process to minimize the extent of easements for water, sanitary sewer, and storm water management facilities on the property of other Owners.

Section 2. Lot Setbacks and Planting Requirements.

A. Setback Requirements. All Improvements shall comply with Loudoun

County, Virginia setback requirements. In addition, no structure, building, parking lot or area or any part thereof shall be located on any Lot in the Street Landscape Easement. The Building Setback Line shall be ten (10) feet plus the height of the tallest building on a given Lot from a side interior property line and the same distance from a rear property line. Neither parking areas nor driveways shall be located nearer than fifteen (15) feet from any building or structure, or ten (10) feet from any interior property line. Interior parking lot setback requirements between adjacent lots in the same ownership (or between consenting owners who have coordinated the site design for their parking areas) may be waived by the Architectural Committee if the coordinated site design of the adjacent parcels is thus improved and if such configuration would not unduly reduce the overall amount of landscaping on such Lots and such configuration would not violate applicable Loudoun County Ordinances. No trees located in the Street Landscape Easement or

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any Landscape Buffer (hereinafter defined) shall be removed except with prior written approval by the Architectural Committee, which approval shall not be unreasonably withheld or delayed.

B. Preservation of Landscape Buffers. Any building or other structure

above ground must conform to the Building Setback Line requirements described in the preceding paragraph. In addition, the area extending ten (10) feet into a Lot from the side and rear lot lines and the area extending fifteen (15) feet into Lot from the sides and rear of any building on a Lot (except for service courts and loading bays) shall be used solely as a landscaped planting strip (hereinafter a "Landscape Buffer"), and it shall be the responsibility of each Owner, at its sole expense, to landscape this area with lawn, trees, flowers and shrubbery in conformance with the Guidelines and according to plans approved in writing by the Architectural Committee. The Association will maintain the planting strips and the cost of such maintenance will be borne by the Owners through annual assessments.

C. Preservation of Street Landscape Easement. The planting and

landscaping of the Street Landscape Easement are designed to provide a uniform controlled environment which will set the aesthetic tone of [*]. Berms, trees, ground cover, shrubs, lawn and other landscaping, shall be installed by each Owner in connection with the construction of the Improvements on such Owner's Lot, and shall conform to the Guidelines.

D. Landscape Buffers. The planting and landscape design of Landscape

Buffers should be used to enhance and complement the design and appearance of the building and, though subject to architectural review, is not prescribed by this Declaration.

E. Landscaping Area and Maintenance Requirements.

1. All Owners shall comply with and provide, as a minimum, the amount, type, and density of landscaping and erosion control required by Loudoun County ordinances as interpreted by Loudoun County from time to time. All owners shall also comply with the landscaping requirements set forth in the Guidelines and in this Declaration.
2. Site Planting

A consistent landscape plan shall be submitted for approval to the Architectural Committee.

3. Installation and Maintenance

Each Owner shall install lawn, trees, flowers or shrubbery in all landscaped areas and an underground sprinkler or watering system in the Street Landscape Easement.

Maintenance of landscaping in Common Use and Access Easement areas shall be through a common assessment and maintenance program performed by the Association. The maintenance of all other areas beyond the Street Landscape Easement shall be the responsibility of the Owner.

Section 3. Building Design and Materials.

A. Building location shall conform to Loudoun County setback requirements and the set-back requirements contained in this Declaration.

B. Building entry location is not specifically prescribed by this Declaration, but shall be reviewed and approved by the Architectural Committee.

C. Building heights are controlled by Loudoun County Zoning Ordinances.

D. Truck parking and truck loading shall be permitted only in side and rear yards which do not face the roadways.

E. Utilities Services and Appurtenances. No articles, goods, materials, -----
incinerators, storage tanks, refuse containers or like equipment shall be kept in the open in front of any buildings or exposed to public view or view from any neighboring properties. Water towers, storage tanks, transformers, pump houses, processing equipment, stand fans, cooling towers, communication towers, vents, stacks, skylights, mechanical rooms and any other structures or equipment (whether freestanding or roofmounted) shall be architecturally compatible or effectively shielded from public view by an architecturally approved method organized in an aesthetically pleasing manner to provide a "roofscape" which shall conform to the Guidelines

and shall be approved in writing by the Architectural Committee before construction or erection of said structures or equipment. All on-site utility services on any Lot or within the Common Property shall be located in accordance with the Guidelines.

F. Building Materials and Finishes. All buildings and improvements -----
constructed or erected upon the Properties shall conform to the Guidelines and shall be approved by the Architectural Committee. All buildings and improvements constructed or erected upon the Properties shall also conform to the minimum standards specified by the applicable governmental building codes in effect at the time of such construction as well as to all other rules, regulations, requirements, ordinances and laws of any local, state or federal governmental unit(s) or authorities having jurisdiction thereof.

Section 4. Site Entry Design.

The site entry design shall conform to the Guidelines and shall be approved by the Architectural Committee.

Section 5. Parking Lot Design and Restrictions.

Off-street parking must be provided and maintained by the Owner of each Lot in accordance with the Guidelines. The number of spaces shall conform to the requirements imposed by the Zoning Ordinances of Loudoun County, Virginia and the Guidelines. Onstreet parking or parking in the Street Landscape Easement shall be prohibited. All parking must be screened from the roadways and adjacent properties by berms and plantings.

Section 6. Grading and Drainage Requirements.

A. All flood plains located within the Property shall be preserved as a natural landscape area not to be filled or modified in any way without prior review of Loudoun County and State authorities and approval of the Architectural Committee. The planting and retention of hardwood trees in flood plains is strongly encouraged.

B. Storm Drainage Systems. The storm drainage system for any -----

Improvements shall be consistent with the overall storm water management system designed by the Declarant. All Owners shall provide details (conforming to Loudoun County detail requirements) of proposed

storm drainage systems to the Architectural Committee for approval. All such drainage plans and facilities shall likewise comply with all rules, regulations and requirements of the Loudoun County Technical Services Department and for other governmental authority(ies) having jurisdiction thereof.

Specific design for any storm water management system should follow the following basic guidelines:

1. The course of proposed drainage channels should generally follow the drainage patterns of the existing topography.
2. During construction all surface runoff must be retained on site.
3. Erosion and Sediment control - During construction, erosion and sediment controls must be provided in accordance with Loudoun County regulations.
4. Lawn areas should utilize grass swales to collect and distribute surface runoff. These should be designed to operate on a minimum of 10 year storm frequency.
5. Where grass channels are inadequate, naturalistic channels of rip-rap may be utilized. Such channels should be heavily planted to resemble natural beds of small streams.
6. Roof drainage is to be channeled through downspouts located within the building and linked directly to an underground system or drainage channel. No exterior gutters or downspouts will be permitted.

Section 7. Road and Pathway Construction.

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A. All public street construction shall conform to VDOT standards, including curbs and gutters, asphalt paving and road beds.

B. All parking areas, loading areas and driveways are to be surfaced with concrete, bituminous concrete, brick, or approved equal material. Curbs shall be concrete. Asphalt curbs will not be permitted.

C. All site pathways, including jogging trails, shall be of materials approved by the Architectural Committee. Plazas and sidewalks adjacent to buildings and parking areas may be of other paving surfaces integrated with the building design, as approved by the Architectural Committee.

Section 8. Lighting.

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All lighting shall conform to state and county regulations and to the requirements set forth in the Guidelines, and shall be approved by the Architectural Committee.

Section 9. Signage.

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The size, shape, design and location of all signs shall conform to the Guidelines and shall be shown on the plans submitted to the Architectural Committee for approval. In no event shall the size, design, amount, configuration or location of signage exceed or violate that permitted by the Loudoun County Zoning Ordinance. There may be one temporary sign per lot for persons offering the building for sale or lease. This sign may also include the names of builders, architects, engineers and lenders involved in the construction of the project. The temporary sign shall not exceed thirty-two (32) square feet and shall be removed within thirty (30) days after completion of sale or lease of the building.

Section 10. Composition of Architectural Committee;

Submissions of Development Proposals

for Architectural Committee Approval.

The Architectural Committee shall consist of five (5) members appointed by Declarant (and Declarant shall be empowered to appoint their successors should a vacancy occur), and their names shall be maintained at Declarant's offices. The

Architectural Committee shall keep minutes of its meetings and records of any actions taken by consent in lieu of meeting, and such

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minutes and records shall be open for inspection by any Owner in the offices of the Association during regular business hours.

Approval of each project shall be based on a general goal of producing a high quality office and industrial park. Before commencing the construction, reconstruction, relocation or alteration of any Improvements, including but not limited to any buildings, additions, enclosures, fences, loading docks, entrance ways, exit ways, curb cuts, parking facilities, storage yards or any other structures or permanent improvements on any Lot, the Owner shall make submissions in four stages: 1) Preliminary Sketch; 2) Preliminary Plans; 3) Final Construction Plans; 4) Construction Site Plan.

All submissions shall include certain information including:

1. Name and address of applicant and firm preparing the submission
2. Graphic scale - minimum 1"=50' for site plans
- minimum 1"=20' for buildings
3. North arrow
4. Date of preparation
5. Revisions from previous submittals
6. Stage of submission; i.e., preliminary sketch, preliminary plans, final construction plans, construction site plan
7. Gross area of individual buildings
8. Vicinity map

STEP 1 SUBMISSION (Preliminary Sketch)

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9. The height, bulk, massing and building footprint of all buildings and related improvements
 2. The layout of all parking areas, including auto capacity

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3. Building and parking setbacks
4. The location and size of all access road, curb cuts and median breaks
5. Landscaping, including site grading and rough topography
6. Preliminary utility layout
7. Proposed Gross Floor Area of Improvements and resulting Floor Area Ratio of Improvements to land area, determined in accordance with the Loudoun County Zoning Ordinances.

STEP 2 SUBMISSION (Preliminary Plans)

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1. Dimensioned site plan with location and size of all buildings, parking areas, service areas, and screening walls
 2. Schematic site grading and drainage plan
 3. Schematic utility plan
 4. Schematic floor plans
 5. Schematic building elevations
 6. Building sections
 7. Schematic landscaping plan
 8. Conceptual signage plan
 9. Conceptual lighting plan

STEP 3 SUBMISSION (Final Construction Plans)

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1. Site plan

2. Site grading and drainage plan

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3. Utility plan
4. Floor plans
5. Building elevations
6. Building sections
7. Landscaping and irrigation plan
8. Lighting plan
9. Signage plans
10. Exterior materials samples
11. Building perspective or model

STEP 4 SUBMISSION (Construction Site Plan)

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1. Trailer location
 2. Materials storage
 3. Parking area
 4. Equipment cleaning area
 5. Erosion and siltation control
 6. Security fencing

The Owner is required to engage an architect registered in the State of Virginia for the preparation of the project plans and specifications. If the Owner shows that its employees meet such requirement, such requirement can be waived by the Architectural Committee. The Owner is further required to engage such an architect to provide construction progress inspection services. This requirement can be waived by the Architectural Committee as described in the preceding sentence.

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Section 11. Architectural Committee Review Process.

Any matter requiring review and approval by the Architectural Committee shall be submitted directly to the Committee at the following address:

(if mailed)

Beau Meade Associates
c/o Intergate Company, Inc.
Washington Dulles International
P.O. Box 17533
Washington, D.C. 20041
ATTN: [*]
Architectural Review Committee

(if delivered)

Beau Meade Associates
c/o Intergate Company, Inc.
110 Underwood Lane
(Route 606 and 866)
Sterling, Virginia 22170
ATTN: [*]
Architectural Review Committee

Five (5) complete copies of all plans, specifications, and related data constituting a formal submission shall be provided to the Architectural Committee, together with a cover letter identifying the materials as a formal submission and describing the submission stage. The Architectural Committee will review each formal submission made by the applicant and will provide a written response within twenty-one (21) days after receipt of the formal submission; provided, however, that the twenty-one (21), day time period shall not begin until all of the materials constituting a formal submission (including the cover letter) have been received by the Architectural Committee. The Architectural Committee may take one of three actions:

1. Approval
2. Approval with conditions and
3. Disapproval-resubmit.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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In the event the Architectural Committee shall fail to approve, conditionally approve or disapprove the formal submission in writing within twenty-one (21) days after actual receipt of the formal submission by the Architectural Committee, such approval shall be deemed to have been given and the Owner shall be deemed to have complied with this Declaration. The formal submission shall be delivered to the Architectural Committee in person or by certified mail at the address designated above or such other address as may be designated from time to time by Declarant or the Association. If the Architectural Committee approves the plans, the actual construction in accordance with the plans shall be the responsibility of the Owner; provided, however, upon the completion of the Improvements, and prior to occupancy, the Owner shall notify Declarant, who shall have ten (10) days thereafter in which to have the Improvements inspected by the Architectural Committee to insure that the Improvements were completed substantially in accordance with those plans approved by the Architectural Committee prior to construction. In the event that the Architectural Committee shall fail to approve or disapprove in writing the completed Improvements within ten (10) days after receipt of notice from the Owner that the Improvements are completed, such approval shall be deemed to have been given and this Declaration will be deemed to have been complied with. In the event an Owner has made substantial changes from the original plans approved by the Architectural Committee and such changes were within the scope of the original review of the Architectural Committee but not previously approved by the Architectural Committee, the Owner shall make the necessary corrections to the Improvements at such Owner's sole cost and expense, unless the Architectural Committee determines that it is appropriate to approve such changes.

Any action to approve or disapprove a submission to the Architectural Committee shall be made by the vote in person, by proxy, or by consent, of three (3) out of the five (5) members of the Architectural Committee. If less than five (5) members (but not less than three (3) members) of the Architectural Committee are present (either in, person, by proxy, or by written consents) then approval or disapproval may be granted by a majority of those present. The Architectural Committee shall have regular meetings at such intervals as may be determined by the Architectural Committee from time to time, but no less frequently than quarterly. Any special meeting of the Architectural Committee shall be held on not less than five (5) days written notice, and the notice of special meeting shall state the action required to be taken at such special meeting and the Lot or Lots involved in such action.

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No permission or approval granted by Declarant or the Architectural Committee with respect to construction pursuant to these restrictions shall constitute or be construed as an approval by them of the structural stability, safety, or design of any building, structure or other Improvement, and no liability shall accrue to Declarant or the Architectural Committee in the event that any such construction shall subsequently prove to be defective. No structure of a temporary nature shall be allowed on any Lot at any time except that of an Owner's contractors and subcontractors during the period of construction of Improvements.

In addition to the approval of plans and other matters herein set forth, the Architectural Committee shall have the right to waive minor violations and allow minor variances where the same resulted unintentionally or without gross carelessness on the part of any Owner and are not materially harmful to the Properties. If such a waiver is granted in writing, then thereafter such matters so waived shall no longer be deemed a violation of these restrictions.

ARTICLE VIII

General Provisions

Section 1. Duration. These restrictions shall be appurtenant to and run with
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the land comprising the Properties and shall be binding upon all Owners and parties hereinafter having an interest in any of the Properties and all parties claiming under them for a period of fifty (50) years from the date of the recordation of this Declaration in the Office of the Clerk of the Circuit Court for Loudoun County, Virginia.

Section 2. Enforcement. These restrictions may be enforced by Declarant, its
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successors and assigns or the Association by proceeding at law or in equity against the person, firm or other entity violating or attempting to violate any covenant or covenants, either to restrain the violation thereof or to recover damages therefor together with reasonable attorneys' fees and court costs. Further, in the event that the Association incurs expenses in performing any work required by this Declaration to be performed by an Owner but which the Owner failed, after notice, to perform, the Association shall have a lien on the Lot or Lots owned by such Owner and on which such work was performed. Such lien may be enforced in the manner provided in Article VI, Section 7 for the enforcement of assessments. Any such lien shall, however, be subordinate to the lien, operation, and effect of any mortgage or deed of trust encumbering such Lot or Lots and

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securing the repayment of indebtedness, and no lender shall be liable for the repayment or discharge of any such lien. In the event the Association fails to act to enforce any restriction herein, any Owner may enforce these restrictions through judicial action against any other Owner, but no Owner shall have any lien rights whatsoever as to any other Lot or Owner.

Section 3. Partial Invalidity. Any invalidation of any one or more of these
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restrictions by judgment, court order, or statute or failure on the part of Declarant or its successors or assigns to enforce any of said restrictions shall in no way affect any of the other provisions hereof or be deemed as a waiver of the right to enforce such restrictions any time after the violation thereof.

Section 4. Abatement. In the event that any Owner violates any of the terms or
- - - - -
conditions of these restrictions and fails to cure the same within thirty (30) days after written notice thereof then Declarant, or the Association, in addition to the other rights and remedies provided for herein, shall have the express right and privilege and license to enter upon any Lot to take any reasonable action to cure such violation, and all reasonable costs thereof shall be at the expense of the Owner of such Lot, and neither Declarant nor the Association shall have any liability for any damage or injury to any person or entity in connection with such entry, except for damage or injury resulting from the gross negligence or willful misconduct of Declarant or the Association.

Section 5. Exoneration of Declarant. Each Owner of any Lot in the Properties
- - - - -
or any other party having an interest in the Properties or any portion thereof expressly agrees that:

- (a) No duty or obligation is imposed upon Declarant to enforce or attempt to enforce any of the covenants or restrictions contained herein, nor shall Declarant be subject to any liability of any kind or nature whatsoever from any third party as a result of failing to enforce same, and
- (b) Declarant's approval (or approval by the Architectural Committee) of any building plans, specifications, site or landscape plans or elevations or any other approvals or consents given by Declarant (or by the Architectural Committee) pursuant hereto or otherwise shall not be deemed a warranty, representation or covenant that any such buildings, improvements, landscaping or other action taken pursuant hereto or in reliance thereon is in compliance with any or all

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applicable laws, rules, requirements or regulations, the sole responsibility for all of same being upon the respective Owner; and

Declarant and the Architectural Committee are expressly released and relieved of any and all liability in connection therewith.

Section 6. Assignment. Any and all of the rights, powers and reservations of
- - - - -

Declarant herein contained may be assigned to any person, corporation or association which will assume the duties of Declarant pertaining to the particular rights, powers and reservations assigned, and upon any such person, corporation or association evidencing its consent in writing to accept such assignment and assure such duties he, she or it shall, to the extent of such assignment, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. If at any time Declarant ceases to exist and has not made such an assignment, a successor to Declarant may be appointed in the same manner as this Declaration may be modified or amended under Article V. Any assignment or appointment made under this article shall be in recordable form and shall be recorded.

In WITNESS WHEREOF, the Declarant has executed this Declaration of Restrictive Covenants for [*] as of the 16 day of June, 1987.

BEAU MEADE ASSOCIATES,

a Maryland general partnership

By: Beau Meade Land Investment Partnership, a Virginia general partnership, General Partner

By: /s/ Jerome C. O'Connell

Jerome C. O'Connell, General Partner

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

COUNTY OF LOUDOUN)
) ss:
COMMONWEALTH OF VIRGINIA)

I, Anne L. Kerr, a notary public in and for the aforesaid jurisdiction, do certify that Jerome C. O'Connell, whose name, as general partner of Beau Meade Land Investment Partnership, which is a general partner of Beau Meade Associates, is signed to the foregoing instrument, bearing the date of June 16, 1987, has acknowledged the same before me in my County aforesaid.

Given under my hand and official seal this 16th day of June, 1987.

/s/ Anne L. Kerr

Notary Public

My commission expires: MY COMMISSION EXPIRES OCTOBER 15, 1991

EXHIBIT A

[DESCRIPTION OF THE PROPERTY IN METES AND BOUNDS]

FIRST AMENDMENT TO
DECLARATION OF PROTECTIVE COVENANTS
[*]

THIS FIRST AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS ("First Amendment") made and entered into this 15th day of July, 1988, by BEAUMEADE ASSOCIATES, a Maryland general partnership ("Declaration").

WITNESSETH

WHEREAS Declarant executed and recorded a certain Declaration of Protective Covenants ("Declaration") for [*], dated June 16, 1987, recorded as Instrument No. [*] at Deed Book [*], Page [*], in the office of the Clerk of the Circuit Court for Loudoun County, Virginia; and

WHEREAS Declarant wishes to amend the Declaration as more fully set forth below.

NOW, THEREFORE, in consideration of the foregoing, the Declaration is amended by adding a new Article VI (Assessments), Section 8, as follows:

Section 8. Assessment Based on Acreage. All assessments, whether

annual or special, shall be computed and allocated among the Lots on a per acre basis, so that each Owner of a Lot shall bear a percentage of the total annual or special assessments equal to a fraction, the numerator of which is the total acreage contained in such Lot and the denominator of which is the total acreage contained in all Lots in [*] and subject to this Declaration.

Except as specifically amended by the foregoing, the Declaration remains in full force and effect, unaltered in accordance with its terms.

IN WITNESS WHEREOF, the Declaration has executed this First Amendment to Declaration of Protective Covenants for [*] as of the 15th day of July, 1988.

BEAUMEADE ASSOCIATES,
a Maryland general partnership

By: BEAUMEADE LAND INVESTMENT
PARTNERSHIP, a Virginia General

Partnership, General Partner

By: /s/ Jerome C. O'Connell

Jerome C. O'Connell,
General Partner

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COMMONWEALTH OF VIRGINIA)
) SS.
COUNTY OF FAIRFAX)

I, Linda H. Sheour, a notary public in and for the aforesaid jurisdiction, do certify that Jerome C. O'Connell, whose name as general partner of Beaumeade Land Investment Partnership, which is a general partner of Beaumeade Associates is signed to the foregoing instrument, bearing the date of July 15, 1988, has acknowledged the same before me in the jurisdiction aforesaid.

Given under my hand and official seal this 15th day of July 1988.

/s/ Linda H. Sheour

Notary Public

[SEAL]

My Commission expires: 4/27/9

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EXHIBIT E

PARKING

1. AVAILABILITY; RENT.

Landlord agrees that it will provide to Tenant sufficient space to park two hundred thirty-five (235) automobiles, in the Park, or as otherwise provided, at no additional cost to Tenant. No specific parking spaces will be allocated for use by Tenant. Landlord reserves the right to institute either a valet or self-parking system; provided, however, that if at any time during the Term of the Lease Landlord provides to Tenant any additional spaces, Landlord shall at all times have the right to reclaim such spaces upon thirty (30) days notice to Tenant.

2. REGULATIONS; LIABILITY.

Tenant and its employees, agents and invitees shall observe reasonable safety precautions in the use of the parking' area get and shall at all times abide by all rules and regulations promulgated by Landlord and/or the parking area operator governing use of the parking area. Landlord does not assume any responsibility for, and shall not be held liable for, any damage or loss to any automobiles parked in the parking area or to any personal property located therein, or for any injury sustained by any person in or about the parking area.

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EXHIBIT F

DESCRIPTION OF THE LAND

[Graphic Diagram of the Land]

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EXHIBIT G

SPECIAL TENANT REQUIREMENTS

Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be included as part of the Lease and, except as provided below, shall supercede any inconsistent provisions of the Lease. All references in the Lease and in this Exhibit G to the Lease shall be construed to mean the Lease (and all exhibits thereto), as amended and supplemented by this Exhibit G. All terms not otherwise defined in the Exhibit shall have the same meanings as set forth in the Lease.

1. Use.

1.1 Tenant's Use of Premises and Building and Land. Subject to Tenant's compliance with the requirements of Sections 8 and 9 of the Lease, Tenant is permitted (a) to construct, maintain, operate and repair electronic, transmitting and receiving equipment and supporting structures on the Premises,

including the roof of the Building, (b) to construct, maintain, operate and repair an equipment room on the Premises, including the construction of an upgraded fire suppression system which shall be a dry pipe, pre-action water based system and Tenant reserves the right to install an environmentally approved, gas, fire suppression system, (c) to install, upgrade, maintain, operate and repair utility lines, transmission lines, and telecommunications conduit and cabling (collectively, the "Conduits") in such locations on the Building and Land as set forth in plans and specifications, which shall be subject to Landlord's approval which shall not be unreasonably withheld, conditioned or delayed, (d) reasonable ingress and egress over existing roadways on the Land for Tenant's trucks and other vehicles, to maintain Tenant's equipment and the Conduits (collectively, the "Tenant's Equipment"). The Tenant's Equipment shall include, without limitation, the antenna, batteries, uninterruptible power supply and such other equipment necessary thereto. Tenant shall have access to and use of the Premises, the Building, Land and the Conduits, 24 hours per day, 365 days per year.

1.2 Tenant's Use of Conduit Ducts. Tenant shall have the right to install, maintain, operate and repair the Conduits in any of Landlord's conduit ducts located on the Building and Land, so long as Tenant's use of the Conduits does not interfere with Landlord's use of Landlord's conduit ducts located on the Building and the Land, if required for provisioning of any utility service provider to the Building or telecommunications provider to the Park (other than the Building). Tenant will install separate conduit where applicable.

2. Compliance with Law. Nothing contained in this Exhibit G shall in any way limit or negate Tenant's obligation to comply with laws in accordance with the terms of the Lease.

3. Initial Installation and Testing. Tenant shall have the rights, at Tenant's sole cost and expense, at any time following the execution of the Lease by Tenant in form mutually acceptable to Landlord and Tenant, to enter upon the Building and Land and to carry out any test, inspections, pre-installation and installation activities on the Building and Land as necessary for the construction and installation of the Tenant's Equipment, including without

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limitation, engineering and environmental surveys, physical inspections, soil test, inspections or pre-installation activities, Tenant shall, at Tenant's sole cost and expense, repair any damages to the Building and the Land caused by such inspections or pre-installation activities, including re-paving and re-landscaping any affected areas of the Building and the Land. Any such entry onto the Building and the Land prior to the Lease Commencement Date shall be on all of the terms and provisions of the Lease, except for Tenant's obligation to pay Rent; provided, however, that during the course of such entry and installation, none of Tenant's employees, agents or contractors shall in any manner interfere with or impede any of Landlord's employees, agents or contractors in the performance of Landlord's Work or Additional Tenant Work.

4. Equipment Ownership: Surrender. The Tenant's Equipment shall be the property of and owned by Tenant throughout the Term, and shall in all event be deemed trade fixtures, even if affixed to the Premises or the Building or the Land. On or before the Lease Expiration Date, Tenant shall remove the Tenant's Equipment from the Premises, the Building and the Land and restore the Premises as provided in Section 10 of the Lease. Landlord agrees that the Tenant's Equipment, Tenant's HVAC unit, and Tenant's Generator may be removed at any time from the Premises, the Building and the Land by Tenant.

5. Emergency Power Generator. Tenant shall have the right, at any time during the Term, at Tenant's option and at Tenant's sole cost and expense: (a) to install emergency power generators ("Tenant's Generator") on the Premises in the location shown on Exhibit A. In such location as is reasonably approved by Landlord and the Beaumeade Association, to provide back-up emergency power for the Tenant's Equipment and for Tenant's HVAC unit, and (b) to store fuel, above ground, on the Premises or elsewhere as noted on Exhibit A, in such locations as are reasonably approved by Landlord and the Beaumeade Association, in such amounts as Tenant reasonably determines necessary for Tenant's Generator.

6. No Interference: Relocation

6.1 No Interference. Neither Landlord nor any of Landlord's agents, employees, or contractors (collectively, the "Landlord Parties") shall interfere in any way with the Tenant's Equipment or with Tenant's access to the Tenant's Equipment and antennas, the Conduits, Tenant's HVAC unit, or Tenant's Generator (the "Interference"). Landlord agrees that (except in an emergency, when no notice shall be required) prior to Landlord's carrying out any construction, maintenance or repair activities on the Land in the vicinity of the antennas, the Conduits, Tenant's HVAC unit, or Tenant's Generator (if such are not located within the Premises), Landlord shall endeavor to provide three (3) days prior written notice or Landlord's of Landlord's Parties' intent to carry out such construction, maintenance or repair work, including the location

in which such work will take place. Tenant shall have the right to monitor and inspect such work at Tenant's own risk, and at Tenant's sole cost and expense. Landlord and Landlord Parties shall exercise all due care in carrying out such work. Landlord shall use reasonable efforts to immediately notify Tenant's designated contact person by telephone or facsimile in the event of Landlord's knowledge of fire, power failure, bomb threats, or other unplanned events which could adversely impact Tenant's operations.

6.2 Remedies. Upon written notice from Tenant, stating with specificity that Landlord or one or more of the Landlord Parties is creating an interference in

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violation of Section 6.1 of this Exhibit G, Landlord shall take immediately all necessary measures at Landlord's sole cost and expense to eliminate the interference, including hiring agents to work extended hours, until the interference is eliminated.

6.3 Relocation. In no event shall Landlord relocate Tenant or the Tenant's Equipment to other premises, or require Tenant to relocate the Tenant's Equipment, for any length of time to any other location, either in or on the Building or the Land or elsewhere.

7. Co-Location. Landlord acknowledges that Tenant's business to be conducted on the Premises requires the installation on the Premises of certain communications equipment by certain licensees and customer of Tenant (collectively, "Customers") in order for such Customers to interconnect with Tenant's terminal facilities or to permit Tenant to manage or operate such Customers' equipment, or otherwise as may be required pursuant to applicable statutes and regulations. Notwithstanding anything to the contrary contained in the Lease, Landlord hereby consents in advance to any sublease, incense agreement "co-location agreement" or similar agreement (collectively, "Customer License") between Tenant and such a Customer for the limited purpose of permitting such arrangements as described above. The effectiveness of such advance consent to a particular Customer License is conditioned upon such Customer License being in writing and consistent with the provisions of the Lease (although Tenant will only be required to provide Landlord a copy of the executed Customer License if the Landlord requests it in writing).

8. Sound Control. Tenant is responsible for taking the necessary measures to reduce the sound transmission caused by the Tenant's Equipment. In addition, Tenant's Generator shall be installed in a weatherproof, walk-around type, sound attenuating enclosure which shall limit the sound to no more than 85 dBA as measured at three (3) feet from any side, top or bottom, under all operating conditions.

9. Confidentiality. Landlord shall use reasonable efforts to keep all Confidential Information of Tenant confidential. For the purposes of the Lease, "Confidential Information" includes any data or information pertaining to Tenant or Tenant's business, regardless of medium, that is provided by Tenant to Landlord, including Tenant's plans and specifications or electrical power requirements, site plans, or copies of any such information, but excludes any information (a) approved in writing by Tenant for release to third parties, (b) that Landlord possesses independently of Tenant, (c) that Tenant places in the public domain, or (d) that Landlord believes in good faith it is required to disclose to any court, governmental agency or quasi-governmental agency after having first notified Tenant of such good faith belief; provided, however, that the provisions of this Paragraph 9 shall not be deemed to prohibit Tenant from making public the provisions of this Lease with respect to tenant improvements, rental rates, the Term or escalations for purposes of analysis of comparable rents within any geographic area in which the Building is located, so long as Tenant's name is not used in connection therewith; nor shall the provisions of this Paragraph 9 be deemed to prohibit the furnishing of a copy of this Lease and Tenant's then current financial statement to any purchaser or prospective purchaser of the Park, the Building or the Land, or any combination thereof, or any Mortgagee or Ground Lessor, prospective Mortgagee or prospective Ground Lessor with respect to the Park, the Building or the Land, or any combination thereof, or to any appraiser, accountant or other person having a bona fide role in the evaluation of any actual or proposed sale, Mortgage or

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Ground Lease, so long as, in each instance, the person receiving a copy of this Lease and Tenant's then current financial statement executes a Nondisclosure Agreement in a form which is substantially similar to that which is attached hereto as Exhibit J and made a part hereof.

10. Indemnity. Tenant acknowledges and agrees that Sections 14 and 15 of the Lease pertain to this Exhibit G.

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EXHIBIT H

EQUINIX, INC. AND SUBSIDIARY
(A Development Stage Enterprise)

Consolidated Balance Sheets

<TABLE>
<CAPTION>

	December 31,
September 30,	1998
1999	-----
-----	---
(Unaudited)	
Assets	<C>
<S>	
<C>	
Current assets:	
Cash and cash equivalents	\$ 4,164,500
3,582,100	
Short-term investments	5,000,000
42,907,100	
Prepays and other current assets	167,600
1,929,200	-----

Total Current assets	9,332,100
48,418,400	
Property and equipment, net	482,000
2,716,400	
Construction in progress	30,700
19,862,200	
Other assets	156,400
1,440,200	-----

Total assets	10,001,200
72,437,200	=====
=====	
Liabilities and Stockholder's Equity	
Current liabilities:	
Accounts payable	\$ 33,800
524,100	
Accrued construction costs	252,300
6,211,400	
Accrued expenses	85,600
325,100	
Current portion of long-term obligations	---
1,705,800	
Income taxes payable	39,800
---	-----

Total current liabilities	411,500
8,766,400	
Long-term obligations	---
3,811,700	
Other liabilities	---
45,000	-----

Total liabilities	411,500
12,623,100	-----

Commitments	
Stockholder's equity:	
Series A convertible preferred stock; \$0.001 par value per share; 11,000,000 and 14,000,000 shares authorized in 1998 and 1999, respectively; liquidation value 12,400	10,400
respectively and minimum redemption value of \$10,465,000 and \$12,445,000 in 1998 and 1999,	
Series B convertible preferred stock, \$0.001 par value per share; none and 16,000,000 shares authorized in 1998 and 1999, respectively; none and 6,731,290 shares issued and outstanding in 1998 and 1999, respectively;	---
6,700	

liquidation value and minimum redemption value of none and \$53,850,320 in 1998 and 1999, respectively	
Common stock \$0.001 par value per share; 29,000,000 and 75,000,000 shares authorized on 1998 and 1999, respectively; 4,100,000 and 6,787,000 shares issued in 1998 and 1999, respectively	4,100
Treasury stock (10,000)	---
Additional paid-in capital	10,431,000
67,327,000	
Deferred compensation (67,400)	---
Other comprehensive income	---
147,300	
Deficit accumulated during the development stage (7,608,700)	(855,800)
-----	-----
Total stockholders' equity	9,589,700
59,814,100	
-----	-----
Total liabilities and stockholders' equity	10,001,200
72,437,200	
=====	=====

</TABLE>

See accompanying notes to consolidated financial statements.

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DRAFT 10/31/99

EQUINIX, INC. AND SUBSIDIARY
(A Development Stage Enterprise)
Consolidated Statement of Operations

<TABLE>

<CAPTION>

Period from	Period from	Nine months
June 22, 1998	June 22, 1998	ended
(inception) to	(inception) to	September 30,
September 30,	December 31,	1998
1999	1998	
	-----	-----
(Unaudited)		(Unaudited)
<S>	<C>	<C>
<C>		
Selling, general, and administrative expenses	\$ 785,700	6,755,600
7,541,300		
Stock-based compensation	---	125,600
125,600	-----	-----
Loss from operations	785,700	6,881,200
7,666,900		
Interest expense	---	138,600
138,600		
Interest income	(149,900)	(266,900)
(416,800)		
Interest charge on beneficial conversion of convertible debt	220,000	---
220,000	-----	-----
Net loss	\$ 855,800	6,752,900
7,602,700	=====	=====

</TABLE>

See accompanying notes to consolidated financial statements.

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EQUINIX, INC. AND SUBSIDIARY
(A Development Stage Enterprise)
Consolidated Statement of Cash Flows

<TABLE> <CAPTION>	Period from	Nine months
Period from	June 22, 1998	ended
June 22, 1998	(inception) to	September 30,
(inception) to	December 31,	1999
September 30,	1998	-----
1999	-----	-----
-----		(Unaudited)
(Unaudited)		(Unaudited)
<S>	<C>	<C>
<C>		
Cash flows from operating activities:		
Net loss	\$ (855,800)	(6,752,900)
(7,608,700)		
Adjustments to reconcile net loss to net cash provided by (used in)		
operating activities:		
Depreciation	4,200	248,100
252,300		
Interest charge on beneficial conversion of convertible debt	220,000	---
220,000		
Amortization of deferred stock-based compensation	---	67,400
67,400		
Amortization of deferred financing costs	---	83,500
83,500		
Changes in operating assets and liabilities:		
Prepays and other current assets	(167,600)	(1,761,600)
(1,929,200)		
Accrued construction costs	252,300	5,959,100
6,211,400		
Accounts payable	33,800	490,100
523,900		
Accrued expenses	85,600	239,500
325,100		
Income taxes payable	39,800	(39,800)

Net cash provided by (used in) operating activities	(387,700)	(1,466,600)
(1,854,300)		
Cash flows from investing activities:		
Purchases of property and equipment	(486,200)	(2,482,500)
(2,968,700)		
Construction in progress	(30,700)	(19,831,500)
(19,862,200)		
Other assets	(156,400)	(1,283,700)
(1,440,100)		
Other liabilities	(5,000,000)	(42,882,100)
(47,882,100)		
Maturities and sales of short-term investments	---	5,122,200
5,122,200		
Net cash used in investing activities	(5,673,300)	(61,312,600)
(65,985,900)		
Cash flows from financing activities:		
Proceeds from debt and sale/leaseback arrangements	---	6,272,100
6,272,100		
Repayments of debt	---	(157,600)
(157,600)		
Gain on sale/leaseback transaction	---	(77,700)
(77,700)		
Proceeds from issuance of common stock	10,000	---
10,000		
Proceeds from exercise of stock options	---	288,700
288,700		
Proceeds from issuance of promissory notes	220,000	---
220,000		
Proceeds from issuance of convertible preferred stock	9,995,500	55,871,300

65,866,800		
Net cash provided financing activities	10,225,500	62,196,800
72,422,300		
Net increase (decrease) in cash and cash equivalents	4,164,500	(582,400)
3,582,100		
Cash and cash equivalents at beginning of period	---	4,164,500

Cash and cash equivalents at end of period	4,164,500	3,582,100
3,582,100		
=====		=====
Supplemental cash flow information:		
Cash paid for taxes	---	67,500
67,500		
=====		=====
Noncash financing and investing activities:		
Preferred stock warrants issued for financing commitments	---	600,700
600,700		
Deferred stock-based compensation on grants of stock options	---	67,400
67,400		
Conversion of notes payable to convertible preferred stock	440,000	---
440,000		
Unrealized appreciation on investments	---	147,300
147,300		
=====		=====

</TABLE>

See accompanying notes to consolidated financial statements.

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EXHIBIT I

FORM OF MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE ("Memorandum") is made effective as of the _____ day of _____, _____, by and between TRIZECHAHN CENTERS, INC. dba TrizecHahn Beaumeade Corporate Management, a California corporation, its successors and assigns, as landlord (collectively, "Landlord"), and EQUINIX, INC., a Delaware corporation, its successors and assigns (collectively, "Tenant").

1. Lease; Term. Landlord and Tenant have entered into a Deed of Lease (the "Lease") with respect to the premises described in Exhibit A attached hereto and made a part hereof (the "Premises") in the building located at [*], Ashburn, Virginia (the "Building"), which is located in the business park known as [*] (the "Park"), for a term of ten (10) years after the Lease Commencement Date (as such term is defined in the lease). Tenant has three (3) Renewal Options (as defined in the Lease), each of which is for a period of five (5) years.

2. Use of the Premises. The Lease provides that Tenant shall use the Premises only for the purposes permitted by Section 6 of the Lease.

3. Recordation. Landlord and Tenant have agreed that, at the option of either Landlord or Tenant, upon the execution of the Lease by each of them, the original of this Memorandum may be recorded among the Land Records of Loudoun County, Virginia and the party requesting recordation of this Memorandum shall pay all of the costs of recordation thereof.

4. Lease Controls. This Memorandum is intended for notice and recording purposes only, and shall not supercede, diminish, add to or in any manner change the terms of the Lease, it being understood that the terms of the transaction shall be governed by the Lease.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum under seal as of the day and year first above written.

WITNESS:

LANDLORD:

TRIZECHAHN CENTERS, INC. dba
TrizecHahn Beaumeade Corporate
Management, a California corporation

By: _____

By: _____

Name: _____

Its: _____

WITNESS/ATTEST:

TENANT:

[Corporate Seal]

EQUINIX, INC., a Delaware corporation

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____

COMMONWEALTH OF VIRGINIA

)

)ss:

)

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, ____ by _____, in his/her capacity as _____ of TrizecHahn Center, Inc. dba TrizecHahn Beaumeade Corporation Management.

Notary Public

[Notary Seal]

My commission expires:

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COMMONWEALTH OF VIRGINIA

)

)ss:

)

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, ____ by _____, in his/her capacity as _____ of Equinix, Inc.

Notary Public

[Notary Seal]

My commission expires:

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EXHIBIT J

FORM OF NONDISCLOSURE AGREEMENT

In connection with a proposed business relationship, Equinix/SM/, Inc. ("Company") has disclosed or may disclose to you business information, technical information and/or ideas ("Proprietary Information").

In consideration of any disclosure and any negotiations concerning the proposed business relationship, you agree as follows:

1. You will use your diligent, good faith efforts to hold in confidence and not possess or use (except to evaluate within the U.S. the proposed business relationship) or disclose any Proprietary Information except information you can document (a) is in the public domain through no fault of yours, (b) was properly known to you, without restriction, prior to disclosure by Company, (c) was properly disclosed to you by another person without restriction, or (d) was required to be disclosed by a court of competent jurisdiction. In any event you will not reverse engineer or attempt to derive the composition or underlying information, structure or ideas of any Proprietary Information. The foregoing does not grant you a license in or to any of the Proprietary Information.

2. If you decide not to proceed with the proposed business relationship or if asked by Company, you will promptly return all Proprietary Information and all copies, extracts and other objects or items in which it may

be contained or embodied.

3. You will promptly notify Company of any unauthorized release of Proprietary Information of which you obtain actual knowledge.

4. You understand that this statement does not obligate Company to disclose any information or negotiate or enter into any agreement or relationship.

5. You acknowledge and agree that due to the unique nature of the Proprietary Information, any breach of this agreement would cause irreparable harm to Company for which damages are not an adequate remedy and that Company shall therefore be entitled to equitable relief in addition to all other remedies available at law, except for consequential or special damages.

6. The terms of this Agreement will remain in effect with respect to any particular Proprietary Information until you can document that it falls into one of the exceptions stated in Paragraph 1 above.

7. This Agreement is governed by the internal laws of the State of Delaware and may be modified or waived only in writing. If any provision is found to be unenforceable, such provision will be limited or deleted to the minimum extent necessary so that the remaining terms remain in full force and effect. The prevailing party in any dispute or legal action regarding the subject matter of this Agreement shall be entitled to recover reasonable attorney's fees and costs.

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Acknowledged and agreed on October 28, 1999

Company: _____ Printed Name: _____

By: _____ Title: _____

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LEASE AGREEMENT

THIS LEASE AGREEMENT is made this 28th day of January, 2000, between ARE-2425/2400/2450 GARCIA BAYSHORE LLC, a Delaware limited partnership ("Landlord"), and EQUINIX, INC., a Delaware corporation ("Tenant").

Address: 2450 Bayshore Parkway, Mountain View, California

Premises: That portion of the Project, containing approximately 42,632 rentable square feet, as determined by Landlord, as shown on Exhibit A, and being 100% of the rentable square footage of the building located at 2450 Bayshore Parkway, Mountain View, California ("Building").

Project: The real property on which the building in which the Premises are located, together, with all improvements thereon and appurtenances thereto as described on Exhibit B.

Base Rent: \$3.25/rentable square foot/month Rentable Area of Premises: 42,632 sq. ft

Rentable Area of Project: 98,964 sq. ft. Tenant's Share of Operating Expenses: 100%

Building's Share of the Project: 43.08% Security Deposit: None.

Target Commencement Date: The earlier of the date hereof or 2/1/2000

Rent Adjustment Percentage: CPI Adjustment Percentage (as defined in Section 4) but not less than 3% nor more than 5% annually.

Base Term: 84 months from the first day of the first full month during which Base Rent is due and payable hereunder

Permitted Use: Office and related uses consistent with the character of the Building

Address for Rent Payment: Landlord's Notice Address: 135 N. Los Robles Avenue, Suite 250 135 N. Los Robles Avenue, Suite 250 Pasadena, CA 91101 Pasadena, CA 91101 Attention: Accounts Receivable Attention: General Counsel

Tenant's Notice Address: 901 Marshall Street Redwood City, CA 94063 Attention: Mr. Philip Koen

The following Exhibits and Addenda are attached hereto and incorporated herein by this reference:

- [X] EXHIBIT A - PREMISES DESCRIPTION [X] EXHIBIT B - DESCRIPTION OF PROJECT [X] EXHIBIT C - WORK LETTER [X] EXHIBIT D - COMMENCEMENT DATE [X] EXHIBIT E - RULES AND REGULATIONS [X] EXHIBIT F - TENANT'S PERSONAL PROPERTY [X] EXHIBIT G - ESTOPPEL CERTIFICATE [X] EXHIBIT H - NONDISTURBANCE AGREEMENT

1. Lease of Premises. Upon and subject to all of the terms and conditions hereof, Landlord hereby leases the Premises to Tenant and Tenant hereby leases the Premises from Landlord. The portions of the Project which are for the non-exclusive use of tenants of the Project are collectively referred to herein as the "Common Areas." Landlord reserves the right to modify Common Areas, provided that such modifications do not materially adversely affect Tenant's use of the Premises for the Permitted Use.

2. Delivery; Acceptance of Premises; Commencement Date. Landlord shall use reasonable efforts to make the Premises available to Tenant for Tenant's Work under the Work Letter within 2 days of full execution of this Lease and Tenant's delivery of evidence of the insurance required hereby and by the Work Letter ("Delivery" or "Deliver"). If Landlord fails to timely Deliver the Premises, Landlord shall not be liable to Tenant for any loss or damage resulting therefrom, and this Lease shall not be void or voidable except as provided herein. If Landlord does not Deliver the Premises within 60 days of

the Target Commencement Date for any reason other than Force Majeure Delays, this Lease shall be voidable by Tenant by written notice to Landlord, and if so voided: (a) so long as Tenant is not in default hereunder, the Security Deposit shall be returned to Tenant, and (b) neither Landlord nor Tenant shall have any further rights, duties or obligations under this Lease, except with respect to provisions which expressly survive termination of this Lease. As used herein, the term "Force Majeure Delays" shall have the meaning set forth for such terms in the Work Letter. If Tenant does not elect to void this Lease within 5 business days of the lapse of such 60 day period, such right to void this Lease shall be waived and this Lease shall remain in full force and effect. Nothing herein shall in any way limit Landlord's right to terminate this Lease pursuant to Sections 18 or 19 hereof.

The "Commencement Date" shall be the date Landlord Delivers the Premises to Tenant Upon request of Landlord, Tenant shall execute and deliver a written acknowledgment of the Commencement Date and the expiration date of the Term when such are established in the form attached to this Lease as Exhibit D; provided, however, Tenant's failure to execute and deliver such acknowledgment shall not affect Landlord's rights hereunder. The "Term" of this Lease shall be the Base Term and any Extension Terms which Tenant may elect pursuant to Section 40 hereof.

Except as set forth in the Work Letter and Section 7 regarding Landlord's obligations with respect to the compliance of the Premises with Legal Requirements as of the Commencement Date, if applicable: (i) Tenant shall accept the Premises in their condition as of the Commencement Date, subject to all applicable laws, ordinances, regulations, covenants and restrictions; (ii) Landlord shall have no obligation for any defects in the Premises; and (iii) Tenant's taking possession of the Premises shall be conclusive evidence that Tenant accepts the Premises and that the Premises were in good condition at the time possession was taken. Any occupancy of the Premises by Tenant before the Commencement Date shall be subject to all of the terms and conditions of this Lease.

Tenant agrees and acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the condition of any or all of the Premises or the Project, and/or the suitability of the Premises or the Project for the conduct of Tenant's business, and Tenant waives any implied warranty that the Premises or the Project are suitable for the Permitted Use. This Lease constitutes the complete agreement of Landlord and Tenant

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with respect to the subject matter hereof and supersedes any and all prior representations, inducements, promises, agreements, understandings and negotiations which are not contained herein. Landlord in executing this Lease does so in reliance upon Tenant's representations, warranties, acknowledgments and agreements contained herein.

3. Rent.

(a) Base Rent. Tenant shall pay to Landlord in advance, without demand, abatement, deduction or set-off, monthly installments of Base Rent on or before the first day of each calendar month during the Term hereof, in lawful money of the United States of America, at the office of Landlord for payment of Rent set forth above, or to such other person or at such other place as Landlord may from time designate in writing. Payments of Base Rent for any fractional calendar month shall be prorated and paid on the basis of a 30 day month. The obligation of Tenant to pay Base Rent and other sums to Landlord and the obligations of Landlord under this Lease are independent obligations. Tenant shall have no right at any time to abate, reduce, or set-off any Rent due hereunder except for any abatement as may be expressly provided in this Lease. Notwithstanding anything herein to the contrary, so long as Tenant is not in Default, Base Rent shall not be due or payable until May 1, 2000, provided, however, that if the Premises are not available for Delivery (whether or not this Lease has then been executed) on February 1, 2000, Base Rent shall not be due until May 1, 2000, plus the number of days from February 1, 2000, until the date the Premises are ready for Delivery.

(b) Additional Rent. In addition to Base Rent, Tenant agrees to pay to Landlord as additional rent ("Additional Rent"): (i) Tenant's Share of "Operating Expenses," and (ii) any and all other amounts Tenant assumes or agrees to pay under the provisions of this Lease, including, without limitation, any and all other sums that may become due by reason of any default of Tenant or failure to comply with the agreements, terms, covenants and conditions of this Lease to be performed by Tenant, after any applicable notice and cure period.

4. Base Rent Adjustments.

(a) Additional Tenant Improvement Allowance. For every dollar, or portion thereof, of the Additional Tenant Improvement Allowance (as defined in the Work Letter) disbursed by Landlord as provided in the Work Letter, Base Rent shall increase by \$0.018 per rentable square foot per month.

(b) CPI Adjustment Percentage. Base Rent shall be increased on each annual anniversary of the first day of the first full month during the Term of this Lease by multiplying the Base Rent payable immediately before such adjustment by the Rent Adjustment Percentage and adding the resulting amount to the Base Rent payable immediately before such adjustment. Base Rent, as so adjusted, shall thereafter be due as provided herein. Base Rent adjustments for any fractional calendar month shall be prorated. "CPI Adjustment Percentage" means a fraction, stated as a percentage, the numerator of which shall be the Index for the calendar month 3 months before the month in which the Base Rent adjustment is to be made, and the denominator of which shall be the Index for the calendar month 3 months before the last Base Rent adjustment or, if no prior Base Rent adjustment has been made, 3 months before the first day of the first full month during the Term of this Lease. Landlord shall give

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Tenant written notice indicating the Base Rent, as adjusted pursuant to this Section, and the method of computation, and Tenant shall pay to Landlord an amount equal to any underpayment of Base Rent by Tenant within fifteen days of Landlord's notice to Tenant. "Index" means the "Consumer Price Index-All Urban Consumers-San Francisco Metropolitan Area" compiled by the U.S. Department of Labor, Bureau of Labor Statistics, (1982-84 = 100). If a substantial change is made in the Index, the revised Index shall be used, subject to such adjustments as Landlord may reasonably deem appropriate in order to make the revised Index comparable to the prior Index. If the Bureau of Labor Statistics ceases to publish the Index, then the successor or most nearly comparable index, as reasonably determined by Landlord, shall be used, subject to such adjustments as Landlord may reasonably deem appropriate in order to make the new index comparable to the Index.

5. Operating Expense Payments. Landlord shall deliver to Tenant a written estimate of Operating Expenses for each calendar year during the Term (the "Annual Estimate"), which may be revised by Landlord from time to time during such calendar year. During each month of the Term, on the same date that Base Rent is due, Tenant shall pay Landlord an amount equal to 1/12 of the annual cost, as reasonably estimated by Landlord from time to time, of Tenant's Share of Operating Expenses. Payments for any fractional calendar month shall be prorated.

The term "Operating Expenses" means all costs and expenses of any kind or description whatsoever incurred or accrued by Landlord with respect to the Building (including the Building's Share of all costs and expenses of any kind or description incurred or accrued by Landlord with respect to the Project which are not specific to the Building or any other building located in the Project) (including Taxes, reasonable reserves consistent with good business practice for future repairs and replacements, capital repairs and improvements amortized over the lesser of 7 years and the useful life of such capital items (provided that any replacement roof shall be amortized over 10 years) and only the portion of the costs so amortized during the Term of the Lease shall be included in Operating Expenses, and the costs of Landlord's third party property manager or, if there is no third party property manager, administration rent in the amount of 3.0% of Base Rent), excluding only:

(a) the original design and construction costs of the Project and renovation prior to the date of the Lease and costs of correcting defects in such original construction or renovation;

(b) completing, fixturing, improving, renovating, painting, redecorating or other work, which Landlord pays for or performs for specific tenants within their premises and costs of correcting defects in such work;

(c) capital expenditures for expansion of the Project;

(d) interest, financing costs, principal and amortization of funds borrowed by Landlord, whether secured or unsecured and all payments of base rent (but not taxes or operating expenses) under any ground lease;

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(e) depreciation of the Project (except for capital improvements, the cost of which are includable in Operating Expenses);

(f) advertising, legal and space planning expenses and leasing commissions and other costs and expenses incurred in procuring tenants for the Project, including any leasing office maintained in the Project;

(g) salaries, wages, benefits and other compensation paid to officers and employees of Landlord who are not assigned in whole or in part to the operation, management, maintenance or repair of the Project;

(h) costs of utilities (other than for Common Areas exterior to other buildings in the Project);

(i) any expenses otherwise includable within Operating Expenses to the extent actually reimbursed by persons other than tenants of the Project under leases for space in the Project;

(j) legal and other expenses incurred in the negotiation or enforcement of leases or in the enforcement of Landlord's title or interest in the Project or any part thereof;

(k) costs relating to maintaining Landlord's existence, either as a corporation, partnership, or other entity;

(l) costs (including attorneys' fees and costs of settlement, judgments and payments in lieu thereof) arising from claims, disputes or potential disputes pertaining to Landlord, but not the Project, or from Landlord's failure to make any payment required to be made by Landlord hereunder before delinquency;

(m) costs incurred by Landlord due to the violation by Landlord, its employees, agents or contractors or any tenant of the terms and conditions of any lease of space in the Project or any Legal Requirement;

(n) tax penalties incurred as a result of Landlord's negligence, inability or unwillingness to make payment and/or to file any tax or informational returns when due;

(o) overhead and profit increment paid to the Landlord or to subsidiaries or affiliates of Landlord for goods and/or services in or to the Project to the extent the same exceeds the costs of such goods and/or services rendered by unaffiliated third parties on a competitive basis;

(p) costs arising from Landlord's charitable or political contributions or fine art maintained at the Project;

(q) costs to be reimbursed by other tenants of the Project, whether or not actually paid;

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(r) costs in connection with services (including electricity), items or other benefits of a type which are not standard for the Project and which are not available to Tenant without specific charges therefor, but which are provided to another tenant or occupant of the Project, whether or not such other tenant or occupant is specifically charged therefore by Landlord;

(s) costs incurred in the sale or refinancing of the Project;

(t) net income, franchise, capital stock, estate or inheritance taxes;

(u) costs incurred by reason of the remediation or other environmental response regarding any contamination of the Premises or the Project or soils or groundwater thereunder, by Hazardous Materials, except to the extent such contamination first originates during the Term as the result of a breach by Tenant of its obligations under Section 30; and

(v) any deductible on a Landlord insurance policy to the extent exceeding \$25,000, or, in the case of a claim for earthquake damage, 5% of the value of the Building.

Within 90 days after the end of each calendar year (or such longer period as may be reasonably required), Landlord shall furnish to Tenant a statement (an "Annual Statement") showing in reasonable detail: (a) the total and Tenant's Share of actual Operating Expenses for the previous calendar year, and (b) the total of Tenant's payments in respect of Operating Expenses for such year. If Tenant's Share of actual Operating Expenses for such year exceeds Tenant's payments of Operating Expenses for such year, the excess shall be due and payable by Tenant as Rent within 30 days of Landlord's delivery of the Annual Statement. If Tenant's payments of Operating Expenses for such year exceed Tenant's Share of actual Operating Expenses for such year Landlord shall, in its sole and absolute discretion, either: (i) credit the excess amount to the next succeeding installments of Operating Expenses due hereunder, or (ii) pay the excess to Tenant within 30 days after delivery of such Annual Statement, except that after expiration, or earlier termination of the Term, Landlord shall pay the excess to Tenant within such 30 day period, after deducting all other amounts due Landlord.

The Annual Statement shall be final and binding upon Tenant unless Tenant, within 30 days after Tenant's receipt thereof, shall contest any item therein by giving written notice to Landlord, specifying each item contested and the reason therefor. If, during such 30 day period, Tenant reasonably and in good faith questions or contests the correctness of Landlord's statement of Tenant's Share of Operating Expenses, Landlord will provide Tenant with access to Landlord's books and records relating to the operation of the Project and such information

as Landlord reasonably determines to be responsive to Tenant's questions. If after Tenant's review of such information, Landlord and Tenant cannot agree upon the amount of Tenant's Share of Operating Expenses, then Tenant shall have the right to have an independent public accounting firm selected from among the 6 largest in the United States, hired by Tenant (at Tenant's sole cost and expense) and approved by Landlord (which approval shall not be unreasonably withheld or delayed), audit and/or review Landlord's books and records relating to the operation of the Project and such other information relating to the operation of the Project for the year in question (the "Independent Review"). The results of any such Independent Review shall be binding on Landlord and Tenant. If the Independent Review shows that Tenant's pro rata share of the

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Operating Expenses actually paid by Tenant for the calendar year in question exceeded Tenant's obligations for such calendar year, Landlord shall at Landlord's option either (i) credit the excess amount to the next succeeding installments of estimated Operating Expenses or (ii) pay the excess to Tenant within 30 days after delivery of such statement, except that after expiration or earlier termination of the Term, Landlord shall pay the excess to Tenant within such 30 day period, after deducting all other amounts due Landlord. If the Independent Review shows that Tenant's payments of Tenant's Share of Operating Expenses for such calendar year were less than Tenant's obligation for the calendar year, Tenant shall pay the deficiency to the Landlord within 30 days after delivery of such statement. If the Independent Review shows that Tenant has overpaid Tenant's pro rata share of Operating Expenses by more than 5% then Landlord shall reimburse Tenant for all costs incurred by Tenant for the Independent Review. Operating Expenses for the calendar years in which Tenant's obligation to share therein begins and ends shall be prorated. Notwithstanding anything set forth herein to the contrary, if the Project is not at least 95% occupied on average during any year of the Term, Tenant's Share of Operating Expenses for such year shall be computed as though the Project had been 95% occupied on average during such year.

"Tenant's Share" shall be the percentage set forth on the first page of this Lease as Tenant's Share as reasonably adjusted by Landlord for changes in the physical size of the Premises or the Project occurring thereafter. Landlord may equitably increase Tenant's Share for any item of expense or cost reimbursable by Tenant that relates to a repair, replacement, or service that benefits only the Premises or only a portion of the Project that includes the Premises or that varies with occupancy or use. Base Rent, Tenant's Share of Operating Expenses and all other amounts payable by Tenant to Landlord hereunder are collectively referred to herein as "Rent."

6. Security Deposit. Intentionally omitted.

7. Use. The Premises shall be used solely for the Permitted Use set forth in the Basic Lease Provisions, in compliance with all laws, orders, judgments, ordinances, regulations, codes, directives, permits, licenses, covenants and restrictions now or hereafter applicable to the Premises, and the use and occupancy thereof (collectively, "Legal Requirements"). Tenant shall, upon 5 days' written notice from Landlord, discontinue any use of the Premises which is declared by any governmental authority having jurisdiction to be a violation of any Legal Requirement. Tenant will not use or permit the Premises to be used for any purpose or in any manner that would void Tenant's or Landlord's insurance, increase the insurance risk, or cause the disallowance of any sprinkler or other credits. Tenant shall reimburse Landlord promptly upon demand for any additional premium charged for any such insurance policy by reason of Tenant's failure to comply with the provisions of this Section or otherwise caused by Tenant's use and/or occupancy of the Premises. Tenant will use the Premises in a careful, safe and proper manner and will not commit waste, overload the floor or structure of the Premises, subject the Premises to use that would damage the Premises or obstruct or interfere with the rights of Landlord or other tenants or occupants of the Project, including conducting or giving notice of any auction, liquidation, or going out of business sale on the Premises, or using or allowing the Premises to be used for any unlawful purpose. Tenant shall cause any equipment or machinery to be installed in the Premises so as to reasonably prevent sounds or vibrations therefrom from extending into Common Areas, or other space in the Project. Tenant shall not place any

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machinery or equipment weighing 500 pounds or more in or upon the Premises or transport or move such items through the Common Areas of the Project or in the Project elevators without the prior written consent of Landlord. Except as may be provided under the Work Letter, Tenant shall not, without the prior written consent of Landlord, use the Premises in any manner which will require ventilation, air exchange, heating, gas, steam, electricity or water beyond the existing capacity of the Project as proportionately allocated to the Premises based upon Tenant's Share as usually furnished for the Permitted Use.

Landlord shall be responsible for the compliance of the Project with Legal Requirements, including the Americans With Disabilities Act, 42 U.S.C. (S) 12101, et seq. (together with regulations promulgated pursuant thereto, "ADA"), as of the Commencement Date (in its then condition and before any work to be

undertaken by Tenant pursuant to the Work Letter). Tenant, at its sole expense, shall make any alterations or modifications, to the interior or the exterior of the Premises or the Project, that are required by Legal Requirements (including, without limitation, compliance of the Premises with the ADA) related to the performance of Tenant's work under the Work Letter and/or Tenant's use or occupancy of the Premises. Notwithstanding any other provision herein to the contrary, but subject to Landlord's obligations as of the Commencement Date of the Lease, Tenant shall be responsible for any and all demands, claims, liabilities, losses, costs, expenses, actions, causes of action, damages or judgments, and all reasonable expenses incurred in investigating or resisting the same (including, without limitation, reasonable attorneys' fees, charges and disbursements and costs of suit) (collectively, "Claims") arising out of or in connection with any failure of the Premises, or the Project to the extent related to Tenant's use or occupancy of the Premises, to comply with any Legal Requirement from and after the Commencement Date, and Tenant shall indemnify, defend, hold and save Landlord harmless from and against any and all Claims arising out of or in connection with any failure of the Premises, or the Project to the extent related to Tenant's use or occupancy of the Premises, to comply with any Legal Requirement from and after the Commencement Date.

8. Holding Over. If, with Landlord's express written consent, Tenant retains possession of the Premises after the termination of the Term, (i) unless otherwise agreed in such written consent, such possession shall be subject to immediate termination by Landlord at any time, (ii) all of the other terms and provisions of this Lease (including, without limitation, the adjustment of Base Rent pursuant to Section 4 hereof) shall remain in full force and effect (excluding any expansion or renewal option or other similar right or option) during such holdover period, (iii) Tenant shall continue to pay Base Rent in the amount payable upon the date of the expiration or earlier termination of this Lease or such other amount as Landlord may indicate, in Landlord's sole and absolute discretion, in such written consent, and (iv) all other payments shall continue under the terms of this Lease. If Tenant remains in possession of the Premises after the expiration or earlier termination of the Term without the express written consent of Landlord, (A) Tenant shall become a tenant at sufferance upon the terms of this Lease except that the monthly rental shall be equal to 200% of the Rent in effect during the last 30 days of the Term, and (B) Tenant shall be responsible for all damages suffered by Landlord resulting from or occasioned by Tenant's holding over. No holding over by Tenant, whether with or without consent of Landlord, shall operate to extend this Lease except as otherwise expressly provided, and this Section 8 shall not be construed as consent for Tenant to retain possession of the Premises. Acceptance by Landlord of Rent after the expiration or earlier termination of the Term shall not result in a renewal or reinstatement of this Lease.

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9. Taxes. Landlord shall pay, as part of Operating Expenses, all taxes, levies, assessments and governmental charges of any kind (collectively referred to as "Taxes") imposed by any federal, state, regional, municipal, local or other governmental authority or agency, including, without limitation, quasi-public agencies (collectively, "Governmental Authority") during the Term, including, without limitation all Taxes: (i) imposed on or measured by or based, in whole or in part, on rent payable to Landlord under this Lease and/or from the rental by Landlord of the Project or any portion thereof, or (ii) based on the square footage, assessed value or other measure or evaluation of any kind of the Premises or the Project, or (iii) assessed or imposed by or on the operation or maintenance of any portion of the Premises or the Project, including parking, or (iv) assessed or imposed by, or at the direction of, or resulting from statutes or regulations, or interpretations thereof, promulgated by, any Governmental Authority, or (v) imposed as a license or other fee on Landlord's business of leasing space in the Project. Landlord may contest by appropriate legal proceedings the amount, validity, or application of any Taxes or liens securing Taxes. Taxes shall not include any net income taxes imposed on Landlord unless such net income taxes are in substitution for any Taxes payable hereunder. If any such Tax is levied or assessed directly against Tenant, then Tenant shall be responsible for and shall pay the same at such times and in such manner as the taxing authority shall require. Tenant shall pay, prior to delinquency, any and all Taxes levied or assessed against any personal property or trade fixtures placed by Tenant in the Premises, whether levied or assessed against Landlord or Tenant. If any Taxes on Tenant's personal property or trade fixtures are levied against Landlord or Landlord's property, or if the assessed valuation of the Project is increased by a value attributable to improvements in or alterations to the Premises, whether owned by Landlord or Tenant and whether or not affixed to the real property so as to become a part thereof, higher than the base valuation on which Landlord from time-to-time allocates Taxes to all tenants in the Project, Landlord shall have the right, but not the obligation, to pay such Taxes. Landlord's determination of any excess assessed valuation shall be binding and conclusive, absent manifest error. The amount of any such payment by Landlord shall constitute Additional Rent due from Tenant to Landlord immediately upon demand.

10. Parking. Tenant shall have the right to park in common with other tenants of the Project (in proportion to the rentable square feet in the Premises and the aggregate rentable square feet in the Project) in those areas

designated for non-reserved parking subject in each case to Landlord's rules and regulations. The amount of such parking provided by Landlord to Tenant will be in compliance with applicable codes as of the Commencement Date. Landlord may allocate parking spaces among Tenant and other tenants in the Project if Landlord determines that such parking facilities are becoming crowded, or not in compliance with Governmental Authority. Landlord shall not be responsible for enforcing Tenant's parking rights against any third parties, including other tenants of the Project.

11. Utilities, Services. Landlord shall pay, as Operating Expenses, for all water, electricity, gas, telephone, sewer, and other utilities, refuse and trash collection and landscaping and janitorial services (collectively, "Utilities") used in the Common Areas of the Project, all maintenance charges for Utilities, and any storm sewer charges or other similar charges for Utilities imposed by any governmental entity or Utility provider, and any taxes, penalties, surcharges or similar charges thereon. Tenant shall pay directly to the Utility provider, prior to delinquency, any separately metered Utilities and services (including janitorial services) which may be furnished to Tenant or the Premises during the Term. Tenant shall pay, as part of

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Operating Expenses, its share of all charges for jointly metered Utilities based upon consumption, as reasonably determined by Landlord. No interruption or failure of Utilities, from any cause whatsoever other than Landlord's willful misconduct, shall result in eviction or constructive eviction of Tenant, termination of this Lease or the abatement of Rent. Tenant agrees to limit use of water and sewer to normal restroom, lunchroom and office use.

12. Alterations and Tenant's Property. Any alterations, additions, or improvements made to the Premises by or on behalf of Tenant, including additional locks or bolts of any kind or nature upon any doors or windows in the Premises, but excluding installation, removal or realignment of furniture systems (other than removal of furniture systems owned or paid for by Landlord) not involving any modifications to the structure or connections (other than by ordinary plugs or jacks) to building systems (as hereinafter defined) ("Alterations") shall be subject to Landlord's prior written consent, which shall not be unreasonably withheld, but which may be given or withheld in Landlord's sole discretion if any such Alteration affects the structure or building systems. Tenant may construct nonstructural Alterations in the Premises without Landlord's prior approval if the aggregate cost of all such work in any 12 month period does not exceed \$50,000 (a "Notice-Only Alteration"), provided Tenant notifies Landlord in writing of such intended Notice Only Alteration, and such notice shall be accompanied by plans, specifications, work contracts and such other information concerning the nature and cost of the alteration as may be reasonably requested by Landlord, which notice and accompanying materials shall be delivered to Landlord not less than 15 business days in advance of any proposed construction. If Landlord approves any Alterations requiring Landlord's approval, Landlord may impose such conditions on Tenant in connection with the commencement, performance and completion of such Alterations as Landlord may deem appropriate in Landlord's reasonable discretion. Any request for approval shall be in writing, delivered not less than 15 business days in advance of any proposed construction, and accompanied by plans, specifications, bid proposals, work contracts and such other information concerning the nature and cost of the alterations as may be reasonably requested by Landlord, including the identities and mailing addresses of all persons performing work or supplying materials. Landlord's right to review plans and specifications and to monitor construction shall be solely for its own benefit, and Landlord shall have no duty to ensure that such plans and specifications or construction comply with applicable Legal Requirements. Tenant shall cause, at its expense, all Alterations to comply with insurance requirements and with Legal Requirements and shall implement at its sole cost and expense any alteration or modification required by Legal Requirements as a result of any Alterations. In connection with any Alteration where the total cost of such Alteration equals or exceeds \$50,000.00 in a 12 month period (excluding the initial improvements to be installed by Tenant in preparing the Premises for its occupancy), Tenant shall pay to Landlord, as Additional Rent, on demand an amount equal to 3% of all charges incurred by Tenant or its contractors or agents to cover Landlord's overhead and expenses for plan review, coordination, scheduling and supervision. Before Tenant begins any Alteration, Landlord may post on and about the Premises notices of non-responsibility pursuant to applicable law. Tenant shall reimburse Landlord for, and indemnify and hold Landlord harmless from, any extra expense incurred by Landlord by reason of faulty work done by Tenant or its contractors, delays caused by such work, or inadequate cleanup.

Tenant shall furnish security or make other arrangements satisfactory to Landlord to assure payment for the completion of all Alteration work free and clear of liens, and shall

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provide certificates of insurance for worker's compensation and other coverage in amounts and from an insurance company reasonably satisfactory to Landlord

protecting Landlord against liability for personal injury or property damage during construction. Upon completion of any Alterations, Tenant shall deliver to Landlord: (i) sworn statements setting forth the names of all contractors and subcontractors who did the work and final lien waivers from all such contractors and subcontractors; and (ii) as built plans for any such Alteration.

Other than (i) the items, if any, listed on Exhibit F attached hereto and, (ii) any items reasonably agreed by Landlord in writing to be included on Exhibit F in the future, and (iii) any trade fixtures, machinery, equipment and other personal property not paid for out of the TI Fund (as defined in the Work Letter) which may be removed without material damage to the Premises, which damage shall be repaired by Tenant during the Term (the items in clauses (i) through (iii) are collectively referred to herein as "Tenant's Property"), all property of any kind paid for with the TI Fund, all Alterations, real property fixtures, built-in machinery and equipment, built-in casework and cabinets and other similar additions and improvements built into the Premises so as to become an integral part of the Premises (collectively, "Installations") shall be and shall remain the property of Landlord during the Term and following the expiration or earlier termination of the Term. Installations shall not be removed by Tenant at any time during the Term and shall remain upon and be surrendered with the Premises as a part thereof following the expiration or earlier termination of this Lease; provided, however, that Landlord shall, at the time its approval of Installations is requested or at the time it receives notice of a Notice-Only Alteration, notify Tenant if it has elected to cause Tenant to remove such Installation upon or prior to the expiration or earlier termination of this Lease. If Landlord so elects (other than with respect to Tenant Improvements made under the Work Letter), Tenant shall remove any such Installation upon the expiration or earlier termination of this Lease and restore any damage caused by or occasioned as a result of such removal, including, when removing any of Tenant's Property which was plumbed, wired or otherwise connected to any of the building systems, capping off all such connections behind the walls of the Premises and repairing any holes. During any such restoration period, Tenant shall pay Rent to Landlord as provided herein as if said space were otherwise occupied by Tenant.

13. Landlord's Repairs. Landlord, as an Operating Expense, shall maintain all of the structural, exterior, roof, parking and other Common Areas of the Project as well as the plumbing, fire sprinkler and electrical building systems serving the Premises and other portions of the Project ("Landlord Building Systems"), in good repair, reasonable wear and tear and uninsured losses and damages caused by Tenant, its agents, servants, employees, invitees and contractors excluded. Losses and damages caused by Tenant, its agents, servants, employees, invitees and contractors shall be repaired by Landlord, to the extent not covered by insurance, at Tenant's sole cost and expense. Landlord reserves the right to stop Utilities when necessary (i) by reason of accident or emergency, or (ii) for planned repairs, alterations or improvements to common area improvements, which are, in the judgment of Landlord, desirable or necessary to be made, until said repairs, alterations or improvements shall have been completed. Landlord shall have no responsibility or liability for failure to supply Utilities during any such period of interruption; provided, however, that Landlord shall give Tenant 24 hours advance notice of any planned stoppage of Utilities for routine maintenance, repairs, alterations or improvements. Tenant shall promptly give Landlord written notice of any repair required by Landlord pursuant to this Section after which Landlord shall have a reasonable opportunity to effect such repair.

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Landlord shall not be liable for any failure to make any repairs or to perform any maintenance unless such failure shall persist for an unreasonable time after Tenant's written notice of the need for such repairs or maintenance. Tenant waives its rights under any state or local law to terminate this Lease or to make such repairs at Landlord's expense and agrees that the parties' respective rights with respect to such matters shall be solely as set forth herein. Repairs required as the result of fire, earthquake, flood, vandalism, war, or similar cause of damage or destruction shall be controlled by Section 18.

14. Tenant's Repairs. Subject to Section 13 hereof, Tenant, at its expense, shall repair, replace and maintain in good condition all portions of the Premises, including, without limitation, HVAC, elevators, entries, doors, ceilings, interior windows, interior walls, and the interior side of demising walls. Such repair and replacements may include capital expenditures and repairs whose benefit may extend beyond the Term. Should Tenant fail to make any such repair or replacement or fail to maintain the Premises, Landlord shall give Tenant notice of such failure. If Tenant fails to commence cure of such default within 30 days of Landlord's notice, and thereafter diligently prosecute such cure to completion, Landlord may perform such work and shall be reimbursed by Tenant within 10 days after written demand therefor; provided, however, that if such default by Tenant creates or could create an emergency, Landlord may immediately commence cure of such default and shall thereafter be entitled to recover the costs of such cure from Tenant. Subject to Sections 17 and 18, Tenant shall bear the full uninsured cost of any repair or replacement to any part of the Project that results from damage caused by Tenant, its agents, contractors, or invitees and any repair that benefits only the Premises.

15. Mechanic's Liens. Tenant shall discharge, by bond or otherwise, any mechanic's lien filed against the Premises or against the Project for work claimed to have been done for, or materials claimed to have been furnished to, Tenant within 10 days after the filing thereof, at Tenant's sole cost and shall otherwise keep the Premises and the Project free from any liens arising out of work performed, materials furnished or obligations incurred by Tenant. Should Tenant fail to discharge any lien described herein, Landlord shall have the right, but not the obligation, to pay such claim or post a bond or otherwise provide security to eliminate the lien as a claim against title to the Project and the cost thereof shall be immediately due from Tenant as Additional Rent. If Tenant shall lease or finance the acquisition of office equipment, furnishings, or other personal property of a removable nature utilized by Tenant in the operation of Tenant's business, Tenant warrants that any Uniform Commercial Code Financing Statement executed by Tenant will upon its face or by exhibit thereto indicate that such Financing Statement is applicable only to removable personal property of Tenant located within the Premises. In no event shall the address of the Project be furnished on the statement without qualifying language as to applicability of the lien only to removable personal property, located in an identified suite held by Tenant.

16. Indemnification. Tenant hereby indemnifies and agrees to defend, save and hold Landlord harmless from and against any and all Claims for injury or death to persons or damage to property occurring within or about the Premises, arising directly or indirectly out of use or occupancy of the Premises or a breach or default by Tenant in the performance of any of its obligations hereunder, unless caused solely by the willful misconduct or gross negligence of Landlord. Landlord shall not be liable to Tenant for, and Tenant assumes all risk of damage to, personal property (including, without limitation, loss of records kept within the Premises).

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Tenant further waives any and all Claims for injury to Tenant's business or loss of income relating to any such damage or destruction of personal property (including, without limitation, any loss of records). Landlord shall not be liable for any damages arising from any act, omission or neglect of any tenant in the Project or of any other third party.

17. Insurance. Landlord shall maintain all insurance against any peril generally included within the classification "Fire and Extended Coverage," sprinkler damage (if applicable), vandalism and malicious mischief covering the full replacement cost of the Project. Landlord shall further carry commercial general liability insurance with a single loss limit of not less than \$2,000,000 for death or bodily injury, or property damage with respect to the Project. Landlord may, but is not obligated to, maintain such other insurance and additional coverages as it may deem necessary, including, but not limited to, flood, environmental hazard and earthquake, loss or failure of building equipment, errors and omissions, rental loss during the period of repair or rebuilding, workmen's compensation insurance and fidelity bonds for employees employed to perform services and insurance for any improvements installed by Tenant or which are in addition to the standard improvements customarily furnished by Landlord without regard to whether or not such are made a part of the Project. All such insurance shall be included as part of the Operating Expenses. The Project may be included in a blanket policy (in which case the cost of such insurance allocable to the Project will be determined by Landlord based upon the insurer's cost calculations).

Tenant, at its sole cost and expense, shall maintain during the Term: all risk property insurance covering the full replacement cost of all property and improvements installed or placed in the Premises by Tenant at Tenant's expense; worker's compensation insurance with no less than the minimum limits required by law; employer's liability insurance with such limits as required by law; and commercial general liability insurance, with a minimum limit of not less than \$2,000,000 per occurrence for death or bodily injury and not less than \$1,000,000 for property damage with respect to the Premises. The commercial general liability insurance policies shall name Landlord, its officers, directors, employees, managers, agents, invitees and contractors (collectively, "Related Parties"), as additional insureds; insure on an occurrence and not a claims-made basis; be issued by insurance companies which have a rating of not less than policyholder rating of A- and financial category rating of at least Class X in "Best's Insurance Guide"; shall not be cancelable unless 30 days prior written notice shall have been given to Landlord from the insurer; contain a hostile fire endorsement and a contractual liability endorsement; and provide primary coverage to Landlord (any policy issued to Landlord providing duplicate or similar coverage shall be deemed excess over Tenant's policies). Such policies or certificates thereof shall be delivered to Landlord by Tenant upon commencement of the Term and upon each renewal of said insurance. Tenant's policy may be a "blanket policy" which specifically provides that the amount of insurance shall not be prejudiced by other losses covered by the policy. Tenant shall, at least 10 days prior to the expiration of such policies, furnish Landlord with renewals or binders. Tenant agrees that if Tenant does not take out and maintain such insurance, Landlord may (but shall not be required to) procure said insurance on Tenant's behalf and at its cost to be paid as Additional Rent.

In each instance where insurance is to name Landlord as additional insured, Tenant shall upon written request of Landlord also designate and furnish certificates so evidencing Landlord as additional insured to: (i) any lender of Landlord holding a security interest in the Project or

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any portion thereof, (ii) the landlord under any lease wherein Landlord is tenant of the real property on which the Project is located, if the interest of Landlord is or shall become that of a tenant under a ground lease rather than that of a fee owner, and/or (iii) any management company retained by Landlord to manage the Project.

The property insurance obtained by Landlord and Tenant shall include a waiver of subrogation by the insurers and all rights based upon an assignment from its insured, against Landlord or Tenant, and their respective Related Parties, in connection with any loss or damage thereby insured against. Neither party nor its respective Related Parties shall be liable to the other for loss or damage caused by any risk insured against under property insurance required to be maintained hereunder, and each party waives any claims against the other party, and its respective Related Parties for such loss or damage. The failure of a party to insure its property shall not void this waiver. Landlord and its respective Related Parties shall not be liable for, and Tenant hereby waives all claims against such parties for, business interruption and losses occasioned thereby sustained by Tenant or any person claiming through Tenant resulting from any accident or occurrence in or upon the Premises or the Project from any cause whatsoever. If the foregoing waivers shall contravene any law with respect to exculpatory agreements, the liability of Landlord or Tenant shall be deemed not released but shall be secondary to the other's insurer.

Landlord may require insurance policy limits to be raised to conform with requirements of Landlord's lender and/or to bring coverage limits to levels then being required of new tenants within the Project.

18. Restoration. If at any time during the Term the Project or the Premises are damaged by a fire or other insured casualty, Landlord shall notify Tenant within 60 days after discovery of such damage as to the amount of time Landlord reasonably estimates it will take to restore the Project or the Premises, as applicable. If the restoration time is estimated to exceed 8 months, Landlord may, in such notice, elect to terminate this Lease as of the date that is 75 days after the date of discovery of such damage or destruction. Unless Landlord elects to terminate this Lease, Landlord shall, subject to receipt of sufficient insurance proceeds (with any deductible to be treated as a current Operating Expense), promptly restore the Premises (excluding the improvements installed by Tenant or by Landlord and paid for by Tenant), subject to delays arising from the collection of insurance proceeds, from Force Majeure events or as needed to obtain any license, clearance or other authorization of any kind required to enter into and restore the Premises issued by any governmental or quasi-governmental agency having jurisdiction over the Premises, including with respect to the use, storage, release or removal of Hazardous Materials in, on or about the Premises (collectively referred to herein as "Use Clearances"); provided, however, that if repair or restoration of the Premises is not Substantially Complete as of the end of 8 months from the date of damage or destruction, Landlord may, in its sole and absolute discretion, elect not to proceed with such repair and restoration, or Tenant may, in its sole and absolute discretion, elect to terminate this Lease by written notice delivered within 5 business days of the expiration of such 8 month period, in which event Landlord shall be relieved of its obligation to make such repairs or restoration and this Lease shall terminate as of the date that is 75 days after the later of: (i) discovery of such damage or destruction, or (ii) the date all required Use Clearances are obtained.

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Tenant, at its expense, shall promptly perform, subject to delays arising from the collection of insurance proceeds, from Force Majeure events or to obtain Use Clearances, all repairs or restoration not required to be done by Landlord and shall promptly re-enter the Premises and commence doing business in accordance with this Lease. Notwithstanding the foregoing, Landlord may terminate this Lease upon 60 days prior written notice if the Premises are damaged during the last 12 months of the Term and Landlord reasonably estimates that it will take more than one month to repair such damage, or if insurance proceeds are not available for such restoration.

Rent shall be abated from the date all required Use Clearances are obtained until the Premises are repaired and restored, in the proportion which the area of the Premises, if any, which is not usable by Tenant in the manner in which the damaged portion of the Premises were used by Tenant bears to the total area of the Premises, unless Landlord provides Tenant with other space during the period of repair that is reasonably suitable in Tenant's judgment for the temporary conduct of Tenant's business. Such abatement shall be the sole remedy of Tenant, and except as provided herein, Tenant waives any right to terminate the Lease by reason of damage or casualty loss.

The provisions of this Lease, including this Section 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, or any other portion of the Project, and any statute or regulation which is now or may hereafter be in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises or any other portion of the Project, the parties hereto expressly agreeing this Section 18 sets forth their entire understanding and agreement with respect to such matters.

19. Condemnation. If any part of the Premises or the Project is taken for any public or quasi-public use under governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof (a "Taking" or "Taken"), and the Taking would in Landlord's judgment either prevent or materially interfere with Tenant's use of the Premises or materially interfere with or impair Landlord's ownership or operation of the Project, then upon written notice by Landlord this Lease shall terminate and Rent shall be apportioned as of said date. If part of the Premises shall be Taken, and this Lease is not terminated as provided above, Landlord shall promptly restore the Premises and the Project as nearly as is commercially reasonable under the circumstances to their condition prior to such partial taking and the Rent payable hereunder during the unexpired Term shall be reduced to such extent as may be fair and reasonable under the circumstances. Upon any such Taking, Landlord shall be entitled to receive the entire price or award from any such Taking without any payment to Tenant, and Tenant hereby assigns to Landlord Tenant's interest, if any, in such award. Tenant shall have the right, to the extent that same shall not diminish Landlord's award, to make a separate claim against the condemning authority (but not Landlord) for such compensation as may be separately awarded or recoverable by Tenant for moving expenses and damage to Tenant's Trade Fixtures, if a separate award for such items is made to Tenant. Tenant hereby waives any and all rights it might otherwise have pursuant to any provision of state law to terminate this Lease upon a partial Taking of the Premises or the Project.

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20. Events of Default. Each of the following events shall be a default ("Default") by Tenant under this Lease:

(a) Payment Defaults. Tenant shall fail to pay any installment of Rent or any other payment hereunder when due; provided, however, that Landlord will give Tenant notice and an opportunity to cure any failure to pay Rent within 3 days of any such notice not more than once in any 12 month period and Tenant agrees that such notice shall be in lieu of and not in addition to any notice required by law.

(b) Insurance. Any insurance required to be maintained by Tenant pursuant to this Lease shall be canceled or terminated or shall expire or shall be reduced or materially changed, or Landlord shall receive a notice of nonrenewal of any such insurance and Tenant shall fail to obtain replacement insurance at least 10 days before the expiration of the current coverage.

(c) Abandonment. Tenant shall abandon the Premises.

(d) Improper Transfer. Tenant shall assign, sublease or otherwise transfer or attempt to transfer all or any portion of Tenant's interest in this Lease or the Premises except as expressly permitted herein, or Tenant's interest in this Lease shall be attached, executed upon, or otherwise judicially seized and such action is not released within 90 days of the action.

(e) Liens. Tenant shall fail to discharge or otherwise obtain the release of any lien placed upon the Premises in violation of this Lease within 10 days after Tenant has knowledge that any such lien has been filed against the Premises.

(f) Insolvency Events. Tenant or any guarantor or surety of Tenant's obligations hereunder shall: (A) make a general assignment for the benefit of creditors; (B) commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as a debtor or to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or of any substantial part of its property (collectively a "Proceeding for Relief"); (C) become the subject of any Proceeding for Relief which is not dismissed within 90 days of its filing or entry; or (D) die or suffer a legal disability (if Tenant, guarantor, or surety is an individual) or be dissolved or otherwise fail to maintain its legal existence (if Tenant, guarantor or surety is a corporation, partnership or other entity).

(g) Estoppel Certificate or Subordination Agreement. Tenant fails to execute any document required from Tenant under Sections 23 or 27 within 5 days after a second notice requesting such document.

(h) Other Defaults. Tenant shall fail to comply with any provision of this Lease other than those specifically referred to in this Section 20, and

except as otherwise expressly provided herein, such failure shall continue for a period of 10 days after written notice thereof from Landlord to Tenant.

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Any notice given under Sections 20 (g) or (h) hereof, shall: (i) specify the alleged default, (ii) demand that Tenant cure such default, (iii) be in lieu of, and not in addition to, or shall be deemed to be any notice required under any provision of applicable law, and (iv) not be deemed a forfeiture or a termination of this Lease unless Landlord elects otherwise in such notice; provided that if the nature of Tenant's default pursuant to Section 20(h) is such that it cannot be cured by the payment of money and reasonably requires more than 10 days to cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said 10 day period and thereafter diligently prosecutes the same to completion; provided, however, that such cure shall be completed no later than 120 days from the date of Landlord's notice.

21. Landlord's Remedies.

(a) Payment By Landlord; Interest. Upon a Default by Tenant hereunder, Landlord may, without waiving or releasing any obligation of Tenant hereunder, make such payment or perform such act. All sums so paid or incurred by Landlord, together with interest thereon, from the date such sums were paid or incurred, at the annual rate equal to 12% per annum or the highest rate permitted by law (the "Default Rate"), whichever is less, shall be payable to Landlord on demand as Additional Rent. Nothing herein shall be construed to create or impose a duty on Landlord to mitigate any damages resulting from Tenant's Default hereunder.

(b) Late Payment Rent. Late payment by Tenant to Landlord of Rent and other sums due will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult and impracticable to ascertain. Such costs include, but are not limited to, processing and accounting charges and late charges which may be imposed on Landlord under any Mortgage covering the Premises. Therefore, if any installment of Rent due from Tenant is not received by Landlord within 5 days after the date such payment is due, Tenant shall pay to Landlord an additional sum of 6% of the overdue Rent as a late charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. In addition to the late charge, Rent not paid when due shall bear interest at the Default Rate from the 5th day after the date due until paid.

(c) Remedies. Upon the occurrence of a Default, Landlord, at its option, without further notice or demand to Tenant, shall have in addition to all other rights and remedies provided in this Lease, at law or in equity, the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever .

(i) Terminate this Lease, or at Landlord's option, Tenant's right to possession only, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim or damages therefor;

(ii) Upon any termination of this Lease, whether pursuant to the foregoing Section 21(c)(i) or otherwise, Landlord may recover from Tenant the following:

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(A) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

(B) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(C) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(D) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and

(E) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "rent" as used in this Section 21 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 21 (c) (ii) (A) and (B), above, the "worth at the time of award" shall be computed by allowing interest at the Default Rate. As used in Section 21 (c) (ii) (C) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus 1%.

(iii) Landlord may continue this Lease in effect after Tenant's Default and recover rent as it becomes due. Accordingly, if Landlord does not elect to terminate this Lease following a Default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies hereunder, including the right to recover all Rent as it becomes due.

(iv) Whether or not Landlord elects to terminate this Lease following a Default by Tenant, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. Upon Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

(d) Effect of Exercise. Exercise by Landlord of any remedies hereunder or otherwise available shall not be deemed to be an acceptance of surrender of the Premises and/or a termination of this Lease by Landlord, it being understood that such surrender and/or termination can be effected only by the express written agreement of Landlord and Tenant. Any law, usage, or custom to the contrary notwithstanding, Landlord shall have the right at all times

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to enforce the provisions of this Lease in strict accordance with the terms hereof; and the failure of Landlord at any time to enforce its rights under this Lease strictly in accordance with same shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions, and covenants of this Lease or as having modified the same and shall not be deemed a waiver of Landlord's right to enforce one or more of its rights in connection with any subsequent default. A receipt by Landlord of Rent or other payment with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach, and no waiver by Landlord of any provision of this Lease shall be deemed to have been made unless expressed in writing and signed by Landlord. To the greatest extent permitted by law, Tenant waives the service of notice of Landlord's intention to re-enter, re-take or otherwise obtain possession of the Premises as provided in any statute, or to institute legal proceedings to that end, and also waives all right of redemption in case Tenant shall be dispossessed by a judgment or by warrant of any court or judge. Any reletting of the Premises or any portion thereof shall be on such terms and conditions as Landlord in its sole discretion may determine. Landlord shall not be liable, nor shall Tenant's obligations hereunder be diminished because of, Landlord's failure to relet the Premises or collect rent due in respect of such reletting or otherwise to mitigate any damages arising by reason of Tenant's Default.

22. Assignment and Subletting.

(a) General Prohibition. Without Landlord's prior written consent subject to and on the conditions described in this Section 22, Tenant shall not, directly or indirectly, voluntarily or by operation of law, assign this Lease or sublease the Premises or any part thereof or mortgage, pledge, or hypothecate its leasehold interest or grant any concession or license within the Premises and any attempt to do any of the foregoing shall be void and of no effect. If Tenant is a corporation, partnership or limited liability company, the shares or other ownership interests of which are not actively traded upon a stock exchange or in the over-the-counter market, a transfer or series of transfers whereby 50% or more of the issued and outstanding shares or other ownership interests of such corporation are, or voting control is, transferred (but excepting transfers upon deaths of individual owners) from a person or persons or entity or entities which were owners thereof at time of execution of this Lease to persons or entities who were not owners of shares of the corporation, partnership or limited liability company at time of execution of this Lease, shall be deemed an assignment of this Lease requiring the consent of Landlord as provided in this Section 22.

(b) Permitted Transfers. If Tenant desires to assign, sublease, hypothecate or otherwise transfer this Lease or sublet the Premises other than pursuant to a Permitted Assignment (as defined below), then at least 15 business days, but not more than 45 business days, before the date Tenant desires the assignment or sublease to be effective (the "Assignment Date"), Tenant shall

give Landlord a notice (the "Assignment Notice") containing such information about the proposed assignee or sublessee, including the proposed use of the Premises and any Hazardous Materials proposed to be used or stored in the Premises, the Assignment Date, any relationship between Tenant and the proposed assignee or sublessee, and all material terms and conditions of the proposed assignment or sublease, including a copy of any proposed sublease in its final form, and such other information as Landlord may deem reasonably necessary or appropriate to its consideration whether to grant its consent. Landlord may, by giving written notice to Tenant within 15 business days after receipt of the Assignment Notice:

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(i) grant or refuse such consent, in its sole discretion with respect to a proposed assignment, hypothecation or other transfer or subletting of more than (together with all other then effective subleases) 50% of the Premises, or grant or refuse such consent, in its reasonable discretion with respect to a proposed subletting of up to (together with all other then effective subleases) 50% of the Premises (provided that Landlord shall further have the right to review and approve or disapprove the proposed form of sublease prior to the effective date of any such subletting), or (ii) terminate this Lease with respect to the space described in the Assignment Notice, as of the Assignment Date (an "Assignment Termination"). If Landlord elects an Assignment Termination, Tenant shall have the right to withdraw such Assignment Notice by written notice to Landlord of such election within 5 business days after Landlord's notice electing to exercise the Assignment Termination. If Tenant withdraws such Assignment Notice, this Lease shall continue in full force and effect. If Tenant does not withdraw such Assignment Notice, this Lease, and the term and estate herein granted, shall terminate as of the Assignment Date with respect to the space described in such Assignment Notice. No failure of Landlord to exercise any such option to terminate this Lease shall be deemed to be Landlord's consent to the proposed assignment, sublease or other transfer. Tenant shall reimburse Landlord for all of Landlord's reasonable out-of-pocket expenses in connection with its consideration of any Assignment Notice. Notwithstanding the foregoing, (i) Landlord's consent to an assignment of this Lease or a subletting of any portion of the Premises to any entity controlling, controlled by or under common control with Tenant shall not be required, provided that Landlord shall have the right to approve the form of any such sublease or assignment, and (ii) Tenant shall have the right to assign this Lease, upon 30 days prior written notice to Landlord but without obtaining Landlord's prior written consent, to a corporation or other entity which is a successor-in-interest to Tenant, by way of merger, consolidation or corporate reorganization, or by the purchase of all or substantially all of the assets or the ownership interests of the Tenant provided that (i) such merger or consolidation, or such acquisition or assumption, as the case may be, is for a good business purpose and not principally for the purpose of transferring the Lease, and (ii) the net worth (as determined in accordance with GAAP) of the assignee is not less than the net worth (as determined in accordance with GAAP) of Tenant as of the Effective Date, and (iii) such assignee shall agree in writing to assume all of the terms, covenants and conditions of this Lease arising after the effective date of the assignment (either (i) or (ii), a "Permitted Assignment").

(c) Additional Conditions. As a condition to any such assignment or subletting, whether or not Landlord's consent is required, Landlord may require:

(i) that any assignee or subtenant agree, in writing at the time of such assignment or subletting, that if Landlord gives such party notice that Tenant is in default under this Lease, such party shall thereafter make all payments otherwise due Tenant directly to Landlord, which payments will be received by Landlord without any liability except to credit such payment against those due under the Lease, and any such third party shall agree to attorn to Landlord or its successors and assigns should this Lease be terminated for any reason; provided, however, in no event shall Landlord or its successors or assigns be obligated to accept such attornment; and

(ii) A list of Hazardous Materials, certified by the proposed assignee or sublessee to be true and correct, which the proposed assignee or sublessee intends to use or store in the Premises together with copies of all documents relating to the handling, storage,

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disposal and emission of Hazardous Materials by the proposed assignee or subtenant in the Premises or on the Project, prior to the proposed assignment or subletting, including, without limitation: permits; approvals; reports and correspondence; storage and management plans; plans relating to the installation of any storage tanks to be installed in or under the Project (provided, said installation of tanks shall only be permitted after Landlord has given its written consent to do so, which consent may be withheld in Landlord's sole and absolute discretion); and all closure plans or any other documents required by any and all federal, state and local governmental agencies and authorities for any storage tanks installed in, on or under the Project for the closure of any such tanks. Neither Tenant nor any such proposed assignee or subtenant is required, however, to provide Landlord with any portion(s) of the such documents containing information of a proprietary nature which, in and of themselves, do

not contain a reference to any Hazardous Materials or hazardous activities.

(d) No Release of Tenant, Sharing of Excess Rents. Notwithstanding any assignment or subletting, Tenant and any guarantor or surety of Tenant's obligations under this Lease shall at all times remain fully and primarily responsible and liable for the payment of Rent and for compliance with all of Tenant's other obligations under this Lease. If the Rent due and payable by a sublessee or assignee (or a combination of the rental payable under such sublease or assignment plus any bonus or other consideration therefor or incident thereto) exceeds the rental payable under this Lease, (excluding however, any Rent payable under this Section), then Tenant shall be bound and obligated to pay Landlord as Additional Rent hereunder 50% of such excess rental and other excess consideration within 10 days following receipt thereof by Tenant. If Tenant shall sublet the Premises or any part thereof, Tenant hereby immediately and irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent from any such subletting and Landlord as assignee and as attorney-in-fact for Tenant, or a receiver for Tenant appointed on Landlord's application, may collect such rent and apply it toward Tenant's obligations under this Lease; except that, until the occurrence of a Default, Tenant shall have the right to collect such rent.

(e) No Waiver. The consent by Landlord to an assignment or subletting shall not relieve Tenant or any assignees of this Lease or any sublessees of the Premises from obtaining the consent of Landlord to any further assignment or subletting nor shall it release Tenant or any assignee or sublessee of Tenant from full and primary liability under the Lease. The acceptance of Rent hereunder, or the acceptance of performance of any other term, covenant, or condition thereof, from any other person or entity shall not be deemed to be a waiver of any of the provisions of this Lease or a consent to any subletting, assignment or other transfer of the Premises.

23. Estoppel Certificate. Tenant shall within 10 business days of written notice from Landlord, execute, acknowledge and deliver a statement in writing substantially in the form attached to this Lease as Exhibit G with the blanks filled in, and on any other form reasonably requested by a proposed lender or purchaser, (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified is in full force and effect) and the dates to which the rental and other charges are paid in advance, if any, (ii) acknowledging that there are not any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (iii) setting forth such further information with respect to the status of this Lease or the Premises as may be

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requested thereon. Any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises are a part. Tenant's failure to deliver such statement within such time shall, at the option of Landlord and subject to Section 20(g) hereof, constitute a Default under this Lease, and, in any event, shall be conclusive upon Tenant that the Lease is in full force and effect and without modification except as may be represented by Landlord in any certificate prepared by Landlord and delivered to Tenant for execution.

24. Quiet Enjoyment. So long as Tenant shall perform all of the covenants and agreements herein required to be performed by Tenant, Tenant shall, subject to the terms of this Lease, at all times during the Term, have peaceful and quiet enjoyment of the Premises against any person claiming by, through or under Landlord.

25. Prorations. All prorations required or permitted to be made hereunder shall be made on the basis of a 360 day year and 30 day months.

26. Rules and Regulations. Tenant shall, at all times during the Term and any extension thereof, comply with all reasonable rules and regulations at any time or from time to time established by Landlord covering use of the Premises and the Project. The current rules and regulations are attached hereto as Exhibit E. If there is any conflict between said rules and regulations and other provisions of this Lease, the terms and provisions of this Lease shall control. Landlord shall not have any liability or obligation for the breach of any rules or regulations by other tenants in the Project.

27. Subordination. This Lease and Tenant's interest and rights hereunder are and shall be subject and subordinate at all times to the lien of any Mortgage, now existing or hereafter created on or against the Project or the Premises, and all amendments, restatements, renewals, modifications, consolidations, refinancing, assignments and extensions thereof, without the necessity of any further instrument or act on the part of Tenant; provided, however, that so long as there is no Default hereunder, Tenant's right to possession of the Premises shall not be disturbed by the Holder of any such Mortgage. Tenant agrees, at the election of the Holder of any such Mortgage, to attorn to any such Holder. Tenant agrees upon demand to execute, acknowledge and deliver a Subordination, Non-disturbance and Attornment Agreement in the form attached hereto as Exhibit H, or such other instruments, confirming such

subordination and such instruments of attornment as shall be requested by any such Holder, provided any such instruments contain appropriate non-disturbance provisions assuring Tenant's quiet enjoyment of the Premises as set forth in Section 24 hereof. Notwithstanding the foregoing, any such Holder may at any time subordinate its Mortgage to this Lease, without Tenant's consent, by notice in writing to Tenant, and thereupon this Lease shall be deemed prior to such Mortgage without regard to their respective dates of execution, delivery or recording and in that event such Holder shall have the same rights with respect to this Lease as though this Lease had been executed prior to the execution, delivery and recording of such Mortgage and had been assigned to such Holder. The term "Mortgage" whenever used in this Lease shall be deemed to include deeds of trust, security assignments and any other encumbrances, and any reference to the "Holder" of a mortgage shall be deemed to include the beneficiary under a deed of trust.

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28. Surrender. Upon expiration of the Term or earlier termination of Tenant's right of possession, Tenant shall surrender the Premises to Landlord in the same condition as received, subject to any Alterations permitted by Landlord or this Lease to remain in the Premises, free of Hazardous Materials brought upon, kept or used in or about the Premises by any person other than Landlord, its agents, employees, contractors or invitees, released of all Use Clearances, and broom clean, ordinary wear and tear and casualty loss and condemnation covered by Sections 18 and 19 excepted. Tenant shall immediately return to Landlord all keys and/or access cards to parking, the Project, restrooms or all or any portion of the Premises furnished to, or otherwise procured by Tenant. If any such access card or key is lost, Tenant shall pay to Landlord, at Landlord's election, either the cost of replacing such lost access card or key or the cost of reprogramming the access security system in which such access card was used or changing the lock or locks opened by such lost key. Any Tenant's Property, Alterations and property not so removed by Tenant as permitted or required herein shall be deemed abandoned and may be stored, removed, and disposed of by Landlord at Tenant's expense, and Tenant waives all claims against Landlord for any damages resulting from Landlord's retention and/or disposition of such property. All obligations of Tenant hereunder not fully performed as of the termination of the Term, including the obligations of Tenant under Section 30 hereof, shall survive the expiration or earlier termination of the Term, including without limitation, indemnity obligations, payment obligations with respect to Rent and obligations concerning the condition and repair of the Premises.

29. Waiver of Jury Trial. TENANT AND LANDLORD WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN LANDLORD AND TENANT ARISING OUT OF THIS LEASE OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED HERETO.

30. Environmental Requirements.

(a) Prohibition/Compliance. Except for Hazardous Material contained in products used by Tenant in de minimis quantities for ordinary cleaning and office purposes or contained in products used for fire suppression, Tenant shall not permit or cause any party to bring any Hazardous Material upon the Premises or the Project or transport, store, use, generate, manufacture or release any Hazardous Material in or about the Premises or the Project without Landlord's prior written consent which may be withheld in Landlord's sole discretion. Tenant, at its sole cost and expense, shall operate its business in the Premises in strict compliance with all Environmental Requirements and shall remediate in a manner satisfactory to Landlord any Hazardous Materials released on or from the Project by Tenant, its agents, employees, contractors, subtenants or invitees. Tenant shall complete and certify to disclosure statements as requested by Landlord from time to time relating to Tenant's transportation, storage, use, generation, manufacture or release of Hazardous Materials on the Premises. The term "Environmental Requirements" means all applicable present and future statutes, regulations, ordinances, rules, codes, judgments, orders or other similar enactments of any governmental authority or agency regulating or relating to health, safety, or environmental conditions on, under, or about the Premises or the environment, including without limitation, the following: the Comprehensive Environmental Response, Compensation and Liability Act; the Resource

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Conservation and Recovery Act; and all state and local counterparts thereto, and any regulations or policies promulgated or issued thereunder. The term "Hazardous Materials" means and includes any substance, material, waste, pollutant, or contaminant listed or defined as hazardous or toxic, or regulated by reason of its impact or potential impact on humans, animals and/or the environment under any Environmental Requirements, asbestos and petroleum, including crude oil or any fraction thereof, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas). As defined in Environmental Requirements, Tenant is and shall be deemed to be the "operator" of Tenant's "facility" and the "owner" of

all Hazardous Materials brought on the Premises by Tenant, its agents, employees, contractors or invitees, and the wastes, by-products, or residues generated, resulting, or produced therefrom.

(b) Indemnity. Tenant hereby indemnifies and shall defend and hold Landlord, its officers, directors, employees, agents and contractors harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, diminution in value of the Premises or any portion of the Project, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises or the Project, damages arising from any adverse impact on marketing of space in the Premises or the Project, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the Lease term as a result of Tenant's breach of its obligations pursuant to Section 30(a). This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Materials present in the air, soil or ground water above, on, or under the Premises which arise during or after the Lease term as a result of Tenant's breach of its obligations pursuant to Section 30(a). Without limiting the foregoing, if the presence of any Hazardous Materials on the Premises, the Building, the Project or any adjacent property, caused or permitted by Tenant results in any contamination of the Premises, the Project or any adjacent property, Tenant shall promptly take all actions at its sole expense and in accordance with applicable law as are necessary to return the Premises, the Project or any adjacent property, to the condition existing prior to the time of such contamination, provided that Landlord's approval of such action shall first be obtained, which approval shall not unreasonably be withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or the Project.

(c) Landlord's Tests. Landlord shall have access to, and a right to perform inspections and tests of, the Premises to determine Tenant's compliance with Environmental Requirements, its obligations under this Section 30, or the environmental condition of the Premises or the Project. Access shall be granted to Landlord upon Landlord's prior notice to Tenant and at such times so as to minimize, so far as may be reasonable under the circumstances, any disturbance to Tenant's operations. Such inspections and tests shall be conducted at Landlord's expense, unless such inspections or tests reveal that Tenant has not complied with any Environmental Requirement, in which case Tenant shall reimburse Landlord for the reasonable cost of such inspection and tests. Landlord's receipt of or satisfaction with any environmental assessment in no way waives any rights that Landlord holds against Tenant.

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(d) Tenant's Obligations. Tenant's obligations under this Article 30 shall survive the expiration or earlier termination of the Lease. During any period of time after the expiration or earlier termination of this Lease required by Tenant or Landlord to complete the removal from the Premises of any Hazardous Materials and the release and termination of any licenses or permits restricting the use of the Premises, Tenant shall continue to pay the full Rent in accordance with this Lease for any portion of the Premises not relet by Landlord in Landlord's sole discretion, which Rent shall be prorated daily.

(e) Landlord's AOM Plan. Landlord shall prepare and deliver to Tenant, within 30 days of the date hereof, an Asbestos Operation and Maintenance Plan with respect to the non-friable asbestos present in the floor tile mastic in the Premises.

31. Tenant's Remedies/Limitation of Liability. Landlord shall not be in default hereunder unless Landlord fails to perform any of its obligations hereunder within 30 days after written notice from Tenant specifying such failure (unless Landlord has failed to pay a sum of money when due, in which case Landlord shall have 10 days in which to effect a cure by paying such sum, or unless the performance of Landlord's obligations will, due to the nature of the obligations, require a period of time in excess of 30 days, in which case Landlord shall have such period of time as is reasonably necessary to effect a cure). Upon any default by Landlord, Tenant shall give notice by registered or certified mail to any Holder of a Mortgage covering the Premises and to any landlord of any lease of property in or on which the Premises are located and Tenant shall offer such beneficiary, Holder and/or landlord a reasonable opportunity to cure the default, including time to obtain possession of the Project by power of sale or a judicial action if such should prove necessary to effect a cure; provided Landlord shall have furnished to Tenant in writing the names and addresses of all such persons who are to receive such notices. All obligations of Landlord hereunder shall be construed as covenants, not conditions; and, except as may be otherwise expressly provided in this Lease, Tenant may not terminate this Lease for breach of Landlord's obligations hereunder.

All obligations of Landlord under this Lease will be binding upon Landlord only with respect to the obligations accruing during the period of its ownership

of the Premises and not thereafter. The term "Landlord" in this Lease shall mean only the owner, for the time being of the Premises, and upon the transfer by such owner of its interest in the Premises, such owner shall thereupon be released and discharged from all obligations of Landlord thereafter accruing, but such obligations shall be binding during the Term upon each new owner for the duration of such owner's ownership; including, without limitation, such new owner's obligation to provide Tenant with peaceful and quiet enjoyment of the Premises as provided in Section 24.

32. Inspection and Access. Subject to the provisions of this Section 32, Landlord and its agents, representatives, and contractors may enter the Premises at any reasonable time to inspect the Premises and to make such repairs as may be required or permitted pursuant to this Lease and for any other business purpose. Landlord and Landlord's representatives may enter the Premises during business hours on not less than 48 hours advance written notice (except in the case of emergencies in which case no such notice shall be required and such entry may be at any time) for the purpose of effecting any such repairs, inspecting the Premises, showing the Premises to prospective purchasers and, during the last year of the Term, to prospective tenants or for any other business purpose. Landlord may erect a suitable sign on the Premises stating the

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Premises are available to let or that the Project is available for sale. Landlord may grant easements, make public dedications, designate Common Areas and create restrictions on or about the Premises, provided that no such easement, dedication, designation or restriction materially, adversely affects Tenant's use or occupancy of the Premises for the Permitted use. At Landlord's request, Tenant shall execute such instruments as may be necessary for such easements, dedications or restrictions. Tenant shall at all times, except in the case of emergencies, have the right to escort Landlord or its agents, representatives, contractors or guests while the same are in the Premises, provided such escort does not materially and adversely affect Landlord's access rights hereunder. The names and employers of persons entering the Premises on behalf of Landlord in a non-emergency shall be disclosed to Tenant not less than 48 hours in advance in advance of any such inspection.

33. Security. Tenant acknowledges and agrees that security devices and services, if any, while intended to deter crime may not in given instances prevent theft or other criminal acts and that Landlord is not providing any security services with respect to the Premises. Tenant agrees that Landlord shall not be liable to Tenant for, and Tenant waives any claim against Landlord with respect to, any loss by theft or any other damage suffered or incurred by Tenant in connection with any unauthorized entry into the Premises or any other breach of security with respect to the Premises. Tenant shall be solely responsible for the personal safety of Tenant's officers, employees, agents, contractors, guests and invitees while any such person is in, on or about the Premises and/or the Project. Tenant shall at Tenant's cost obtain insurance coverage to the extent Tenant desires protection against such criminal acts.

34. Force Majeure. Neither Landlord nor Tenant shall not be held responsible for delays in the performance of its obligations hereunder when caused by strikes, lockouts, labor disputes, weather, natural disasters, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, delay in issuance of permits, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of Landlord or Tenant ("Force Majeure"). Notwithstanding the foregoing, in no event shall Tenant's inability to pay Rent or to meet its financial obligations hereunder be deemed to be a cause beyond its control.

35. Brokers, Entire Agreement, Amendment. Landlord and Tenant each represent and warrant that it has not dealt with any broker, agent or other person (collectively, "Broker") in connection with this transaction and that no Broker brought about this transaction, other than Cooper/Brady Partnership (dba CRESA Partners). Landlord and Tenant each hereby agree to indemnify and hold the other harmless from and against any claims by any other Broker claiming a commission or other form of compensation by virtue of having dealt with Tenant or Landlord, as applicable, with regard to this leasing transaction. This Lease may not be amended except by an instrument in writing signed by both parties hereto.

36. Limitation on Landlord's Liability. NOTWITHSTANDING ANYTHING SET FORTH HEREIN OR IN ANY OTHER AGREEMENT BETWEEN LANDLORD AND TENANT TO THE CONTRARY: (A) LANDLORD SHALL NOT BE LIABLE TO TENANT OR ANY OTHER PERSON FOR (AND TENANT AND EACH SUCH OTHER PERSON ASSUME ALL RISK OF) LOSS, DAMAGE OR INJURY, WHETHER ACTUAL OR CONSEQUENTIAL TO: TENANT'S PERSONAL PROPERTY OF EVERY KIND AND

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DESCRIPTION, INCLUDING, WITHOUT LIMITATION TRADE FIXTURES, EQUIPMENT, INVENTORY, SCIENTIFIC RESEARCH, SCIENTIFIC EXPERIMENTS, LABORATORY ANIMALS, PRODUCT, SPECIMENS, SAMPLES, AND/OR SCIENTIFIC, BUSINESS, ACCOUNTING AND OTHER RECORDS OF EVERY KIND AND DESCRIPTION KEPT AT THE PREMISES AND ANY AND ALL INCOME DERIVED

OR DERIVABLE THEREFROM; (B) THERE SHALL BE NO PERSONAL RECOURSE TO LANDLORD FOR ANY ACT OR OCCURRENCE IN, ON OR ABOUT THE PREMISES OR ARISING IN ANY WAY UNDER THIS LEASE OR ANY OTHER AGREEMENT BETWEEN LANDLORD AND TENANT WITH RESPECT TO THE SUBJECT MATTER HEREOF AND ANY LIABILITY OF LANDLORD HEREUNDER SHALL BE STRICTLY LIMITED SOLELY TO LANDLORD'S INTEREST IN THE PROJECT (INCLUDING NET PROCEEDS OF SALE THEREOF), AND IN NO EVENT SHALL ANY PERSONAL LIABILITY BE ASSERTED AGAINST LANDLORD IN CONNECTION WITH THIS LEASE NOR SHALL ANY RECOURSE BE HAD TO ANY OTHER PROPERTY OR ASSETS OF LANDLORD OR ANY OF LANDLORD'S OFFICERS, EMPLOYEES, AGENTS OR CONTRACTORS. UNDER NO CIRCUMSTANCES SHALL LANDLORD OR ANY OF LANDLORD'S OFFICERS, EMPLOYEES, AGENTS OR CONTRACTORS BE LIABLE FOR INJURY TO TENANTS BUSINESS OR FOR ANY LOSS OF INCOME OR PROFIT THEREFROM.

37. Severability. If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws, then and in that event, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby. It is also the intention of the parties to this Lease that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added, as a part of this Lease, a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

38. Signs; Exterior Appearance. Tenant shall not, without the prior written consent of Landlord, which may be granted or withheld in Landlord's sole discretion: (i) attach any awnings, exterior lights, decorations, balloons, flags, pennants, banners, painting or other projection to any outside wall of the Project, (ii) use any curtains, blinds, shades or screens other than Landlord's standard window coverings, (iii) coat or otherwise sunscreen the interior or exterior of any windows, (iv) place any bottles, parcels, or other articles on the window sills, (v) place any equipment, furniture or other items of personal property on any exterior balcony, (vi) paint, affix or exhibit on any part of the Premises or the Project any signs, notices, window or door lettering, placards, decorations, or advertising media of any type which can be viewed from the exterior of the Premises; provided, however, that subject to Landlord's reasonable approval and all Legal Requirements, Tenant shall have the right to erect signs reflecting Tenant's name on the Premises and on the Project signs designated by Landlord for the use of tenants.

39. Miscellaneous.

(a) Notices. All notices or other communications between the parties shall be in writing and shall be deemed duly given upon delivery or refusal to accept delivery by the addressee thereof if delivered in person, or upon actual receipt if delivered by reputable overnight guaranty courier, addressed and sent to the parties at their addresses set forth above.

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Landlord and Tenant may from time to time by written notice to the other designate another address for receipt of future notices.

(b) Joint and Several Liability. If and when included within the term "Tenant," as used in this instrument, there is more than one person or entity, each shall be jointly and severally liable for the obligations of Tenant.

(c) Financial Information. Tenant shall furnish Landlord with true and complete copies of (i) Tenant's most recent audited annual financial statements within 90 days of the end of each of Tenant's fiscal years during the Term, (ii) Tenant's most recent unaudited quarterly financial statements within 60 days of the end of each of Tenant's first three fiscal quarters of each of Tenant's fiscal year during the Term, (iii) at Landlord's request from time to time, updated business plans, including cash flow projections and/or pro forma balance sheets and income statements, all of which shall be treated by Landlord as confidential information belonging to Tenant, (iv) corporate brochures and/or profiles prepared by Tenant for prospective investors, and (v) any other financial information or summaries that Tenant typically provides to its lenders or shareholders; provided, however, that with respect to the items described in clause (iii) above, Tenant may refuse to disclose any information which it in good faith believes to be a trade secret or which it may not lawfully disclose at such time.

(d) Recordation. Neither this Lease nor a memorandum of lease shall be filed by or on behalf of Tenant in any public record. Landlord may prepare and file, and upon request by Landlord Tenant will execute, a memorandum of lease.

(e) Interpretation. The normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease or any exhibits or amendments hereto. Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires. The captions inserted in this Lease are for convenience only and in no way define, limit or otherwise describe the scope or intent of this Lease, or any provision hereof, or in any way affect the interpretation of this Lease.

(f) Not Binding Until Executed. The submission by Landlord to Tenant of this Lease shall have no binding force or effect, shall not constitute an option for the leasing of the Premises, nor confer any right or impose any obligations upon either party until execution of this Lease by both parties.

(g) Limitations on Interest. It is expressly the intent of Landlord and Tenant at all times to comply with applicable law governing the maximum rate or amount of any interest payable on or in connection with this Lease. If applicable law is ever judicially interpreted so as to render usurious any interest called for under this Lease, or contracted for, charged, taken, reserved, or received with respect to this Lease, then it is Landlord's and Tenant's express intent that all excess amounts theretofore collected by Landlord be credited on the applicable obligation (or, if the obligation has been or would thereby be paid in full, refunded to Tenant), and the provisions of this Lease immediately shall be deemed reformed and the amounts thereafter collectible hereunder reduced, without the necessity of the execution of any new document, so as

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to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder.

(h) Choice of Law. Construction and interpretation of this Lease shall be governed by the internal laws of the state in which the Premises are located, excluding any principles of conflicts of laws.

(i) Time. Time is of the essence as to the performance of Landlord's and Tenant's obligations under this Lease.

(j) Incorporation by Reference. All exhibits and addenda attached hereto are hereby incorporated into this Lease and made a part hereof. If there is any conflict between such exhibits or addenda and the terms of this Lease, such exhibits or addenda shall control.

(k) Confidentiality. Except as required by applicable law or court order, Landlord and Tenant shall not distribute this Lease or disclose any of the terms hereof to any third party other than their respective insurers, banks and other financing sources, prospective purchasers or investors, prospective assignees or subtenants, officers, directors, employees and consultants ("Permitted Parties"). Landlord and Tenant shall inform their respective Permitted Parties of this confidentiality provision and shall be liable to the other party hereto for any breach of this confidentiality provision by such Permitted Parties.

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IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

TENANT:

EQUINIX, INC.,
a Delaware corporation

By: /s/ Philip J. Koen

Its: CFO

LANDLORD:

ARE-2425/2400/2450 GARCIA BAYSHORE, LLC,
a Delaware limited liability company

By: ALEXANDRIA REAL ESTATE EQUITIES, L.P., a
Delaware limited partnership, sole member

By: ARE-QRS CORP., a Maryland corporation,
general partner

By: _____

[Notary seal]

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EXHIBIT A TO LEASE

DESCRIPTION OF PREMISES

[Graphic of Floor Plan]

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EXHIBIT B

DESCRIPTION OF PROJECT

The land upon which the Project is situated is located in the City of Mountain View, County of Santa Clara, State of California, described as follows:

All of Parcel 3, as shown upon that certain Map entitled "Parcel Map being a portion of Rancho De San Francisquito", which Map was filed for Record in the Office of the Recorder of the County of Santa Clara, State of California, on March 23, 1981, in Book 481 of Maps, at Pages 27 and 28.

[The foregoing legal description does not include any easements that may be appurtenant to either the fee interest or the leasehold interest in such real property]

The Project is depicted on the attached site map; the Premises are those areas that have been cross-hatched.

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EXHIBIT B

DESCRIPTION OF PROJECT

[Graphic of Site Map]

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EXHIBIT C TO LEASE

WORK LETTER

THIS WORK LETTER dated January 28, 2000 (this "Work Letter") is made and entered into by and between ARE-2425/2400/2450 Garcia Bayshore, LLC, a Delaware limited liability company ("Landlord"), and Equinix, Inc., a Delaware corporation ("Tenant"), and is attached to and made a part of the Lease dated January 28, 2000 (the "Lease"), by and between Landlord and Tenant. Any initially capitalized terms used but not defined herein shall have the meanings given them in the Lease.

1. General Requirements

(a) Tenant's Authorized Representative. Tenant designates Kathleen Cota and Nancy Escano-Dowler Gruman (either such individual acting alone, "Tenant's Representative") as the only persons authorized to act for Tenant pursuant to this Work Letter. Landlord shall not be obligated to respond to or act upon any request, approval, inquiry or other communication ("Communication") from or on behalf of Tenant in connection with this Work Letter unless such Communication is in writing from Tenant's Representative. Tenant may change Tenant's Representatives at any time upon not less than 5 business days advance written notice to Landlord. No period set forth herein for any approval of any matter by Tenant's Representative shall be extended by reason of any change in Tenant's Representative.

(b) Landlord's Authorized Representative. Landlord designates Vin Ciruzzi and Radika Ratna (either such individual acting alone, "Landlord's Representative") as the only persons authorized to act for Landlord pursuant to this Work Letter. Tenant shall not be obligated to respond to or act upon any request, approval, inquiry or other Communication from or on behalf of Landlord in connection with this Work Letter unless such Communication is in writing from Landlord's Representative. Landlord may change Landlord's Representatives at any time upon not less than 5 business days advance written notice to Tenant. No period set forth herein for any approval of any matter by Landlord's Representative shall be extended by reason of any change in Landlord's

Representative. Neither Landlord nor Landlord's Representative shall be authorized to direct Tenant's contractors in the performance of Tenant's Work (as hereinafter defined).

(c) Architects, Consultants and Contractors. Landlord and Tenant hereby acknowledge and agree that the architect (the "TI Architect") for the Tenant Improvements, the general contractor and any subcontractors for the Tenant Improvements shall be selected by Tenant, subject to Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed.

(d) Development Schedule. The proposed schedule for design and development of Tenant's Improvements (as defined below), including without limitation the time periods for delivery of construction documents and performance, shall be generally in accordance with the Development Schedule attached hereto as Schedule A, subject to such

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changes as Tenant shall reasonably require or as provided in this Work Letter (the "Development Schedule").

2. Tenant Improvements.

(a) Tenant Improvements Defined. As used herein, "Tenant Improvements" shall mean all improvements to the Premises desired by Tenant of a fixed and permanent nature. Other than funding the TI Allowance (as defined below) as provided herein, Landlord shall not have any obligation whatsoever with respect to the finishing of the Premises for Tenant's use and occupancy.

(b) Tenant's Space Plans. Tenant shall deliver to Landlord schematic drawings and outline specifications (the "TI Design Drawings") detailing Tenant's requirements for the Tenant Improvements within 15 business days of the date hereof. As promptly as reasonably possible, but in no event more than 5 business days thereafter, Landlord shall deliver to Tenant the written objections, questions or comments of Landlord and the TI Architect with regard to the TI Design Drawings. Tenant shall cause the TI Design Drawings to be revised to address such written comments and shall resubmit said drawings to Landlord for approval thereafter. Such process shall continue until Landlord has approved the TI Design Drawings.

(c) Working Drawings. Following the approval of the TI Design Drawings by Landlord, Tenant shall cause the TI Architect to prepare and deliver to Landlord for review and comment construction plans, specifications and drawings for the Tenant Improvements ("TI Construction Drawings"), which TI Construction Drawings shall be prepared substantially in accordance with the TI Design Drawings. Tenant shall be solely responsible for ensuring that the TI Construction Drawings reflect Tenant's requirements for the Tenant Improvements. Landlord shall deliver its written comments on the TI Construction Drawings to Tenant as promptly as reasonably possible, but in no event more than 5 business days after Landlord's receipt of the same; provided, however, that Landlord may not disapprove any matter that is consistent with the TI Design Drawings. Tenant and the TI Architect shall consider all such comments in good faith and shall, within 10 business days after receipt, notify Landlord how Tenant proposes to respond to such comments. Any disputes in connection with such comments shall be resolved in accordance with Section 2(d) hereof. Provided that the design reflected in the TI Construction Drawings is consistent with the TI Design Drawings, Landlord shall approve the TI Construction Drawings submitted by Tenant. Once approved by Landlord, subject to the provisions of Section 2(d) below, Tenant shall not materially modify the TI Construction Drawings except as may be reasonably required in connection with the issuance of the TI Permit and except as provided in Section 4.

(d) Approval and Completion. Upon any dispute regarding the design of the Tenant Improvements, which is not settled within 5 business days after notice of such dispute is delivered by one party to the other, Tenant shall make the final decision regarding the design of the Tenant Improvements, provided Tenant acts reasonably and such final decision is either consistent with or a compromise between Landlord's and Tenant's positions with respect to such dispute, provided further that all costs and expenses resulting from any such decision by Tenant shall be payable out of the TI Fund, as defined in Section 5(d) below. Any changes to the TI

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Construction Drawings following Landlord's and Tenant's approval of same requested by Tenant shall be processed as provided in Section 4 hereof.

3. Performance of Tenant's Work

(a) Definition of Tenant's Work. As used herein, "Tenant's Work" shall mean the work of constructing the Tenant Improvements.

(b) Commencement and Permitting of Tenant's Work. Tenant shall commence construction of the Tenant Improvements upon obtaining a building permit (time "TI Permit") authorizing the construction of the Tenant

Improvements consistent with the TI Construction Drawings approved by Landlord. The cost of obtaining the TI Permit shall be payable from the TI Fund. Landlord shall assist Tenant in obtaining the TI Permit.

(c) Restrictions on Demolition of Existing Facilities. The parties acknowledge that the Premises are currently designed for use as a laboratory facility. The Tenant's Work will convert the Premises into commercial office use. Prior to commencement of demolition of the current fixtures and equipment in place in the Premises (the "Existing Facilities"), Tenant shall obtain Landlord's consent, identifying any part of the Existing Facilities Tenant intends to demolish or remove. Landlord shall have a reasonable opportunity to remove, at Landlord's expense, the Existing Facilities prior to the commencement of Tenant's Work, provided that Landlord's removal of the Existing Facilities does not unreasonably interfere with or delay Tenant's Work.

(d) Selection of Materials, Etc. Where more than one type of material or structure is indicated on the TI Construction Drawings approved by Tenant and Landlord, the option will be within Tenant's reasonable discretion.

4. Changes. Any changes (other than Minor Variations) requested by Tenant to the Tenant Improvements after the delivery and approval by Landlord of the TI Design Drawings, shall be requested and instituted in accordance with the provisions of this Section 4 and shall be subject to the written approval of Landlord, such approval not to be unreasonably withheld, conditioned or delayed.

(a) Tenant's Right to Request Changes. If Tenant shall request changes ("Changes"), Tenant shall request such Changes by notifying Landlord in writing in substantially the same form as the AIA standard change order form (a "Change Request"), which Change Request shall detail the nature and extent of any such Change. Such Change Request must be signed by Tenant's Representative. Landlord shall review and approve or disapprove such Change Request as soon as reasonably possible, but in any event within 5 business days thereafter, provided that Landlord's approval shall not be unreasonably withheld, conditioned or delayed.

(b) Implementation of Changes. If Landlord approves such Change, Tenant may cause the approved Change to be instituted.

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5. Costs

(a) Budget For Tenant Improvements. Before the commencement of construction of the Tenant Improvements, Tenant shall obtain a detailed breakdown, by trade, of the costs incurred or which will be incurred, in connection with the design and construction of Tenant's Work (the "Budget"). The Budget shall be based upon the TI Construction Drawings approved by Landlord and shall include a payment to Landlord, of administrative rent ("Administrative Rent") equal to 5.0% of the TI Costs (as hereinafter defined) for monitoring and inspecting the construction of Tenant's Work, which sum shall be payable from the TI Fund. Such Administrative Rent shall include, without limitation, all out-of-pocket costs, expenses and fees incurred by or on behalf of Landlord arising from, out of, or in connection with, such monitoring of the construction of the Tenant's Improvements, and shall be payable out of the TI Fund.

(b) TI Allowance. Landlord shall provide to Tenant improvement allowances (collectively, the "TI Allowance") as follows:

(i) a "Tenant Improvement Allowance" in the maximum amount of \$20.00 per rentable square foot in the Premises which is included in the Base Rent set forth in the Lease; and

(ii) an "Additional Tenant Improvement Allowance" in the maximum amount of \$5.00 per rentable square foot in the Premises which shall, if and to the extent used, result in adjustments to the Base Rent as set forth in the Lease.

Before commencing any Tenant's Work, Tenant shall notify Landlord in writing how much Additional Tenant Improvement Allowance, if any, Tenant has elected to receive from Landlord. Such election shall be final and binding on Tenant, and may not thereafter be modified without Landlord's consent, which may be granted or withheld in Landlord's sole and absolute discretion. The TI Allowance shall be disbursed in accordance with this Work Letter.

(c) Costs Includable in TI Fund. The TI Fund shall be used solely for the payment of design and construction costs in connection with the construction of the Tenant Improvements, including, without limitation, the cost of preparing the TI Design Drawings and the TI Construction Drawings, all costs set forth in the Budget, including data and telecommunications cabling, Landlord's Administrative Rent and the cost of Changes (collectively, "TI Costs"). Notwithstanding anything to the contrary contained herein, the TI Fund shall not be used to purchase any furniture, personal property or other non-building system materials or equipment.

(d) Excess TI Costs. It is understood and agreed that Landlord is

under no obligation to bear any portion of the cost of any of the Tenant Improvements except to the extent of the TI Allowance. The funds required to be paid by Tenant for Tenant's Work, together with the remaining TI Allowance, is herein referred to as the "TI Fund". Notwithstanding anything to the contrary set forth in this Section 5(d), Tenant shall be fully and solely liable for TI Costs and the cost of Minor Variations in excess of the TI Allowance.

(e) Payment for TI Costs. Landlord shall disburse the TI Allowance once a month against a draw request providing the information described in Schedule B. attached hereto, to the extent of Landlord's approval thereof for payment, no later than 30 days following receipt of such draw request.

6. Miscellaneous

(a) Consents. Whenever consent or approval of either party is required under this Work Letter, that party shall not unreasonably withhold, condition or delay such consent or approval, except as may be expressly set forth herein to the contrary.

(b) Modification. No modification, waiver or amendment of this Work Agreement or of any of its conditions or provisions shall be binding upon Landlord or Tenant unless in writing signed by Landlord and Tenant.

(c) Counterparts. This Work Letter may be executed in any number of counterparts but all counterparts taken together shall constitute a single document.

(d) Governing Law. This Work Letter shall be governed by, construed and enforced in accordance with the internal laws of the state in which the Premises are located, without regard to choice of law principles of such State.

(e) Time of the Essence. Time is of the essence of this Work Agreement and of each and all provisions thereof.

(f) Default. Notwithstanding anything set forth herein or in the Lease to the contrary, Landlord shall not have any obligation to perform any work hereunder or to fund any portion of the TI Fund during any period Tenant is in Default under the Lease.

(g) Severability. If any term or provision of this Work Letter is declared invalid or unenforceable, the remainder of this Work Letter shall not be affected by such determination and shall continue to be valid and enforceable.

(h) Merger. All understandings and agreements, oral or written, heretofore made between the parties hereto and relating to Landlord's Work are merged in this Work Letter, which alone (but inclusive of provisions of the Lease incorporated herein and the final approved constructions drawings and specifications prepared pursuant hereto) fully and completely expresses the agreement between Landlord and Tenant with regard to the makers set forth in this Work Letter.

(i) Entire Agreement. This Work Letter is made as a part of and pursuant to the Lease and, together with the Lease, constitutes the entire agreement of the parties with respect to the subject matter hereof. This Work Letter is subject to all of the terms and limitation set forth in the Lease, and neither party shall have any rights or remedies under this Work Letter separate and apart from their respective remedies pursuant to the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter to be effective on the date first above written.

TENANT:

EQUINIX, INC.,
a Delaware corporation

By: /s/ Philip J. Koen

Its: CFO

LANDLORD:

ARE-2425/2400/2450 GARCIA BAYSHORE, LLC,
a Delaware limited liability company

By: ALEXANDRIA REAL ESTATE EQUITIES, L.P., a Delaware limited partnership, sole member

By: ARE-QRS CORP., a Maryland corporation, general partner

By: _____

[Notary seal]

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SCHEDULE A TO WORK LETTER

Development Schedule

Event - -----	Date -----
Execution of lease	__/__/__
Naming of Tenant's Representatives	__/__/__
Delivery of space plans for TI Design Drawings pursuant to Section 2(b) of the Work Letter	2/9/00
Delivery of Preliminary TI Plans for pursuant to Section 2(c) of the Work Letter	2/16/00
Delivery of TI Construction Drawings pursuant to Section 2(d) of the Work Letter	3/8/00
Commence construction of Tenant Improvements	3/1/00
Substantial Completion of Tenant Improvements	6/5/00
Issuance of Temporary Certificate of Occupancy	6/16/00

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SCHEDULE B TO WORK LETTER

1. Before any work is begun, Landlord shall have received a fully executed copy of the construction contract for the Tenant Improvements and a certificate of insurance complying with the terms of the Lease including with respect to the construction of the Tenant Improvements.
2. For each progress payment AIA Forms G702 and G703(a), together with Civil Code Section 3262 conditional lien waivers and lien releases for any work done and previously paid for, invoices, inspection reports and such other relevant documents as Landlord may reasonably require.
3. For the final draw, an AIA Form G704 Certificate of Substantial Completion executed by both the TI Architect and the TI contractor, together with final lien releases, final inspection reports, a certificate of occupancy for the Premises and such other makers as Landlord may reasonably require.

Commencement Date 2450 Bayshore Parkway/Equinix, Inc. - Page 1

EXHIBIT D TO LEASE

ACKNOWLEDGMENT OF COMMENCEMENT DATE

This ACKNOWLEDGMENT OF COMMENCEMENT DATE is made this ____ day of _____, 2000, between ARE-2425/2400/2450 Garcia Bayshore, LLC, a Delaware limited liability company ("Landlord"), and Equinix, Inc., a Delaware corporation ("Tenant"), and is attached to and made a part of the Lease dated January 28, 2000 (the "Lease"), by and between Landlord and Tenant. Any

initially capitalized terms used but not defined herein shall have the meanings given them in the Lease.

Landlord and Tenant hereby acknowledge and agree, for all purposes of the Lease, that the Commencement Date of the Base Term of the Lease is _____, 2000, and the termination date of the Base Term of the Lease shall be midnight on _____, ____.

IN WITNESS WHEREOF, Landlord and Tenant have executed this ACKNOWLEDGMENT OF COMMENCEMENT DATE to be effective on the date first above written.

TENANT:

EQUINIX, INC.,
a Delaware corporation

By: _____
Its:

LANDLORD:

ARE-2425/2400/2450 GARCIA BAYSHORE, LLC,
a Delaware limited liability company

By: ALEXANDRIA REAL ESTATE EQUITIES, L.P., a
Delaware limited partnership, sole member

By: ARE-QRS CORP., a Maryland corporation,
general partner

By: _____

Rules and Regulations

2450 Bayshore Parkway/Equinix, Inc. - Page 1

EXHIBIT E TO LEASE

RULES AND REGULATIONS

1. The sidewalk, entries, and driveways of the Project shall not be obstructed by Tenant, or its agents, or used by them for any purpose other than ingress and egress to and from the Premises.

2. Tenant shall not place any objects, including antennas, outdoor furniture, etc., in the parking areas, landscaped areas or other areas outside of its Premises, or on the roof of the Project.

3. Except for seeing-eye dogs, no animals shall be allowed in the offices, halls, or corridors in the Project.

4. Tenant shall not disturb the occupants of the Project or adjoining buildings by the use of any radio or musical instrument or by the making of loud or improper noises.

5. If Tenant desires telegraphic, telephonic or other electric connections in the Premises, Landlord or its agent will direct the electrician as to where and how the wires may be introduced; and, without such direction, no boring or cutting of wires will be permitted. Any such installation or connection shall be made at Tenant's expense.

6. Tenant shall not install or operate any steam or gas engine or boiler, or other mechanical apparatus in the Premises, except as specifically approved in the Lease. The use of oil, gas or inflammable liquids for heating, lighting or any other purpose is expressly prohibited. Explosives or other articles deemed extra hazardous shall not be brought into the Project.

7. Parking any type of recreational vehicles is specifically prohibited on or about the Project. Except for the overnight parking of operative vehicles, no vehicle of any type shall be stored in the parking areas at any time. In the event that a vehicle is disabled, it shall be removed within 48 hours. There shall be no "For Sale" or other advertising signs on or about any parked vehicle. All vehicles shall be parked in the designated parking areas in conformity with all signs and other markings. All parking will be open parking, and no reserved parking, numbering or lettering of individual spaces will be permitted except as specified by Landlord.

8. Tenant shall maintain the Premises free from rodents, insects and other pests.

9. Landlord reserves the right to exclude or expel from the Project any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs or who shall in any manner do any act in violation of the Rules and Regulations of the Project.

10. 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 Tenant for any loss of property on the Premises, however occurring, or for any damage done to the effects of Tenant by the janitors or any other employee or person.

Rules and Regulations

2450 Bayshore Parkway/Equinix, Inc. - Page 1

11. Tenant shall give Landlord prompt notice of any material defects in

the water, lawn sprinkler, sewage, gas pipes, electrical lights and fixtures, heating apparatus, or any other service equipment affecting the Premises.

12. Tenant shall not permit storage outside the Premises, including without limitation, outside storage of trucks and other vehicles, or dumping of waste or refuse or permit any harmful materials to be placed in any drainage system or sanitary system in or about the Premises.

13. All moveable trash receptacles provided by the trash disposal firm for the Premises must be kept in the trash enclosure areas, if any, provided for that purpose.

14. No auction, public or private, will be permitted on the Premises or the Project.

15. No awnings shall be placed over the windows in the Premises except with the prior written consent of Landlord.

16. The Premises shall not be used for lodging, sleeping or cooking or for any immoral or illegal purposes or for any purpose other than that specified in the Lease. No gaming devices shall be operated in the Premises.

17. Tenant shall ascertain from Landlord the maximum amount of electrical current which can safely be used in the Premises, taking into account the capacity of the electrical wiring in the Project and the Premises and the needs of other tenants, and shall not use more than such safe capacity. Landlord's consent to the installation of electric equipment shall not relieve Tenant from the obligation not to use more electricity than such safe capacity.

18. Tenant assumes full responsibility for protecting the Premises from theft, robbery and pilferage.

19. Tenant shall not install or operate on the Premises any machinery or mechanical devices of a nature not directly related to Tenant's ordinary use of the Premises and shall keep all such machinery free of vibration, noise and air waves which may be transmitted beyond the Premises.

Tenant's Personal Property 2450 Bayshore Parkway/Equinix, Inc. - Page 1

EXHIBIT F TO LEASE

TENANT'S PERSONAL PROPERTY

[Tenant to Provide]

Estoppel Certificate 2450 Bayshore Parkway/Equinix, Inc. - Page 1

EXHIBIT G TO LEASE

ESTOPPEL CERTIFICATE

THIS TENANT ESTOPPEL CERTIFICATE ("Certificate"), dated as of _____, _____, is executed by ("Tenant") in favor of [Buyer], a _____, together with its nominees, designees and assigns (collectively, "Buyer"), and in favor of _____, together with its nominees, designees and assigns (collectively, "Lender").

RECITALS

A. Buyer and _____ ("Landlord"), have entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated as of _____, 20__ (the "Purchase Agreement"), whereby Buyer has agreed to purchase, among other things, the improved real property located in the City of _____, County of _____, State of _____, more particularly described on Exhibit A attached to the Purchase Agreement (the "Property").

B. Tenant and Landlord have entered into that certain Lease Agreement, dated as of _____ (together with all amendments, modifications, supplements, guarantees and restatements thereof, the "Lease"), for a portion of the Property.

C. Pursuant to the Lease, Tenant has agreed that upon the request of Landlord, Tenant would execute and deliver an estoppel certificate certifying the status of the Lease.

D. In connection with the Purchase Agreement, Landlord has requested that Tenant execute this Certificate with an understanding that Lender will rely on the representations and agreements below in granting to Buyer a loan.

NOW, THEREFORE, Tenant certifies, warrants, and represents to Buyer and

Lender as follows:

1. Lease. Attached hereto as Exhibit B is a true, correct and complete

copy of the Lease, including the following amendments, modifications,
supplements, guarantees and restatements thereof, which together represent all
of the amendments, modifications, supplements, guarantees and restatements
thereof: _____

(If none, please state "None.")

2. Premises. Pursuant to the Lease, Tenant leases those certain premises
(the "Premises") consisting of approximately _____ rentable
square feet within the Property, as more particularly described in the Lease. In
addition, pursuant to the terms of the Lease, Tenant has the [non-exclusive]
right to use [_____ parking spaces/the parking area] located on the
Property during the term of the Lease. [Cross-out the preceding sentence or
portions thereof if inapplicable.]

3. Full Force of Lease. The Lease has been duly authorized, executed and
delivered by Tenant, is in full force and effect, has not been terminated, and
constitutes a legally valid instrument, binding and enforceable against Tenant
in accordance with its terms, subject only to applicable limitations imposed by
laws relating to bankruptcy and creditor's rights.

4. Complete Agreement. The Lease constitutes the complete agreement
between Landlord and Tenant for the Premises and the Property, and except as
modified by the Lease Estoppel Certificate amendments noted above (if any), has
not been modified, altered or amended.

5. Acceptance of Premises. Tenant has accepted possession and is
currently occupying the Premises.

6. Lease Term. The term of the Lease commenced on _____ and ends on
_____, subject to the following options to extend _____

(If none, please state "None.")

7. Purchase Rights. Tenant has no option, right of first refusal, right
of first offer, or other right to acquire or purchase all or any portion of the
Premises or all or any portion of, or interest in, the Property, except as
follows: _____

(If none, please state "None.")

8. Rights of Tenant. Except as expressly stated in this Certificate,
Tenant:

- (a) has no right to renew or extend the term of the Lease;
- (b) has no option or other right to purchase all or any part of the
Premises or all or any part of the Property;
- (c) has no right, title, or interest in the Premises, other than as
Tenant under the Lease .

9. Rent.

- (a) The obligation to pay rent under the Lease commenced on
_____. The rent under the Lease is current, and Tenant is not in default in
the performance of any of its obligations under the Lease.
- (b) Tenant is currently paying base rent under the Lease in the
amount of \$_____ per month. Tenant has not received and is not presently
entitled to any abatement, refunds, rebates, concessions or forgiveness of rent
or other charges, free rent, partial rent, or credits, offsets or reductions in
rent, except as follows: _____
_____. (If none, please state "None.")

(c) Tenant's estimated share of operating expenses, common area
charges, insurance, real estate taxes and administrative and overhead expenses
is ___% and is currently being paid at the rate of \$_____ per month,
payable to: _____
_____.

(d) There are no existing defenses or offsets against rent due or to
become due under the terms of the Lease, and there presently is no default or
other wrongful act or omission by Landlord under the Lease or otherwise in
connection with Tenant's occupancy of the Premises, nor is there a state of
facts which with the passage of time or the giving of notice or both could ripen

into a default on the part of Tenant, or to the best knowledge of Tenant, could ripen into a default on the part of Landlord under the Lease, except as follows:

_____. (If none, please state "None.")

10. Security Deposit. The amount of Tenant's security deposit held by Landlord under the Lease is \$_____.

11. Prepaid Rent. The amount of prepaid rent, separate from the security deposit, is \$_____, covering the period from _____ to _____.

12. Insurance. All insurance, if any, required to be maintained by Tenant under the Lease is presently in effect.

13. Pending Actions. There is not pending or, to the knowledge of Tenant, threatened against or contemplated by the Tenant, any petition in bankruptcy, whether voluntary or otherwise, any assignment for the benefit of creditors, or any petition seeking reorganization or arrangement under the federal bankruptcy laws or those of any state.

14. Tenant Improvements. As of the date of this Certificate, to the best of Tenant's knowledge, Landlord has performed all obligations required of Landlord pursuant to the Lease; no offsets, counterclaims, or defenses of Tenant under the Lease exist against Landlord; and no events have occurred that, with the passage of time or the giving of notice, would constitute a basis for offsets, counterclaims, or defenses against Landlord, except as follows:_____

_____. (If none, please state "None.")

15. Assignments by Landlord. Tenant has received no notice of any assignment, hypothecation or pledge of the Lease or rentals under the Lease by Landlord. Tenant hereby consents to an assignment of the Lease and rents to be executed by Landlord to Buyer or Lender in connection with the Loan and acknowledges that said assignment does not violate the provisions of the Lease. Tenant acknowledges that the interest of the Landlord under the Lease is to be assigned to Buyer or Lender solely as security for the purposes specified in said assignment and Buyer or Lender shall have no duty, liability or obligation whatsoever under the Lease or any extension or renewal thereof, either by virtue of said assignment or by any subsequent receipt or collection of rents thereunder, unless Buyer or Lender shall specifically undertake such liability in writing. Tenant agrees that upon receipt of a written notice from

Estoppel Certificate 2450 Bayshore Parkway/Equinix, Inc. - Page 4

Buyer or Lender of a default by Landlord under the Loan, Tenant will thereafter pay rent to Buyer or Lender in accordance with the terms of the Lease.

16. Assignments by Tenant. Tenant has not sublet or assigned the Premises or the Lease or any portion thereof to any sublessee or assignee except as follows:_____

_____. No one except Tenant and its employees will occupy the Premises except as described in the preceding sentence hereof. The address for notices to be sent to Tenant is as set forth in the Lease.

17. Environmental Matters. The operation and use of the Premises does not involve the generation, treatment, storage, disposal or release into the environment of any hazardous materials, regulated materials and/or solid waste, except those used in the ordinary course of operating for the Permitted Use, as defined in the Lease, or otherwise used in accordance with all applicable laws.

18. Succession of Interest. Tenant agrees that, in the event Buyer or Lender succeeds to the interest of Landlord under the Lease:

(a) Buyer or Lender shall not be liable for any act or omission of any prior landlord (including Landlord);

(b) Buyer or Lender shall not be liable for the return of any security deposit;

(c) Buyer or Lender shall not be bound by any rent or additional rent which Tenant might have prepaid under the Lease for more than the current month;

(d) Buyer or Lender shall not be bound by any amendments or modifications of the Lease made without prior consent of Buyer or Lender;

(e) Buyer or Lender shall not be subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord); or

(f) Buyer or Lender shall not be liable under the Lease to Tenant for the performance of Landlord's obligations under the Lease beyond Buyer or Lender's interest in the Property.

19. Notice of Default. Tenant agrees to give Buyer and Lender a copy of any notice of default under the Lease served upon Landlord at the same time as

such notice is given to Landlord. Tenant further agrees that if Landlord shall fail to cure such default within the applicable grace period, if any, provided in the Lease, then Buyer or Lender shall have an additional 60 days within which to cure such default, or if such default cannot be cured within such 60-day period, such 60-day period shall be extended so long as Buyer or Lender 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 the Lease shall not be terminated while such remedies are being pursued.

Estoppel Certificate 2450 Bayshore Parkway/Equinix, Inc. - Page 5

20. Notification by Tenant. From the date of this Certificate and continuing until _____, Tenant agrees to immediately notify Buyer and Lender, in writing by registered or certified mail, return receipt requested, at the following addresses, on the occurrence of any event or the discovery of any fact that would make any representation contained in this Certificate inaccurate:

If To Buyer: _____

With A Copy To: _____

If To Lender: _____

Tenant makes this Certificate with the knowledge that it will be relied upon by Buyer and Lender in agreeing to purchase the Property.

Estoppel Certificate 2450 Bayshore Parkway/Equinix, Inc. - Page 1

Tenant has executed this Certificate as of the date first written above by the person named below, who is duly authorized to do so.

TENANT: _____
a _____

By: _____
Name: _____
Its: _____

Estoppel Certificate 2450 Bayshore Parkway/Equinix, Inc. - Page 1

EXHIBIT A TO ESTOPPEL CERTIFICATE

Legal Description

Estoppel Certificate 2450 Bayshore Parkway/Equinix, Inc. - Page 2

EXHIBIT B TO ESTOPPEL CERTIFICATE

Copy of Lease

EXHIBIT H TO LEASE

SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN
ATTORNMEN AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN AGREEMENT is made and entered into as of _____, _____ ("Agreement"), by and between ALEXANDRIA REAL ESTATE EQUITIES, INC., a Maryland corporation together with its nominees, designees and assigns (collectively, "Landlord"), _____, a _____ ("Tenant"), and _____, a _____ ("Mortgagee").

WHEREAS, Mortgagee is making a loan to Landlord and others evidenced by a certain promissory note ("Note"), and secured by, among other things, a deed of trust/mortgage to be recorded prior hereto in the public records of the City of _____, County of _____, State of ("Mortgage") constituting a lien upon the real property described in Exhibit A hereto (the "Real Property"); and

WHEREAS, _____ and Tenant have entered into a Lease Agreement dated as of _____, _____ ("Lease"), for certain leased premises encompassing _____ located in _____, containing approximately _____ net square feet (hereinafter collectively referred to as "Premises"); and

WHEREAS, the Lease is subordinate to the Mortgage and to the right, title, and interests of Mortgagee thereto and thereunder; and

WHEREAS, Mortgagee wishes to obtain from Tenant certain assurances that Tenant will attorn to Mortgagee in the event of a foreclosure by Mortgagee or the exercise of other rights under the Mortgage; and

WHEREAS, Tenant wishes to obtain from Mortgagee certain assurances that Tenant's possession of the Premises will not, subject to the terms and conditions of this Agreement, be disturbed by reason of a foreclosure of the lien of the Mortgage on the Real Property; and

WHEREAS, Tenant and Mortgagee are both willing to provide such assurances to each other upon and subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the above, the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto mutually agree as follows:

- 1. Affirmation. Tenant hereby agrees that the Lease now is and shall be subject and subordinate in all respects to the Mortgage and to all renewals, modifications and extensions thereof until such time that the Mortgage is released, satisfied or otherwise discharged, subject to the terms and conditions of this Agreement. Landlord and Tenant hereby affirm that the Lease is

in full force and effect and that the Lease has not been modified or amended except as follows:

_____. Mortgagee hereby confirms that it is the holder of the Note and the beneficiary of the Mortgage and has full power and authority to enter into this Agreement.

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION.

MASTER AGREEMENT

FOR

PROGRAM MANAGEMENT, SITE IDENTIFICATION AND

EVALUATION, ENGINEERING AND CONSTRUCTION SERVICES

BETWEEN

EQUINIX, INC.

AND

BECHTEL CORPORATION

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MASTER AGREEMENT

FOR

PROGRAM MANAGEMENT,

SITE IDENTIFICATION AND EVALUATION, ENGINEERING, AND CONSTRUCTION SERVICES

THIS MASTER AGREEMENT (the "Agreement") is entered into effective the 3rd day of November, 1999, ("Effective Date") by and between Equinix, Inc. ("Equinix") and Bechtel Corporation ("Bechtel").

1. THE IBX DEVELOPMENT PROGRAM AND MASTER AGREEMENT CONTRACTING

STRUCTURE.

1.1 The IBX development program ("Program") consists of the site identification and evaluation, design, build-out and testing of Internet Business Exchanges ("IBX's") to be located in various cities world-wide. It is anticipated that up to twenty-nine (29) IBX's will be built within the next four years, with further expansion in subsequent years.

1.2 It is the intent of the parties that, during the term of this Agreement, Bechtel will act as Equinix's exclusive contractor for the IBX build-out world-wide, as provided further in Section 22.0, Exclusivity, herein.

1.3 This Agreement sets forth the general terms and conditions applicable to the services to be provided for each IBX build-out location ("Project"). Projects located in the United States will be performed under task orders ("Task Orders") under this Agreement (see sample Task Order, attached as Exhibit 1). For Projects located outside the United States, separate contracts ("Contracts"), subject to the terms and conditions in this Agreement, will be entered into between Bechtel's affiliates and Equinix or its affiliates or branches, as appropriate for the country where the Project is located (see sample Contract, attached as Exhibit 2), and Bechtel and Equinix hereby unconditionally guarantee all obligations of such respective affiliates under such Contracts, provided that neither Bechtel nor Equinix shall have any greater liabilities under this guarantee than the affiliates have under such Contracts. The Task Orders and Contracts may contain special terms and conditions which modify or supplement those in this Agreement, as appropriate to address issues unique to individual Projects such as local country conditions or the addition of Equinix joint venture partners.

2. BECHTEL'S SERVICES.

Bechtel shall perform or cause to be performed for the Program and individual Projects the services and items generally described below (the "Services") as such Services are

requested and further described in Task Orders and Contracts. All Services shall be classified as within one or more of Sections 2.1 through 2.5 of this Section 2.0.

2.1 Program Management Services.

Bechtel will provide the overall management, coordination and administration for the Program ("Program Management Services"), including, but not limited to:

2.1.1 Developing the overall Program strategy for engineering and construction.

2.1.2 Preparation of a preliminary assessment of the Program budget taking into account the activities contemplated for the Program.

2.1.3 Consultation with Equinix and its independent consultants concerning the Program and development of Program plans, drawings and specifications.

2.1.4 Preparing and periodically updating the Program Schedule for Equinix's approval, such Program Schedule to be coordinated and integrated with all equipment, services and activities provided in connection with the Program to the extent practical.

2.1.5 Developing and recommending milestone completion dates for the Program and individual Projects.

2.1.6 Procurement support services, including recommending to Equinix a schedule of procurement for long-lead time items which constitute part of the work as required to meet the Program and Project schedules.

2.1.7 Providing monthly (or such other intervals as may be requested by Equinix) written cost reports, progress reports, construction schedules, construction forecasts, estimates of monthly cash requirements, estimates for contract progress payments, and such other data as may be required by Equinix.

2.1.8 Developing systems of cost control for the Program, including regular monitoring of actual costs for activities in progress and

estimates for uncompleted tasks and proposed changes.

2.1.9 Developing and IBX Development Program Safety Program ("Safety Program"). Each construction contractor shall implement a written safety program which shall at a minimum comply with the requirements of the Safety Program.

2.2 Site Identification and Evaluation Services.

Bechtel will provide the following site identification and evaluation services ("Site Identification and Evaluation Services"):

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2.2.1 Provide site identification and evaluation to review physical plants and properties and to assess and compare alternative Project sites, based on building and site criteria provided by Equinix.

2.2.2 Ascertain as to a proposed Project site whether there are any significant zoning, building code, entitlement or other governmental compliance issues, prepare a plan for addressing any such issues, and assist Equinix in addressing such issues by taking the lead, on behalf of Equinix, in attempting to obtain such required permits and approvals, including preparing permit applications, expediting permit applications, and making such appearances and attending such meetings as are necessary or appropriate.

2.2.3 Conduct inspections, evaluations, surveys, including preparation of order of magnitude estimates of cost and schedule, and tests as may be necessary or appropriate in connection with any potential Project site, including such engineering and geotechnical studies, and inspections and reviews of all buildings and related operating systems to determine the feasibility of a Project. Bechtel shall also assist with environmental evaluations as provided further in Section 2.7.

2.2.4 Based on the above, make recommendations to Equinix for final Project site selection by Equinix.

2.3 Engineering Services.

Bechtel will provide the following engineering services ("Engineering Services"):

2.3.1 Schematic Design Services.

2.3.1.1 Based on design specifications and criteria provided by Equinix, Bechtel shall prepare for Equinix's review and approval schematic drawings, descriptive specifications and other documents appropriate to the size of each of the Projects illustrating and describing the concept, quality, layout, scale and relationship of the Project components, which documents are collectively referred to as the "Schematic Design Documents".

2.3.1.2 Upon completion of the Schematic Design Documents for a Project, Bechtel shall prepare and submit to Equinix a preliminary estimate for such Project and for all costs to be incurred as part of the Project, which estimate shall be subject to Equinix's approval ("Preliminary Estimate"). Bechtel shall update each such Preliminary Estimate from time to time as appropriate.

2.3.1.3 Upon completion of the Schematic Design Documents for a Project, Bechtel shall prepare and submit to Equinix a preliminary schedule for such Project, which schedule shall be subject to Equinix's approval ("Preliminary Schedule"). Bechtel shall update each such Preliminary Schedule from time to time as appropriate.

2.3.2 Design Development Services.

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2.3.2.1 Based on the approved Schematic Design Documents for each Project, Bechtel shall prepare for Equinix's review and approval drawings of sufficient detail to describe the size, shape, configuration, and quantity of typical and non-typical elements of each such Project, outline specifications and other documents which fix and describe the size and character of the Project as to architecture, engineering, structure, layout, electrical systems, mechanical systems, plumbing systems, materials and equipment, all of which documents are collectively referred to herein as the "Design Development Documents".

2.3.2.2 Bechtel shall refine the Preliminary Estimate and Preliminary Schedule for each Project based on the Design Development Documents for such Project. Bechtel shall revise the Design Development Documents as required by Equinix to make them acceptable to Equinix and shall adjust the Preliminary Estimate and Preliminary Budget for such Project accordingly.

2.3.3 Construction Documents Services.

2.3.3.1 Based on the Design Development Documents approved by Equinix for each Project, Bechtel shall prepare the final drawings, plans and specifications setting forth in detail the requirements for Development of each such Project, collectively referred to herein as the "Construction Documents".

2.3.3.2 Bechtel shall revise the Construction Documents as required by Equinix to make them acceptable to Equinix.

2.3.3.3 Bechtel shall complete the Construction Documents for each Project, including Bechtel's coordination of all documents and corrections based on such coordination, prior to preparing and issuing bid documents for each such Project.

2.3.3.4 Bechtel shall be responsible for obtaining all permits and approvals for the construction and occupancy of each Project (regardless of whether Bechtel or Equinix is the named permittee). Bechtel shall submit all necessary Construction Documents approved by Equinix and applications for all necessary permits and approvals for the construction and occupancy of each Project to the appropriate governmental authorities as required by such governmental authorities to secure the issuance of such permits and approvals.

2.4 Construction Services.

2.4.1 Bechtel shall, as General Contractor, perform for Equinix in connection with each Project the materials and equipment supply and construction services ("Construction Services"). Such Construction Services shall include providing, or causing to be provided, all work, labor, services, materials and equipment necessary to construct and complete each of the Projects, as described in the approved Construction Documents for such Project.

2.4.2 When the design for each Project is substantially complete, Bechtel shall submit to Equinix for Equinix's approval a lump sum price ("Lump Sum Price") and

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construction schedule ("Construction Schedule") for performance of the Construction Services for such Project. The Lump Sum Price shall be developed in accordance with 6.2.1.

2.4.3 As used herein in connection with performance of the Construction Services, the term "Substantial Completion" of a Project shall mean that: (i) the Project has been completed in accordance with the applicable Construction Documents to the extent sufficient for Equinix to occupy and utilize the Project; (ii) pre-operational tests and equipment performance tests on Bechtel-furnished equipment and systems have been completed; and (iii) Bechtel has delivered to Equinix all required permits and approvals necessary for Equinix to occupy and utilize the Project in a manner consistent with the Contract Documents.

2.5 Start-Up Support and Other Consulting Services.

2.5.1 Start-Up Support.

If requested by Equinix, Bechtel will furnish start-up personnel to assist Equinix's operating organization in start-up and testing of the Substantially Completed Project ("Start-Up Support Services"), or portions thereof. The performance of Services by such personnel shall be under the supervision, direction and control of Equinix, and the Services performed by such personnel will include the following:

2.5.1.1 Provide consultation to Equinix on operational features.

2.5.1.2 Consult with and advise Equinix's operating staff and the vendors regarding necessary modifications, if any, to equipment.

2.5.1.3 Collaborate with and assist Equinix's operating staff in setting up testing, operating and maintenance schedules, procedures and practices.

2.5.2 Other Consulting Services.

Bechtel shall provide other professional services as requested by Equinix in support of the build-out Program ("Consulting Services").

2.6 Reserved.

2.7 Pre-Existing Contamination.

2.7.1 "Hazardous Material" is defined as any hazardous, toxic, or polluting substance, material, waste, or contaminant as defined or regulated pursuant to governmental rules or regulations applicable to the Services, the Project, or the Project site, as such governmental rules or regulations may be amended from time to time.

2.7.2 As part of Bechtel's Site Identification and Evaluation Services, Bechtel shall provide the following services related to environmental assessments, investigations and remediation:

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2.7.2.1 Bechtel and Equinix agree that to the maximum extent possible, for Projects to be built on property to be purchased by Equinix, Equinix will attempt to obtain from the prior owner of the property ("Prior Property Owner") and for Projects to be built-out on property to be leased by Equinix, Equinix will obtain from the owner of the property ("Landlord"), for each Project site the Prior Property Owner's or Landlord's agreement to take responsibility for environmental assessments, investigations and any necessary remediation, so that Equinix and Bechtel will be given a clean site free of Hazardous Materials.

2.7.2.2 Asbestos: Where required by law for renovation or demolition work, Bechtel will subcontract with licensed asbestos subcontractors to perform asbestos inspections. To the extent incidental asbestos abatement is required in areas where construction work will take place, Bechtel will subcontract with licensed asbestos abatement contractors to perform the work. If significant quantities of asbestos are identified, Bechtel will identify, evaluate and recommend asbestos remediation contractors to Equinix, for Equinix's direct contracting with such contractors; and acting as Equinix's representative Bechtel will coordinate the contractors' work and monitor the cost and schedule.

2.7.2.3 Phase I and II Site Investigations: Where not provided by the Prior Property Owner or Landlord, Bechtel will arrange with qualified environmental contractors for the performance of environmental investigations of each Project site. Phase I investigations (review of records and visual review of property) will be conducted at each site and, if determined to be necessary by such contractors, Phase II investigations (intrusive sampling) will be conducted. Bechtel will identify, evaluate and recommend environmental contractors to Equinix to perform these investigations, for Equinix's direct contracting with such contractors. Further, acting as Equinix's representative, Bechtel will coordinate the contractors' work and monitor the cost and schedule.

2.7.2.4 Remediation: If as a result of the Phase I and II Site Investigations it is determined that remediation will be required prior to construction, Bechtel will identify, evaluate and recommend remediation contractors to Equinix, for Equinix's direct contracting with such contractors and, acting as Equinix's representative, Bechtel will coordinate the contractors' work and monitor the cost and schedule.

2.7.2.5 In the event Bechtel encounters unanticipated materials or substances during the course of the Construction Services which Bechtel suspects are Hazardous Materials, Bechtel shall stop the affected portion of the work, secure the area and promptly notify Equinix. Bechtel will identify, evaluate and recommend remediation contractors to Equinix, for Equinix's direct contracting with such contractors; and acting as Equinix's representative Bechtel will coordinate the contractors' work and monitor the cost and schedule. Bechtel shall be entitled to an equitable adjustment in compensation and/or schedule to the extent impacted by such discovery of suspected Hazardous Materials and any resultant remediation.

2.7.2.6 Bechtel shall in no event act, directly or indirectly, as an owner, transporter, generator or disposer of any such preexisting Hazardous Materials under CERCLA, RCRA or any comparable federal, state or local laws in the jurisdiction where the

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Project is located, nor shall Bechtel be required to complete and execute any governmentally-required forms relating to such materials or substances. Bechtel shall, however, be responsible for the transport and disposal of any Hazardous Materials brought onto the Project sites by Bechtel or its subcontractors, provided that Equinix or the Landlord of the Project site provide an EPA ID Number for Bechtel's use to the extent Bechtel is unable to obtain a separate EPA ID Number.

3. INFORMATION AND ITEMS TO BE FURNISHED BY EQUINIX.

Equinix shall be responsible for providing:

3.1 Program financing.

3.2 IBX site selection criteria, general specifications, equipment specifications, general arrangement drawings and other design information.

3.3 Project sites, including necessary staging areas, and unrestricted access to the sites and all other locations involved in the performance of the Services.

3.4 Geological, environmental and other site data available to Equinix (if any), including identification of any pre-existing underground facilities known to Equinix.

3.5 Obtaining all business licenses, permits, licenses, and other governmental approvals for operation of the Project and providing assistance to Bechtel in obtaining zoning, construction and occupancy permits.

3.6 Takeover of care, custody, and control of each Project and its operation and maintenance upon Substantial Completion of construction.

3.7 Timely review of documents, reports, plans or data submitted by Bechtel for approval. Equinix will promptly (and in any event within five (5) days of their receipt) either approve or disapprove, or furnish other written instructions to Bechtel with respect to said documents, reports, plans or data. If Equinix's written approval or disapproval or other written instruction is not furnished to Bechtel within such five (5) day period, such documents, reports, plans or data will be deemed to be approved.

3.8 Office facilities, equipment, materials, supplies, and communication services for the Bechtel Program Team personnel resident at Equinix's headquarters in Redwood City.

3.9 Such other items as mutually agreed upon.

3.10 Equinix shall furnish to Bechtel or secure the items required to be furnished or secured by it pursuant to this Section at Equinix's expense and at such times and in such manner as may be required for the expeditious and orderly performance of the Services by Bechtel.

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4. TIME OF PERFORMANCE AND DELAY DAMAGES.

4.1 Bechtel shall prepare for Equinix's approval a schedule for the performance of the Program Management, Site Identification and Evaluation, Engineering, and Start-up Support and other Consulting Services to be performed under each Task Order or Contract. Bechtel shall use its best efforts to achieve completion of such Services in accordance with each such schedule.

4.2 Bechtel and Equinix shall agree upon the Schedule for performance of Construction Services for each Project as provided in 2.4.2 which shall include the scheduled date of Substantial Completion ("Guaranteed Completion Date"). Bechtel shall achieve Substantial Completion of such Services in accordance with the Guaranteed Completion Date, as adjusted in accordance with the terms of this Agreement. Bechtel shall further be subject to delay damages for late completion as provided in 4.3 and 4.4 below.

4.3 Delay Damages. Bechtel understands that if Substantial Completion is

not achieved by the Guaranteed Completion Date, Equinix will suffer damages. Therefore, if Bechtel fails to achieve the Guaranteed Completion Date for a Project, Bechtel will pay delay damages of [*]. The delay damages and potential downward adjustment in warrants as provided in Section 23 (Enterprise Incentive) shall be the exclusive remedies for delay.

4.4 Credit Against Delay Damages. In the event Bechtel completes a

Project in advance of that Project's Guaranteed Completion Date, Bechtel shall receive a credit of [*] per day for each day of early completion, which credit will apply to reduce the amount of any delay damages which may have accrued or will in the future accrue on other Projects, provided, however that in no event shall Bechtel be entitled to any additional payments if the amount of credits exceeds the amount of delay damages. Any credits accrued shall be applied immediately to reimburse Bechtel for any delay damages previously incurred and paid by Bechtel. An accounting shall be maintained of any credits which exceed the aggregate delay damages incurred to date and such credits may apply to offset any delay damages incurred subsequently on any Projects.

5. CHANGES.

5.1 Definition of Changes. The following shall be Changes under this

Agreement:

5.1.1 Additions to, deletions from, or modifications of the Program, Projects or any of the Services that are agreed upon by the parties in accordance with 5.3 below.

5.1.2 Additions to, deletions from, or modifications of the Program, Projects or any of the Services that are directed by Equinix in accordance with 5.4 below.

5.1.3 Failure or delay of Equinix to provide or cause to be provided information, reviews, approvals, authorizations or other items as required by this Agreement, or errors, omissions, or changes in such information or items.

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5.1.4 Any change in the IBX site selection criteria, general specifications, equipment specifications, general arrangement drawings and other design information provided by Equinix.

5.1.5 Delay or other impact on Bechtel's performance of its obligations due to direction from Equinix or other act, omission, interference or delay by Equinix or Equinix's employees, agents, consultants, or contractors.

5.1.6 Force Majeure Events as defined in Section 12.0.

5.2 Adjustment due to Changes. Bechtel will use diligent efforts to

minimize the effects of any Changes on cost and schedule. To the extent that a Change affects Bechtel's ability to perform the Services, or Bechtel's costs, or Bechtel's ability to meet the schedule, including any Project Construction Schedule, or any other Bechtel obligation under this Agreement, Bechtel shall be entitled to an equitable adjustment as appropriate to the compensation, schedule, and/or such other parts of this Agreement as may be affected by such Change.

5.3 Change Orders. Except to the extent immediate action may be required

by an emergency threatening life or property, Changes shall only be effected pursuant to written Change Orders. All Change Orders shall be agreed to by both parties, subject to Equinix's right to direct Changes in certain circumstances as provided in 5.4. below. Change Orders shall be processed and approved in accordance with the procedure set out in the Project Procedures Manual. Each Change Order shall show agreed upon adjustments to the compensation, schedule and/or other affected provisions of this Agreement.

5.4 Changes Directed by Equinix. In the event a Change is requested by

Equinix, and the parties are unable to agree on the Change or on one or more of the appropriate Agreement adjustments, Equinix may direct Bechtel to make the Change and Bechtel shall proceed with the Change. Bechtel's performance of such Change in such event shall be without prejudice to a subsequent determination as to its entitlement to Agreement adjustments as provided in Paragraph 5.2 above.

6. COMPENSATION AND MANNER AND TIMES OF PAYMENT.

6.1 Program Management, Site Identification and Evaluation, Engineering, and Start-Up Support and other Consulting Services:

6.1.1 Program Management, Site Identification and Evaluation, Engineering, and Start-Up Support and other Consulting Services will be performed on a time and materials basis, with labor reimbursed through unit rates, including overhead and profit, ("Labor Unit Rates") plus reimbursement of other direct costs ("Other Direct Costs") (collectively referred to as "Recoverable Costs"), as defined in Appendix A attached hereto and incorporated herein by reference. Labor Unit Rates and Other Direct Costs for Services performed outside the United States shall be as provided in the applicable Project Contract.

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6.1.2 Bechtel shall prepare and submit [*] invoices covering Recoverable Costs for Services performed in accordance with the above compensation terms. Each payment shall become due and payable within [*] days of receipt of Bechtel's invoice for same. For any invoice which is in dispute by some amount, Equinix will pay in the normal manner the difference between the total amount of the invoice and the amount in dispute; and Equinix will, no later than [*] days after receipt of the invoice, notify Bechtel in writing of the amount and description of the dispute. Bechtel may submit subcontractor invoices for payment by Equinix upon receipt of invoices from subcontractors, and Bechtel will pay the subcontractors within the normal payment cycle based on

the commercial terms of the applicable subcontract.

6.2 Construction Services.

6.2.1 When the Engineering Services are substantially complete, Bechtel will provide Equinix with a Lump Sum Price to perform the Construction Services on a per Project basis. The Lump Sum Price will be based on an estimate of the total cost of the construction services ("Total Construction Cost"), including the cost of materials and equipment, subcontractor costs, Bechtel's labor at the Unit Rates provided in Appendix A, other direct costs and contingency, as identified in the estimate. The contingency will include a "Base Contingency" of [*], and may also include "Special Contingency" for special contingency elements identified for a Project, in a percentage amount to be agreed to by the parties for such Project. Any Special Contingency will be jointly managed by the parties and will be drawn against for costs incurred in connection with the special contingency elements identified in the Special Contingency. The Lump Sum price will include a Fee (profit) of [*]. Upon Final Completion of each Project, any unused Special Contingency and any Fee associated with such unused Special Contingency for that Project will be for Equinix's sole account.

6.2.2 For the Construction Services for each Project, Equinix shall make monthly progress payments, based on the Lump Sum Price, to Bechtel at the times and in the manner set forth in the Payment Schedule mutually agreed to in the applicable Task Order or Contract. The Payment Schedule will be developed based on anticipated cash flow (including payment terms with subcontractors and suppliers to the extent known) and schedule, and is intended to allow Bechtel to remain cash neutral. The Payment Schedule will be conditioned on reaching a defined monthly progress milestone. Equinix shall make all payments within [*] days of its receipt of invoices therefor from Bechtel. Within [*] days after Final Completion of each Project, Equinix shall pay Bechtel as a final payment the then unpaid balance (if any) of the Lump Sum Price (as adjusted in accordance with the terms of this Agreement) or Bechtel shall pay Equinix the difference (if more) between the amounts already paid to it and such Lump Sum Price. As a prerequisite to such final payment Bechtel shall furnish Equinix with waivers of lien rights, evidencing that all claims for payment for labor and materials in connection with

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Bechtel's Services for the Project have been paid or satisfied, or Bechtel's indemnity in form and substance satisfactory to Equinix in lieu of any such waivers.

6.3 All payments to be made hereunder shall be made by Automated Clearing House or wire transfer to the institutions and account numbers provided to Equinix by Bechtel in writing.

6.4 Interest.

In addition to any other rights Bechtel may have with respect to amounts owed to Bechtel [*] beyond the time for payment provided for in this Contract, such amounts shall accrue interest, starting on the sixteenth day after such amount is due, for each day such invoice is not paid at the lesser of: (i) a simple per annum interest rate equal to four percent (4%) above the prime lending rate quoted to substantial and responsible commercial borrowers on ninety-day loans by the Bank of America, N.A., San Francisco, California, or (ii) the maximum rate permitted by applicable law.

7. ACCOUNTING.

7.1 Bechtel shall maintain its customary fiscal records and books of accounts of its direct costs incurred in accordance with generally accepted accounting principles and practices consistently applied. Such fiscal records and books of accounts shall remain in the possession and custody of Bechtel. However, upon reasonable notice Equinix shall, during Bechtel's normal business hours for a period of one year after Final Completion of each Project, have access to such fiscal records and books of accounts for the sole purpose of examination or verification of the direct costs relating to the performance of the Services, provided, however, that the above audit rights shall not apply to agreed upon Unit Rates, Lump Sum Prices (other than the Special Contingency, which shall be subject to audit) or agreed to allowances and rates.

7.2 If it is determined by an audit that the amount invoiced by and paid to Bechtel exceeded the amount Bechtel was entitled to, Bechtel will reimburse Equinix the excess amount plus interest at the rate provided in Section 6.4, [*].

8. FINAL ACCEPTANCE.

8.1 Final Completion of a given Project shall occur following Substantial Completion and completion of the Punch List items identified during walk-down at Substantial Completion. As used herein, "Final Completion" of a Project shall occur only when all of the following have occurred: (i) the performance of all Punch List items has been completed, (ii) all final releases, documents and manuals required by the Contract Documents have been delivered to Equinix, and (iii) all start-up testing, inspection and calibration of building systems and equipment furnished by Bechtel have been completed. As used herein, "Punch List", shall mean

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a list of minor items to be completed or corrected following Substantial Completion of the Project work, which items shall not materially affect the occupancy or utilization of the Project. Upon achieving Final Completion, Bechtel shall so notify Equinix in writing. Within twenty-one (21) days of the date of such notice, Equinix shall in writing give Bechtel notice of Equinix's Final Acceptance or written notice of any such unfinished Services that have not been completed. In the latter instance, the foregoing procedure with respect to such specified unfinished Services will be repeated. Equinix's failure to give the required notice within the specified period, or Equinix's written notice of Final Acceptance will be deemed to constitute Final Acceptance by Equinix of the Services for the Project or any identifiable portion thereof.

9. LIABILITIES OF BECHTEL.

9.1 Bechtel shall perform the Services with that degree of skill and judgment normally exercised by recognized professional engineering firms performing Program Management, Site Identification and Evaluation, Engineering, Construction, Start-Up Support and other Consulting Services of a similar nature, including compliance with applicable federal, state and local laws, ordinances and regulations.

9.2 Liability for Deficient Services.

9.2.1 Bechtel's liability arising out of the performance of the Program Management, Site Identification and Evaluation, and Start-Up Support and other Consulting Services shall be limited to reperforming at its expense any of its professional Services which fail to meet the standard specified in Section 9.1 above ("Deficient Services") of which Bechtel is notified within [*] of Substantial Completion of the applicable Project.

9.2.2 Bechtel's liability arising out of the performance of the Engineering Services which fail to meet the standard specified in Section 9.1 above ("Deficient Services") shall be limited to reperformance of such Deficient Services [*] of which Equinix gives written notice within [*] of Substantial Completion of the applicable Project. Services reperformed, [*] within one year of Substantial Completion will be re-warranted [*] months from the date of reperformance, [*], not to exceed [*] months from Substantial Completion of the applicable Project. Further, the warranty period for deficient Engineering Services related to mechanical and electrical systems (not including security systems and other systems to be mutually agreed) will extend for [*] months from Substantial Completion and any Services reperformed, [*] prior to expiration of this [*] month warranty period will be re-warranted for the remainder of the [*] month warranty period.

9.2.3 Bechtel's liability arising out of the performance of the Construction Services, including any materials or equipment supplied thereunder, which fail to meet the standard specified in Section 9.1 above or otherwise fail to conform to the requirements of this Agreement or industry standards ("Deficient Construction Services") shall be limited to

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reperformance of such Deficient Construction Services and the repair or replacement of any defective materials and equipment of which Equinix gives written notice within [*] of Substantial Completion of the applicable Project. Services reperformed, repairs made and replacement parts installed within one year of Substantial Completion will be re-warranted for [*] months from the date of reperformance, repair or replacement, not to exceed [*] months from

Substantial Completion of the applicable Project. Supplier warranties extending beyond Bechtel's warranty period, if any, will be assigned to Equinix upon expiration of Bechtel's warranty, or earlier at Equinix's option.

9.2.4 Where Bechtel provides Construction Services in connection with the expansion of an IBX constructed by another contractor, Bechtel shall be liable for its Services in accordance with 9.2.3. In addition, Bechtel will assist Equinix in determining the cause of any deficiency observed in the IBX expansion work. If it is determined that Bechtel's work caused the deficiency, Bechtel's warranty obligations as provided in 9.2.3 above will apply. If it is determined that the prior contractor's work caused the deficiency, Bechtel will assist Equinix on a Reimbursable Cost basis in enforcing its warranty rights against such contractor.

9.3 Year 2000 Compliance Warranty.

Bechtel warrants that any Bechtel developed computer product, application or system provided by Bechtel hereunder ("Product"), if any, will be Year 2000 Compliant in all material respects at the time of turnover of the Project. As used in this warranty, the term "Year 2000 Compliant" means that the Product, when configured and used according to the documented instructions on the Project, will, without manual intervention or interruption, either meet the Year 2000 compliance standard set by a recognized industry association or code (such as the American Society for Testing and Materials, the American Standard Code for Information Interchange, or the Institute of Electrical and Electronics Engineers, Inc.) or will:

9.3.1 Correctly handle and process date information before, during and after January 1, 2000, accepting date input, providing date output and performing calculations, including but not limited to sorting and sequencing, on dates or portions of dates;

9.3.2 Function according to the documentation before, during and after January 1, 2000 without changes in operation resulting from the advent of the new century; 9.3.3 When appropriate, respond to two-digit date input in a way that resolves any ambiguity as to century in a disclosed, defined and predetermined manner; 9.3.4 Store and provide output of date information in ways that are unambiguous as to century; and

9.3.3 When appropriate, respond to two-digit date input in a way that resolves any ambiguity as to century in a disclosed, defined and predetermined manner;

9.3.4 Store and provide output of date information in ways that are unambiguous as to century; and

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9.3.5 Manage the leap year occurring in the year 2000, following the quad-centennial rule. The "quad-centennial rule" means (a) if the year is divisible by 4, it is a leap year, unless (b) the year is also divisible by 100, then it is not a leap year, unless (a) the year is also divisible by 400, then it is a leap year.

Bechtel will also use commercially reasonable efforts to require subcontractors and suppliers to warrant Year 2000 Compliance in respect of services and products they supply to the Project.

9.4 Risk of Loss.

Bechtel assumes risk of physical loss of or damage for each Project until turnover of care, custody, and control to Equinix, which will occur upon Substantial Completion. Upon turnover at Substantial Completion, Equinix assumes the risk of loss for each Project and releases Bechtel from liability for physical loss or damage to the Project upon or after Substantial Completion or termination of the Project in the event Equinix chooses to abandon the Project. Except as provided in the first sentence above, Bechtel shall have no liability for loss of or damage to real property owned by Equinix or personal property owned, leased or otherwise in the custody of Equinix and Equinix hereby releases Bechtel therefrom.

9.5 RESERVED.

9.6 Third Party Indemnity

Bechtel will defend Equinix and its officers, directors, employees and

agents against third-party personal injury or property damage claims arising during performance of a Project ("Third-Party Claims") to the extent caused or alleged to have been caused by Bechtel's (or its subcontractors' or suppliers') fault or negligence. Further, Bechtel will indemnify Equinix and its officers, directors, employees and agents against any damages, losses and judgements resulting from such Third-Party Claims to the pro rata extent caused by Bechtel's (or its subcontractors' or suppliers') fault or negligence. If it is determined by final disposition (by settlement or court adjudication) that Equinix's fault or negligence contributed in whole or in part to such Third-Party Claim, Equinix shall share in the costs of defense and resultant damages, losses and/or judgements on a pro rata basis.

9.7 Under no circumstances shall either party be liable to the other for, nor shall either party make claim against the other for, consequential loss or damage, including but not limited to loss or damage resulting from loss of use, loss of profits or revenues, cost of capital, loss of goodwill, claims of customers, or fines and penalties, and Bechtel hereby releases Equinix, and Equinix hereby releases Bechtel and its subcontractors and suppliers of any tier providing equipment, materials or services for the Project, therefrom. This release from liability is not intended to and shall not preclude Bechtel from seeking profit on claims for Work performed.

9.8 Excluding the proceeds of Builder's Risk insurance as provided in

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Section 10.1.4 [*], in no event shall Bechtel's liability to Equinix arising out of or in connection with the Agreement, Task Orders or Contracts, or the Program or Projects, however caused, exceed in the cumulative aggregate [*] and Equinix releases Bechtel from any liability in excess thereof; provided, however, that Bechtel shall have an unlimited obligation to achieve Substantial Completion of each Project for the agreed Lump Sum Price (as adjusted in accordance with the terms of the Agreement).

9.9 The remedies specified in this Agreement are the sole and exclusive remedies of Equinix for liabilities of Bechtel to Equinix arising out of or in connection with this Agreement, Task Orders or Contracts, or the Program or Projects.

9.10 To the maximum extent permitted by law, but no further, the releases from liability, limitations and apportionments of liability, and exclusive remedy provisions expressed throughout this Agreement shall apply even in the event of the of the fault, negligence (in whole or in part), strict liability, breach of contract, or otherwise of the party released or whose liability is waived, disclaimed, limited, apportioned or fixed by such exclusive remedy provision, indemnified or held harmless, and shall extend to such party's related or affiliated entities and its and their directors, officers, employees and agents.

9.11 There are no standards of performance, guarantees or warranties which extend beyond those expressed in this Section 9.0. Bechtel disclaims, and Equinix waives, any implied standards, guarantees or warranties or warranties imposed by law, including warranties of merchantability or fitness for a particular purpose, custom or usage or otherwise, as to any services, or any structure, equipment, machinery, process or system that may result from the Services which are the subject of this Agreement.

10. INSURANCE

10.1 Bechtel shall purchase the following insurance prior to commencement of the Services. Such insurance shall be maintained during the performance of and until Final Completion of each Project, unless otherwise specified below:

10.1.1 Workers' Compensation insurance covering Bechtel's employees as prescribed by law in U. S. jurisdiction(s) where the Services are performed; Voluntary Workers' Compensation insurance, providing California benefits, shall be in effect for work in foreign jurisdictions. The policies shall include Employer's Liability insurance with a limit of \$2,000,000 each accident or disease.

10.1.2 Commercial General Liability insurance, including Automobile Liability, covering third party Bodily Injury and Property Damage Liability, with a primary limit of [*] per Project, [*]. This insurance shall include coverage for bodily injury, personal injury,

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blanket contractual liability, broad form property damage, cross-liability,

products/completed operations, and independent contractors. The policy will also cover third party bodily injury and property damage losses which may result from negligent performance of professional services.

10.1.3 "All Risk" Contractor's Equipment insurance covering physical damage to all personal property (including automotive equipment) owned or hired for use by Bechtel in the performance of the Services.

10.1.4 For each Project, "All Risk" Builder's Risk or Contractors All Risk insurance insuring Equinix (and Equinix's lenders, if so requested by Equinix), Bechtel and all construction subcontractors and suppliers. The insurance will cover the Project and all material and equipment to be incorporated therein on a Replacement Cost basis for the perils of, but not limited to, fire, lightning, wind damage, hail, explosion, riot or civil commotion, collapse, flood, water damage, earthquake, and physical damage resulting from faulty design, materials or workmanship. Also covered for stated sublimits will be property during inland transit or while in storage as well as costs for demolition and debris removal. This insurance will be maintained until Substantial Completion of each Project. Should Bechtel be obligated to pay any deductible under the insurance set forth in this Section 10.1.4, such amounts paid shall be reimbursed by Equinix. For single losses of up to [*], Bechtel shall be the Loss Payee and the proceeds shall be applied to the cost of the repair or reconstruction. For single losses over [*], Owner and Bechtel shall be joint Loss Payees and the proceeds shall be placed in a joint account to be applied to the cost of the repair or reconstruction. Bechtel shall perform the necessary repair or reconstruction work and shall invoice and be compensated in accordance with the terms of Article 6.0. Notwithstanding the foregoing provisions of this section 10.1.4, if following any such loss Equinix elects to abandon a Project and not perform repair or reconstruction, then all the insurance proceeds hereunder for such Project shall be paid to Equinix as Loss Payee.

10.1.5 Should it be required, Bechtel will place insurance for material and equipment to be incorporated into the Projects to cover such property during Ocean/Air Cargo transit to or from foreign locations. The limit of this insurance would be the equipment replacement values and would cover on an "All Risk" basis, including war and strikes, riots and civil commotion.

10.1.6 The above required insurance will respond to all claims for which Bechtel is legally liable at law and under this Agreement. In addition, except for Workers' Compensation and Employer's Liability, the liability policies will name Equinix (and Equinix's lenders, if so requested by Equinix) as an Additional Insured to the extent losses arise out of Bechtel's fault or negligence in the performance of Services under this Contract or Bechtel's defense and indemnity obligations under Section 9.6. The policies shall also provide that they are primary and that any insurance carried by Equinix shall be excess and non-contributing thereto. Equinix shall be a Named Insured on the Builder's Risk policy and the Builder's Risk and Contractor's Equipment policies shall provide insurers' waivers of subrogation in favor of

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Equinix. In lieu of being an additional insured under Bechtel's Commercial General Liability policy, at Equinix's option, Bechtel will also procure (and price into its Lump Sum Price or otherwise be reimbursed for the cost of) Owner's and Contractor's Protective Liability Insurance or O&CP Insurance which will provide coverage for Equinix's individual liability and name Equinix as an Insured at a separate specified limit for liability to third parties for bodily or personal injury or property damage arising out of the Program and the Projects. In lieu of O&CP coverage for jobs outside of the United States, Bechtel will propose liability insurance normally applicable to foreign projects for Equinix to review.

10.1.7 All coverages shall be written on an occurrence basis and maintained without interruption from the commencement of Services until Final Acceptance of all Services under the Program (except as otherwise provided in 10.1.4).

10.1.8 Equinix shall be furnished with satisfactory evidence that the foregoing insurance is in effect and Equinix shall be notified thirty (30) days prior to the cancellation or material change of any such coverage.

10.2 Once a Project achieves Substantial Completion, Equinix shall release Bechtel from any liability for damage to real property owned by Equinix and any personal property owned or leased by Equinix or any other economic loss of whatsoever nature in connection with all owned and leased property and all business operations of Equinix (including but not limited to earthquake loss or damage). Should Equinix insure any of these risks, Bechtel shall be an additional insured on such policies until completion of all IBX Projects and for

a period of one year thereafter. In addition, the policies shall include insurers' waivers of subrogation in favor of Bechtel. Further, as to any real property leased by Equinix, Equinix will use its best efforts to obtain from the Landlord's insurer a waiver of subrogation in favor of Bechtel.

11. PLANS AND TITLE TO WORK

11.1 "Data" Defined.

For the purposes of this Article 11, "Data" means all designs, plans, models, drawings, prints, samples, transparencies, specifications, reports, manuscripts, working notes, documentation, manuals, photographs, negatives, tapes, discs, databases, software, and any other similar items.

11.2 Ownership and Use of Background Data.

All copyrights, design rights, patents, trademarks, trade secrets and other intellectual property rights ("IP Rights") in all Data which Equinix owns or has prepared prior to the date hereof ("Equinix Background Data") shall remain the property of Equinix. All IP Rights in all Data which Bechtel owns or has prepared prior to the date hereof ("Bechtel Background Data") shall remain the property of Bechtel. Each party hereby grants a non-exclusive, irrevocable, royalty-free license to the other party to use, copy, or modify the Background Data of the grantor party solely in connection with the subject matter of this Agreement. Trade secrets

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which underlie either party's Background Data shall be disclosed to the other party to the extent necessary for completion of this Agreement, subject to the obligation to keep such information secret as provided in Section 17 ("Confidentiality") of this Agreement.

11.3 Developed Data

All IP Rights in all Data prepared or developed by Bechtel hereunder ("Developed Data") shall vest in Equinix and shall be utilized only in connection with the subject matter of this Agreement, provided however that the technical concepts in the Developed Data may be utilized by Bechtel without restriction for its engineering, procurement and construction business. All such Developed Data shall be clearly marked, where possible, as Equinix's property. Bechtel shall have the right to prepare generic versions of Developed Data (which shall not contain any proprietary or confidential data or information of Equinix), and all IP Rights in such generic versions shall vest in Bechtel. Bechtel, at Equinix's request, shall furnish a copy of all such Developed Data to Equinix upon completion of Services hereunder. At Equinix's request, Bechtel shall furnish a copy of designs, drawings, plans, specifications, databases and reports in electronic format.

11.4 Software. With respect to Bechtel background software and to

software developed by Bechtel in the course of performing this Agreement, Bechtel shall own the same and shall supply Equinix detailed design documentation and all information reasonably required by Equinix to properly and economically operate and maintain the Facility. If applicable, intellectual property protection agreements and software licenses shall be executed by Equinix before Confidential Information is submitted to Equinix. Unless otherwise agreed, Bechtel does not assume any responsibility for computer hardware or software maintenance after Substantial Completion.

11.5 Transfer of Projects. Equinix's right may be transferred to bona

fide subsequent purchasers of the Projects or to bona fide lessees or operators of the Projects, for use solely in connection with the Facility, but not otherwise.

11.6 All portions of each Project completed or in the course of construction at the jobsite shall be the sole property of Equinix, and the title to such materials, equipment and supplies shall pass immediately to and vest in Equinix upon the happening of any event by which title passes from the vendor or supplier thereof.

11.7 Upon completion of each Project and in accordance with Equinix's instructions, Bechtel shall dispose of surplus material and equipment, the cost of which has been reimbursed to Bechtel, and credit the proceeds to Equinix; or at Equinix's option, Bechtel shall leave such materials and supplies at the Project site for disposition by Equinix.

12. FORCE MAJEURE.

Neither party shall be considered in default in the performance of its

obligations hereunder, except the obligations to make payments hereunder, to the extent that the performance of any such obligation is prevented or delayed by any cause, existing or future, which is beyond

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the reasonable control of such party ("Force Majeure Events"), notwithstanding such party's diligent efforts to mitigate the effects of such Force Majeure Event, including but not limited to the following:

12.1 Changes in law, regulations or permit requirements or other governmental action.

12.2 Delays (not caused by Bechtel) in obtaining permits or other government approvals.

12.3 World events interrupting normal commerce.

12.4 Strike, lockout, or other labor difficulty, the settlement of which shall be within the sole discretion of the party involved.

12.5 Discovery of pre-existing Hazardous Materials (unless Bechtel failed to obtain a Phase I Site Investigation report from the prior Property Owner/Landlord or arrange for an environmental contractor to perform a Phase I Site Investigation, and such pre-existing Hazardous Materials would have been reasonably foreseeable if a Phase I Site Investigation had been obtained or performed).

12.6 Other site conditions not reasonably foreseeable based on data furnished to Bechtel or any investigations conducted by Bechtel (unless such site conditions would have been reasonably foreseeable during an investigation which Bechtel should have reasonably conducted or recommended be conducted under the terms of this Agreement and the applicable circumstances, which investigation Bechtel failed to conduct or recommend be conducted).

12.7 Suspension of the work not due to Bechtel's fault.

12.8 Adverse weather conditions (except that adjustments to schedule shall only apply beyond the number of days included in the applicable Project Construction Schedule).

12.9 Flood, earthquake or other natural disasters.

13. TERM OF AGREEMENT AND TERMINATION.

13.1 Term Of Agreement

The term of this Agreement shall commence as of the Effective Date and shall expire on the fourth (4th) anniversary of the Effective Date, unless extended by the written agreement of the parties. Notwithstanding the expiration of the term of this Agreement, Bechtel shall continue thereafter to perform all Services to achieve Final Completion (defined in Section 8) of all Projects for which Bechtel has commenced Services under a Task Order or Contract prior to the expiration date and the term of the Warrant Agreement is as stated therein.

13.2 Early Termination Of Program.

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13.2.1 Equinix may terminate Bechtel's Services prior to expiration of the Agreement term if Equinix abandons the Program, by giving Bechtel thirty (30) days' prior written notice of such abandonment and early termination, whereupon Bechtel shall:

13.2.1.1 stop the performance of Bechtel's Services hereunder except as may be necessary to carry out such termination;

13.2.1.2 issue no further subcontracts or purchase orders except with the written consent of Equinix;

13.2.1.3 assign to Equinix, upon Equinix's request, all of Bechtel's rights, if any, under subcontracts or purchase orders then outstanding;

13.2.1.4 terminate to the extent possible and at Equinix's request, outstanding subcontracts or purchase orders; and

13.2.1.5 take any other action toward termination of Bechtel's Services which Equinix may reasonably direct.

13.2.2 Upon such termination of the Services, Equinix shall assume and be responsible for all of Bechtel's outstanding contractual obligations, if any,

to third parties in connection with the Program and individual Projects, and Equinix will assume responsibility for and take possession of any work, materials or equipment remaining at the Project sites. Bechtel shall have no liability to Equinix for any portions of the Services which are uncompleted at the time of such termination.

13.2.3 In the event of termination as above provided, Equinix shall compensate Bechtel for all Services performed prior to the termination in accordance with the compensation terms herein, together with costs reasonably incurred by Bechtel as a result of termination Bechtel's documented and reasonable costs of termination (including demobilization costs and cancellation costs under subcontracts and purchase orders) but Bechtel shall not be entitled to receive any anticipated profit for work not performed. In the case of Construction Services, the total amount due to Bechtel for Construction Services performed prior to termination shall bear an equitable ratio to the percentage of Construction Services provided prior to termination.

13.3 Termination For Default. -----

13.3.1 Bechtel Default. -----

13.3.1.1 Equinix may terminate the Agreement in its entirety for Bechtel's default if Bechtel fails in the performance of any material obligation under the Agreement or any Task Order or Contract, provided that Bechtel has been given written notice of the cause and a reasonable opportunity (30 days) to cure the default. Equinix may also elect to terminate individual Task Orders or Contracts (as opposed to the entire Agreement) for Bechtel's

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default, provided that Bechtel has been given written notice of the cause and a reasonable opportunity (30 days) to cure the default.

13.3.1.2 In the event of a termination of Bechtel for default, Equinix shall compensate Bechtel for all Services properly performed prior to the termination in accordance with the compensation terms herein. In the case of Construction Services, Bechtel shall be compensated for all Construction Services properly performed prior to termination in an amount which bears an equitable ratio to the percentage of Construction Services provided prior to termination. However, Bechtel shall be liable to pay Equinix any reasonable excess costs incurred by Equinix to have the Projects, under construction by Bechtel at the time of termination, completed.

13.3.2 Equinix Default. -----

13.3.2.1 Bechtel may terminate this Agreement for Equinix's default if Equinix fails to make timely payments of undisputed amounts due, or if Equinix fails in the performance of any other material obligation under the Agreement or any Task Order or Contract, provided that Equinix has been given written notice of the cause and a reasonable opportunity (30 days) to cure the default.

13.3.2.2 In the event of termination as above provided, Equinix shall compensate Bechtel for all Services performed prior to the termination in accordance with the compensation terms herein, together with costs reasonably incurred by Bechtel as a result of termination Bechtel's documented and reasonable costs of termination (including demobilization costs and cancellation costs under subcontracts and purchase orders). In the case of Construction Services, the total amount due to Bechtel for Construction Services performed prior to termination shall bear an equitable ratio to the percentage of Construction Services provided prior to termination.

14. SUSPENSION OF SERVICES. -----

14.1 Equinix may suspend the performance of Bechtel's Services under the Agreement or individual Task Orders or Contracts, in whole or in part, at any time and from time to time upon ten (10) days' prior written notice of such suspension. Thereafter Bechtel shall resume the full performance of such suspended Services when directed to do so by reasonable notice from Equinix.

14.2 In the event of suspension of the performance of Services at Equinix's request, Bechtel shall be entitled to reimbursement for additional costs reasonably incurred by Bechtel in suspending the Services and during the period of suspension, and in reactivating the Services after the end of the suspension period to the extent that such additional costs are incurred. In addition, Bechtel shall be entitled to an equitable adjustment in compensation and schedule to the extent impacted by any suspension.

14.3 Bechtel may suspend the performance of its Services under this Agreement, in whole or in part, if Equinix fails to make timely payments of undisputed amounts

due for a period of thirty (30) days after the date payment is due, provided that Equinix has been given five (5) days prior written notice of such suspension.

14.4 In the event any suspension by Equinix of the Services for a specific Project exceeds [*] days in the aggregate, Bechtel may terminate its obligation to perform the Services as to such Project, without thereby being in default and without prejudice to any of its rights or remedies under this Agreement, including interest, by so notifying Equinix in writing and the provisions of the Section entitled "Termination - Equinix Default" shall apply to such termination.

15. PATENT INFRINGEMENT.

Bechtel will indemnify and hold harmless Equinix from all claims arising out of or in connection with any patent infringements or claims thereof, pertaining to the use of any equipment, material, processes or work furnished by Bechtel or its subcontractors and suppliers. Equinix will indemnify and hold harmless Bechtel and its subcontractors and suppliers from all claims arising out of or in connection with any patent infringements or claims thereof, pertaining to the use of any equipment, material, processes or work specified or furnished by Equinix.

16. NOTICES AND AUTHORIZED REPRESENTATIVES.

16.1 Any notice provided for or required hereunder shall be given to the following:

To Equinix: Equinix
901 Marshall Street
Redwood City, California 94063
Attn: Roy Earle
Vice President IBX Development
FAX: 650-298-0420

To Bechtel: Bechtel Corporation
50 Beale Street
San Francisco, California 94119-3965
Attn: Thomas R. McKinney
Principal Vice President
FAX: 415-768-5253

or to such other persons or address as either of the parties shall substitute by notice given as herein required. Except as regards the notice required by the Section entitled "Final Acceptance", such notice shall be given as specified in project procedures.

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16.2 At all times during the term of this Agreement, Bechtel and Equinix will each have a single point of contact available who will be authorized and empowered to act for and on behalf of each on matters within the terms of this Agreement. Each party will notify the other in writing of its representative and this appointment will remain in full force and effect until written notice of substitution is delivered to the other party.

17. CONFIDENTIALITY.

17.1 Nondisclosure.

Any information provided by either party to the other during the term of this Agreement that is designated in writing by the disclosing party as confidential shall be held in confidence by the receiving party for a period [*] following the date of disclosure. During such period, the receiving party shall not disclose such information to third parties except with the prior permission of the disclosing party; provided that such restrictions shall not apply to the extent the receiving party can demonstrate that such information was (a) previously in the possession of the receiving party, or (b) obtained by the receiving party from a third party not subject to restriction on its disclosure, or (c) in the public domain through no fault of the receiving party. This Agreement and attachments hereto, and any Task Orders or Contracts entered into hereunder shall be treated as confidential by both parties.

17.2 Government Disclosure.

In the event a party's confidential information is required to be disclosed by the other party to any government authority, the receiving party shall cooperate with the disclosing party to minimize the disclosure and to obtain the maximum available protection against disclosure outside the government authority. In the event Equinix is required to disclose this Agreement to the SEC in connection with a Public Offering, Equinix and Bechtel will consult and agree in advance on which sections of the Agreement will be redacted and filed separately with the SEC.

17.3 Bechtel Affiliates.

Disclosure of Equinix's confidential information by Bechtel to its affiliated companies shall not be considered a violation of Section 17.1 above, in consideration of which Bechtel guarantees compliance by such affiliates with Bechtel's obligations under Section 17.1.

18. DISPUTE RESOLUTION.

18.1 The parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement promptly by negotiations between executives of the parties. If a controversy or claim should arise, the designated Project Managers for Equinix and

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Bechtel will meet at least once and will attempt to resolve the matter. Either Project Manager may request the other to meet within fourteen (14) days, at a mutually agreed time and place. If the matter has not been resolved within twenty (20) days of their first meeting, the Project Managers shall refer the matter to senior executives, who shall have authority to settle the dispute (herein called "the Senior Executives"). Thereupon, the Project Managers shall promptly prepare and exchange memoranda stating the issues in dispute and their positions, summarizing the negotiations which have taken place and attaching relevant documents. The Senior Executives will meet for negotiations within fourteen (14) days of the end of the twenty (20) day period referred to above, at a mutually agreed time and place.

18.2 If the matter has not been resolved within thirty (30) days of the meeting of the Senior Executives, the parties will attempt in good faith to resolve the controversy or claim in accordance with the Center for Public Resources Model Procedure for Mediation of Business Disputes.

18.3 If the matter has not been resolved pursuant to the aforesaid mediation procedure within sixty (60) days of the commencement of such procedure, or if either party will not participate in mediation, then the following shall occur. As to disputes involving Projects located in the United States, either party may pursue resolution through litigation in any court of competent jurisdiction with venue in the State of California. As to disputed involving Projects located outside the United States, either party may pursue resolution through binding arbitration under the Rules of Arbitration of the International Chamber of Commerce.

18.4 All deadlines specified in this Article 18 may be extended by mutual agreement. The procedures specified in this Article 18 shall be the sole and exclusive procedures for the resolution of disputes between the parties arising out of or relating to this Agreement; provided, however, that a party may seek a preliminary injunction or other preliminary judicial relief if in its judgment such action is necessary to avoid irreparable damage. Despite such action the parties will continue to participate in good faith in the procedures specified in this Article 18. All applicable statutes of limitation shall be tolled while the procedures specified in this Article 18 are pending. The parties will take such action, if any, required to effectuate such tolling.

19. TRANSFER OF OWNERSHIP.

Equinix represents that it is the sole owner of the Program and each Project and that any other direct owner or co-owner of any Project (whether an LLC, partnership, or other form of joint venture between an affiliate or branch of Equinix and a third party) will be bound by the terms and conditions of this Agreement, including the releases and limitations of liability set forth in this Agreement such that the total aggregate liability of Bechtel to Equinix and such recipients shall not exceed the limits of liability set forth in this Agreement.

If the owner of a Project is a General Partnership between an Equinix affiliate and third party General Partner(s), the applicable Contract will be signed by all General Partners. Further, Equinix represents that in the event of a transfer of ownership, it will use best efforts to bind all future owners of the

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Program or individual Projects to the releases and limitations of liability set forth in this Agreement.

20. ASSIGNMENT AND SUBCONTRACTS.

20.1 This Agreement shall not be assigned by either party without the prior written approval of the other, which approval shall not be unreasonably withheld.

20.2 Bechtel may subcontract portions of the Services, or delegate its authority to act as Equinix's agent, to its related or affiliated entities without the prior approval of Equinix. Bechtel guarantees such entities' compliance with the requirements of this Agreement, provided that the limitations on Bechtel's liability set forth in this Agreement constitute the aggregate limit of liability of Bechtel and its related or affiliated entities to Equinix, and Equinix agrees to hold only Bechtel responsible for any failure to so comply.

20.3 Except for those subcontractors and suppliers designated in writing by Equinix, subcontractors and suppliers will be determined by Bechtel. Provided that Equinix has made payments in accordance with the terms of this Agreement, Bechtel will promptly discharge any Subcontractor mechanic's liens that may be filed against the Project. If Bechtel is unable to negotiate subcontract terms with any subcontractor or supplier designated in writing by Equinix which terms are materially consistent with this Prime Contract and Bechtel's standard subcontract terms, Bechtel's obligations and responsibilities with respect to the services performed or materials and equipment supplied by such subcontractor or supplier shall be modified to the extent of any such material inconsistency and Bechtel shall be entitled to an adjustment to cost and schedule to the extent impacted by any such material inconsistency.

21. PUBLIC RELEASES.

Bechtel shall not make public announcements or publicity releases related to the Project without Equinix's prior approval. Notwithstanding the foregoing, Bechtel shall have the right to make an appropriate response without the approval of Equinix, having due regard for Equinix's interests, in the event the public news media publishes any information or commentary which in Bechtel's opinion may affect its commercial, financial or legal interests.

22. EXCLUSIVITY.

22.1 The parties intend that Bechtel be Equinix's exclusive contractor for the Program world-wide. However, it is recognized that it may be in the best interest of the Program for Equinix to have other contractors perform certain services for specific Projects from time to time. In such an event, it is anticipated that the other contractor's services will be provided as a direct subcontractor to Bechtel; if this cannot be achieved, Bechtel will provide general oversight of such contractor's services as Equinix's representative and receive equitable compensation.

22.2 Bechtel (here meaning Bechtel Group, Inc. and any of its wholly-owned subsidiaries) agrees not to perform for others services substantially similar to those provided

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under this Agreement in connection with the construction of IBX's (as defined below) through [*], provided, however, that this restriction shall not apply to: [*] .

22.3 Bechtel may request that the exclusivity obligations under Section 22.2 terminate after [*] months and Equinix shall not unreasonably withhold its approval of such request. Equinix's remedy for any breach of Section 22.2 shall be limited to injunctive relief.

22.4 For purposes of Section 22.2, an "IBX" shall be defined as follows: A facility, the principal purpose of which is to provide colocation services for Internet Protocol ("IP") network connection equipment such as routers and servers.

23. ENTERPRISE INCENTIVE.

23.1 Concurrently with Bechtel's and Equinix' execution and delivery of

this Agreement, Equinix has delivered to Bechtel a Warrant to Purchase Common Stock of Equinix, Inc. (the "Warrant") in the form of Appendix B, attached hereto and made a part hereof, for the purchase of up to two hundred and thirty-five thousand (235,000) shares of Common Stock of Equinix. The Warrant is exercisable with respect to 235,000 shares of Common Stock upon the Effective Date of this Agreement. With respect to [*] shares of Common Stock, the exercisability of the Warrant is subject to downward adjustments if Bechtel fails to meet certain performance obligations described in the Warrant and elsewhere herein. With respect to the remaining [*] shares of Common Stock (the "Initial Shares"), the parties agree (i) that the Warrant has been issued to Bechtel as compensation to mobilize the initial Program Management Team and to provide reimbursable Services to be agreed to by Equinix and Bechtel for the structuring of further program management, engineering or construction concepts which shall further Equinix's development plans; (ii) that Bechtel has no further obligations in order for the Warrant to be exercisable with respect to such Initial Shares; and (iii) that Equinix expects no other action on the part of Bechtel for the Warrant to be exercisable with respect to such Initial Shares. All share amounts referred to in this paragraph are subject to adjustment as described in the Warrant.

23.2 With respect to the [*] shares of the Common Stock which are subject to downward adjustment in connection with the first [*] separate committed Projects (whether new or expansion Projects), hereinafter defined as the "Earn-Out Shares", the parties anticipate that such [*] Projects will be completed in less than four years from the effective date of this Agreement. The parties will meet twice a year in January and June to review the schedule and determine whether it appears that fewer than [*] Projects will be completed within such four year period based on the latest Project Schedule. If the number of additional Projects scheduled to awarded to Bechtel for construction and completion within such four year period, together with Projects previously awarded for completion within such four year period, is less than [*], the parties will reallocate the Earn-Out Shares on a pro rata basis among the Projects previously awarded and those scheduled to be awarded and completed within such four year period. The

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Warrant Agreement will be amended to reflect such reallocation. Once a particular Project has achieved Substantial Completion, any additional shares which may have been allocated to that Project pursuant to the second preceding sentence shall not be subject to divesting in the event of any subsequent upward revision of the aggregate number of Projects completed and expected to be completed. The aggregate number of Earn-Out Shares shall not be reduced for any reason, including without limitation Equinix' failure to award the expected number of Projects during the term of this Agreement, [*].

24. NO THIRD PARTY BENEFICIARIES.

This Agreement is for the benefit of the parties and their respective successors and permitted assigns and there are no third party beneficiaries.

25. CALENDAR DAYS.

Unless expressly provided otherwise herein, all references to "days" in this Agreement shall refer to calendar days.

26. FAIR OPERATION OF CONTRACT.

In entering into this Agreement, Equinix and Bechtel recognize that it is impracticable to make provision for every contingency which may arise during the life of this Agreement. Equinix and Bechtel concur in the principle that this Agreement shall operate between them with fairness and if, in the course of the performance of this Agreement an infringement of this principle is anticipated or disclosed, then Equinix and Bechtel shall promptly consult together in good faith in an endeavor to agree upon such action as may be necessary to remove the cause or causes of such infringement.

27. APPLICABLE LAW.

Throughout the course of this Agreement, the parties will comply with all applicable laws, ordinances and regulations relating to the Agreement and its performance. This Agreement shall be interpreted under and governed by the law of the State of California.

28. SUCCESSORS AND ASSIGNS.

This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

29. SEVERABILITY.

In the event that any of the provisions, or portions, or applications thereof, of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction,

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Equinix and Bechtel shall negotiate an equitable adjustment in the provisions of this Agreement with a view toward effecting the purpose of this Agreement and the validity and enforceability of the remaining provisions, or portions, or applications thereof, shall not be affected thereby.

30. ENTIRE AGREEMENT.

30.1 Any Services provided for herein which were performed or caused to be performed by Bechtel prior to the effective date of this Agreement shall be deemed to have been performed under this Agreement. This Agreement constitutes the entire agreement between the parties hereto relating to the subject matter hereof, and supersedes any previous agreements or understandings. The printed terms and conditions contained in purchase orders, work orders, or other documents issued by Equinix to Bechtel with respect to the Services shall be of no force and effect and shall be superseded by the terms and conditions contained in this Agreement.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement on the day and year written below, but effective as of the Effective Date first written above.

EQUINIX, INC.

By: /s/ [signature illegible]

Title: _____

Date: _____

BECHTEL CORPORATION

By: /s/ [signature illegible]

Title: _____

Date: _____

APPENDIX A

RECOVERABLE COSTS

Equinix shall compensate Bechtel for all costs and expenses incurred by Bechtel in connection with the performance of the Program Management, Site Identification and Evaluation, Engineering, Construction and Start-up Support and other Consulting Services on a time and material basis in accordance with the following:

1. LABOR UNIT RATES.

1.1 Bechtel shall be reimbursed for Services performed by its personnel in accordance with the Labor Unit Rates set forth in the following Labor Unit Rate Schedule:

Unit Rate Schedule*

Classification	Labor Unit Rate Per Hour
32	\$[*]
31	\$[*]
30	\$[*]
29	\$[*]

28	\$[*]
27	\$[*]
26	\$[*]
25	\$[*]
24	\$[*]
23	\$[*]
22	\$[*]
21	\$[*]
H	\$[*]
G	\$[*]
F	\$[*]

* [*]

The Program Manager, Business Manager, Construction Manager and Contracts Manager will typically have payroll grades of [*].

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The Procurement Manager and Engineering Manager will typically have payroll grades of [*].

The Site Managers and Project Engineers will typically have payroll grades of [*].

Cost and Schedule Engineers will typically have payroll classifications of [*].

Administration and Clerical personnel will typically have payroll grades of [*].

Senior management personnel above grade 32 will be charged at grade [*] Unit Rates.

These Labor Unit Rates are applicable to US labor only, and specific Labor Unit Rates will be developed and agreed upon in separate Contracts for international Projects.

Beginning 1/1/01, Labor Unit Rates will be adjusted annually by [*] to account for salary escalation.

The Labor Unit Rates include salary, payroll additives for benefits, overheads, profit, and allowance for supplies, materials, and reprographics at established offices; and non-standard communications equipment (cell phones).

2. A.2 OTHER DIRECT COSTS:

Other Direct Costs (ODCs) incurred in the performance of the Services will be invoiced [*] and include:

2.1 Costs incurred for travel, subsistence, relocation and return of personnel engaged in performance of the Services.

2.2 Costs of all equipment (including computers, reproduction, facsimile, standard communication), materials, communications, and supplies.

2.3 Costs associated with consultants, subcontractors, suppliers, vendors, and other contractors with whom Bechtel contracts.

2.4 Costs of establishing temporary facilities required to perform and support the Services including temporary structures, local transportation and communication, and other facilities required for the welfare of field personnel.

2.5 All federal, state and local taxes, and all other taxes, assessments, levies, imposts, duties, excises and licenses, excepting only taxes levied solely on net income.

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2.6 Other direct costs and expenses incurred by Bechtel in the performance of the Services which are not specifically set forth herein with Equinix's prior approval, which approval shall not be unreasonably withheld.

2.7 Equinix will provide at Equinix's expense office facilities, equipment, materials, supplies, and communication services for the Bechtel Program Team personnel resident at their headquarters in Redwood City.

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APPENDIX B

THIS WARRANT AND THE SECURITIES ISSUABLE UPON THE EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SUCH ACT.

WARRANT TO PURCHASE COMMON STOCK
of
EQUINIX, INC.

Void after November 3, 2004

This Warrant is issued to Bechtel Corporation, or its registered assigns ("Holder") by Equinix, Inc., a Delaware corporation (the "Company"), on November 3, 1999 (the "Warrant Issue Date"). This Warrant is issued pursuant to the terms of that certain Master Agreement dated as of the date hereof (the "Master Agreement"). In consideration of the Holder executing the Master Agreement and in consideration of the mutual covenants and agreements contained herein, the Company and the Holder agree as follows:

1. Purchase of Shares. Subject to the terms and conditions hereinafter

set forth and set forth in the Master Agreement, the Holder is entitled, upon surrender of this Warrant at the principal office of the Company (or at such other place as the Company shall notify the holder hereof in writing), to purchase from the Company from time to time up to two hundred thirty-five thousand (235,000) fully paid and nonassessable shares of Common Stock of the Company, as constituted on the Warrant Issue Date (the "Common Stock"). The number of shares of Common Stock issuable pursuant to this Section 1 (the "Shares") shall be subject to adjustment pursuant to Section 9 hereof.

2. Exercise Price. The purchase price for the Shares shall be \$1.50

per share, as adjusted from time to time pursuant to Section 9 hereof (the "Exercise Price").

3. Exercise Period and Escrow. This Warrant shall be exercisable, in

whole or in part, at any time after the date hereof and prior to 5:00 p.m. on November 3, 2004. Notwithstanding the term of this Warrant fixed pursuant to the preceding sentence, the right to purchase Common Stock as granted herein shall expire, if not previously exercised, immediately upon the closing of a merger or consolidation of the Company with or into another corporation when the Company is not the surviving corporation, or the sale of all or substantially all of the

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Company's properties and assets to any other person, provided that Holder realizes in such merger, consolidation or sale a value for its shares equal to or greater than three (3) times the Exercise Price for such shares (the "Threshold") in connection therewith, (the "Termination Event"). The Threshold shall be adjusted in tandem with each adjustment in the Exercise Price hereunder. In the event of a proposed transaction of the kind described above, the Company shall notify the holder of this Warrant at least fifteen (15) days prior to the consummation of such Termination Event. If such closing does not take place, the Company shall promptly notify the Holder that the proposed Termination Event has been terminated and the Holder may rescind any exercise of this Warrant which occurred after the Company first notified the Holder of the Termination Event. In the event of such rescission, this Warrant will continue to be exercisable on the same terms and conditions contained herein. If this Warrant is exercised with respect to any of the Shares prior to Substantial Completion of the Project (as such terms are defined in the Master Agreement) to which such Shares apply, as provided in Section 9(d) hereof, the certificates for the such Shares shall be deposited in escrow with the Company's legal counsel, Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP, to be held until achievement of Substantial Completion of the Project to which such Shares apply. The Shares held in escrow hereunder shall be (i) surrendered to the Company for repurchase and cancellation in the event Holder does not achieve Substantial Completion of the Project, as required, or (ii) released to Holder upon (a) Holder's Substantial Completion of the Project, (b) reallocation of additional Shares to Project(s) for which Substantial Completion has already occurred, as described in section 9(d) below, or (c) the fifth anniversary of this warrant, as to any residual Shares which have not been previously surrendered or released under (i) or (ii) above, except to the extent that any

such Shares were not subject to reallocation because they were attributed to a Project the award of which was delayed beyond the first four years of the Master Agreement as the result of Bechtel's substantial and material breach of its obligations under the Master Agreement.

4. Method of Exercise. While this Warrant remains outstanding and

exercisable in accordance with Section 3 above, the Holder may exercise, in whole or in part from time to time, the purchase rights evidenced hereby. Such exercise shall be effected by:

(a) the surrender of this Warrant, together with a duly executed copy of the form of Notice of Election attached hereto, to the Secretary of the Company at its principal offices; and

(b) the payment to the Company of an amount equal to the aggregate Exercise Price for the number of Shares being purchased, which may be paid by cash, check, wire transfer or by the surrender of promissory notes or other instruments representing indebtedness of the Company to the Holder.

5. Net Exercise. In lieu of exercising this Warrant pursuant to Section

4, the Holder may elect to receive, without the payment by the Holder of any additional consideration, shares of Common Stock equal to the value of this Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with notice of such election, in which event the Company shall issue to the holder hereof a number of shares of Common Stock computed using the following formula:

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$$X = \frac{Y (A - B)}{A}$$

Where: X = The number of shares of Common Stock to be issued to the Holder pursuant to this net exercise;

Y = The number of Shares in respect of which the net issue election is made;

A = The fair market value of one share of the Common Stock at the time the net issue election is made;

B = The Exercise Price (as adjusted to the date of the net issuance).

For purposes of this Section 5, the fair market value of one share of Common Stock as of a particular date shall be determined as follows: (i) if traded on a securities exchange or through the Nasdaq National Market, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the thirty (30) day period ending three (3) days prior to the net exercise election; (ii) if traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the thirty (30) day period ending three (3) days prior to the net exercise; and (iii) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors of the Company; provided, that, if this Warrant is being exercised upon the closing of the Company's initial public offering of Common Stock, the value will be the initial "Price to Public" of one share of such Common Stock specified in the final prospectus with respect to such offering, and provided, further, that if this Warrant is being exercised at a time in which the Company is in the process of merging, being acquired or selling all or substantially all of its assets, the value will be the value to be received by the holders of the Company's Common Stock for each share of such Common Stock pursuant to such transaction.

6. "Easy Sale" Exercise. In lieu of the payment methods set forth in

Sections 4 and 5 above, when permitted by law and applicable regulations (including Nasdaq Stock Market and National Association of Securities Dealers, Inc. ("NASD") rules), the Holder may pay the Exercise Price through a "same day sale" commitment from the Holder (and if applicable a broker-dealer that is a member of the NASD (an "NASD Dealer")), whereby the Holder irrevocably elects to exercise this Warrant and to sell a portion of the Common Stock so purchased to pay for the Exercise Price and the Holder (or, if applicable, the NASD Dealer) commits upon sale (or, in the case of the NASD Dealer, upon receipt) of such Common Stock to forward the Exercise Price directly to the Company.

7. Certificates for Shares. Upon the exercise of the purchase rights

evidenced by this Warrant, one or more certificates for the number of Shares so purchased shall be issued in the name of the Holder (or as the Holder may direct) as soon as practicable thereafter (with appropriate restrictive legends, if applicable), and in any event within ten (10) days of the delivery of the Notice of Election.

8. Representations and Warranties. The Company hereby represents and

 warrants to Holder as follows:

(a) Corporate Power. The Company has all requisite legal and

 corporate power to execute and deliver this Warrant, to issue the Shares and to
 carry out and perform its obligations under the terms of this Warrant.

(b) Authorization. All corporate action on the part of the Company,

 its directors and stockholders necessary for the authorization, execution,
 delivery and performance of this Warrant by the Company, the authorization, sale
 issuance and delivery of the Shares and the performance of all of the Company's
 obligations under this Warrant has been taken. This Warrant, when executed and
 delivered by the Company, shall constitute a valid and binding obligation of the
 Company enforceable against the Company in accordance with its terms. The Shares
 issuable upon exercise of this Warrant have been duly and validly reserved and,
 when issued in compliance with the provisions of this Warrant, will be validly
 issued and will be fully paid and nonassessable and will have the rights,
 preferences and privileges described in the Company's Amended and Restated
 Certificate of Incorporation (the "Restated Certificate"). The Shares, when
 issued upon exercise of this Warrant, will be free of any liens or encumbrances
 other than those created by or imposed upon the holders thereof through no
 action of the Company; provided, however, that the Shares may be subject to
 restrictions on transfer under state and/or federal securities laws. The Common
 Stock is not subject to any preemptive rights.

9. Adjustment of Exercise Price and Number of Shares. The number of and

 kind of securities purchasable upon exercise of this Warrant and the Exercise
 Price shall be subject to adjustment from time to time as follows:

(a) Subdivisions, Combinations and Other Issuances. If the Company

 shall at any time prior to the expiration of this Warrant subdivide its Common
 Stock, by split-up or otherwise, or issue additional shares of its Common Stock
 as a dividend with respect to any shares of its Common Stock, the number of
 Shares issuable on the exercise of this Warrant shall forthwith be
 proportionately increased in the case of a subdivision or stock dividend, or
 proportionately decreased in the case of a combination. Appropriate adjustments
 shall also be made to the Exercise Price, but the aggregate Exercise Price
 payable for the total number of Shares purchasable under this Warrant (as
 adjusted) shall remain the same. Any adjustment under this Section 9(a) shall
 become effective at the close of business on the date the subdivision or
 combination becomes effective, or as of the record date of such dividend, or in
 the event that no record date is fixed, upon the making of such dividend.

(b) Reclassification, Reorganization and Consolidation. In case of

 any reclassification, capital reorganization, or change in the Common Stock of
 the Company (other than as a result of a subdivision, combination, or stock
 dividend provided for in Section 9(a) above), then, as a condition of such
 reclassification, reorganization, or change, lawful provision shall be made, and
 duly executed documents evidencing the same from the Company or its successor
 shall be delivered to the Holder, so that the Holder shall have the right at any
 time prior to the expiration of this Warrant to purchase, at a total price equal
 to that payable upon the

the exercise of this Warrant, the kind and amount of shares of stock and other
 securities and property receivable in connection with such reclassification,
 reorganization, or change by a holder of the same number of shares of Common
 Stock as were purchasable by the Holder immediately prior to such
 reclassification, reorganization, or change. In any such case appropriate
 provisions shall be made with respect to the rights and interest of the Holder
 so that the provisions hereof shall thereafter be applicable with respect to any
 shares of stock or other securities and property deliverable upon exercise
 hereof, and appropriate adjustments shall be made to the Exercise Price payable
 hereunder, provided the aggregate Exercise Price shall remain the same.

(c) Adjustment for Capital Reorganization, Merger or Consolidation.

 In case of any capital reorganization of the capital stock of the Company
 (other than a combination, reclassification, exchange or subdivision of shares
 otherwise provided for herein), or any merger or consolidation of the Company
 with or into another corporation whether or not the Company is the surviving
 corporation, or the sale of all or substantially all of the assets of the
 Company other than a Termination Event as defined in Section 3 hereof, then, and
 in each such case, as a part of such reorganization, merger, consolidation, sale
 or transfer, lawful provision shall be made so that the Holder of this Warrant

shall thereafter be entitled to receive upon exercise of this Warrant, during the period specified herein and upon payment of the Exercise Price then in effect, the number of shares of stock or other securities or property of the successor corporation resulting from such reorganization, merger, consolidation, sale or transfer that the Holder would have been entitled to if this Warrant had been exercised immediately before such reorganization, merger, consolidation, sale or transfer, all subject to further adjustment as provided in this Section 9. The foregoing provisions of this Section 9(c) shall similarly apply to successive reorganizations, consolidations, mergers, sales and transfers and to the stock or securities of any other corporation that are at the time receivable upon the exercise of this Warrant. If the per share consideration payable to the Holder hereof for shares in connection with any such transaction is in a form other than cash or marketable securities, then the value of such consideration shall be determined in good faith by the Company's Board of Directors. In all events, appropriate adjustment (as determined in good faith by the Company's Board of Directors) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after the transaction, to the end that the provisions of this Warrant shall be applicable after that event to the greatest extent possible.

(d) Adjustment for Delays Under the Master Agreement. [*] of the

shares issuable upon exercise of this Warrant shall be equally allocated to the first [*] committed Projects (as defined in the Master Agreement) and shall be subject to downward adjustment in the event that Holder fails to timely meet its obligation to achieve Substantial Completion (as defined in the Master Agreement) of any such Projects (whether new or expansion projects) by the Guaranteed Completion Date (as defined in the Master Agreement). The number of shares of Common Stock purchasable upon exercise of this Warrant shall be adjusted as follows, based on an allocation of [*] shares of Common Stock per Project (the "Full Allocation") and the number

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of days of delay in achieving Substantial Completion of such Project beyond the Guaranteed Completion Date for such Project:

(e)

0 to 14 days delay: [*] adjustment
15 to 30 days delay: [%] of Full Allocation adjustment per day
31 days or more delay: additional [%] of Full Allocation adjustment per day after the 31st day to a maximum adjustment of [%] of the Full Allocation

With respect to the [*] shares which are subject to downward adjustment in connection with the first eighteen separate committed Projects, hereinafter defined as the "Earn-Out Shares", the parties anticipate that such [*] Projects will be completed in less than four years from the effective date of this Agreement. The parties will meet twice a year in January and June to review the schedule and determine whether it appears that fewer than [*] Projects will be completed within such four year period based on the latest Project Schedule. If the number of additional Projects scheduled to awarded to Holder for construction and completed within such four year period, together with Projects previously awarded for completion within such four year period, is less than [*] except to the extent that any such delay in the award of one or more Projects is caused by Bechtel's substantial and material breach of its obligations under the Master Agreement, the parties will reallocate the Earn-Out Shares on a pro rata basis among the Projects previously awarded and those scheduled to be awarded and completed within such four year period and this Warrant Agreement will be amended to reflect such reallocation. Once a particular Project has achieved Substantial Completion, any additional shares which may have been allocated to that Project pursuant to the second preceding sentence shall not be subject to divesting in the event of any subsequent upward revision of the aggregate number of Projects completed or expected to be completed. The aggregate number of Earn-Out Shares shall not be reduced for any reason, including without limitation the Company's failure to award the expected number of Projects during the term of this Agreement, except to the extent that any such delay in the award of one or more Projects is caused by Bechtel's substantial and material breach of its obligations under the Master Agreement.

(f) Repurchase of Shares. In the event of a downward adjustment

after Holder has exercised this Warrant, the Company shall be entitled to repurchase the shares subject to the downward adjustment at the exercise price.

(g) Notice of Adjustment. When any adjustment is required to be made

in the number or kind of shares purchasable upon exercise of this Warrant, or in

the Exercise Price, the Company shall promptly notify the holder of such event and (i) of the number

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of shares of Common Stock or other securities or property thereafter purchasable upon exercise of this Warrant and (ii) the Exercise Price after such adjustment.

10. Registration Rights. Holder shall be entitled to all of the rights

set forth in Section 1 of the Amended and Restated Investors' Rights Agreement (the "Investors' Rights Agreement") dated August 26, 1999 among the Company, Holder and certain other Investors (as defined therein) on the terms and conditions set forth therein, as if such terms and conditions were set forth in this Warrant. In furtherance of the preceding sentence, the Company and Holder agree that the Shares issuable upon exercise of this Warrant are "Registrable Securities," as that term is defined in the Investors' Rights Agreement. The Company shall provide Holder with all notices and information at the time and to the extent it is required to do so pursuant to Section 1 of the Investors' Rights Agreement.

11. No Fractional Shares or Scrip. No fractional shares or scrip

representing fractional shares shall be issued upon the exercise of this Warrant, but in lieu of such fractional shares the Company shall make a cash payment therefor on the basis of the Exercise Price then in effect.

12. No Stockholder Rights. Prior to exercise of this Warrant, the Holder

shall not be entitled to any rights of a stockholder with respect to the Shares, including (without limitation) the right to vote such Shares, receive dividends or other distributions thereon, exercise preemptive rights or be notified of stockholder meetings, and such holder shall not be entitled to any notice or other communication concerning the business or affairs of the Company. However, nothing in this Section 12 shall limit the right of the Holder to be provided the Notices required under this Warrant or the Master Agreement.

13. Transfers of Warrant. Subject to compliance with applicable federal

and state securities laws, this Warrant and all rights hereunder are transferable in whole or in part by the Holder to any person or entity upon written notice to the Company. The transfer shall be recorded on the books of the Company upon the surrender of this Warrant, properly endorsed, to the Company at its principal offices, and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. In the event of a partial transfer, the Company shall issue to the holders one or more appropriate new warrants.

14. Successors and Assigns. The terms and provisions of this Warrant and

the Master Agreement shall inure to the benefit of, and be binding upon, the Company and the Holders hereof and their respective successors and assigns.

15. Amendments and Waivers. Any term of this Warrant may be amended and

the observance of any term of this Warrant may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Company and the Holder.

16. Reservation of Stock. The Company will at all times reserve and keep

available, solely for the issuance and delivery upon the exercise of this Warrant, such shares of

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Common Stock and other stock, securities and property, as from time to time shall be issuable upon the exercise of this Warrant.

17. Notices. All notices required under this Warrant and shall be deemed

to have been given or made for all purposes (i) upon personal delivery, (ii) upon confirmation receipt that the communication was successfully sent to the applicable number if sent by facsimile; (iii) one day after being sent, when sent by professional overnight courier service, or (iv) five days after posting when sent by registered or certified mail. Notices to the Company shall be sent to the principal office of the Company (or at such other place as the Company shall notify the Holder hereof in writing). Notices to the Holder shall be sent to the address of the Holder on the books of the Company (or at such other place as the Holder shall notify the Company hereof in writing).

18. Replacement of Warrants. Upon receipt of evidence reasonably

satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and (in the case of loss, theft or destruction) upon delivery of an indemnity agreement in an amount reasonably satisfactory to the Company, or (in the case of mutilation) upon surrender and cancellation of this Warrant, the Company will issue, in lieu thereof, a new Warrant of like tenor.

19. Attorneys' Fees. If any action of law or equity is necessary to

enforce or interpret the terms of this Warrant, the prevailing party shall be entitled to its reasonable attorneys' fees, costs and disbursements in addition to any other relief to which it may be entitled.

20. Captions. The section and subsection headings of this Warrant are

inserted for convenience only and shall not constitute a part of this Warrant in construing or interpreting any provision hereof.

21. Governing Law. This Warrant shall be governed by the laws of the

State of California as applied to agreements among California residents made and to be performed entirely within the State of California.

IN WITNESS WHEREOF, Equinix, Inc. caused this Warrant to be executed by an officer thereunto duly authorized.

EQUINIX, INC.

By: _____
Name
Title

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NOTICE OF EXERCISE

To: EQUINIX, INC.

The undersigned hereby elects to [check applicable subsection]:

_____ (a) Purchase _____ shares of Common Stock of Equinix, Inc., pursuant to the terms of the attached Warrant and payment of the Exercise Price per share required under such Warrant accompanies this notice;

OR

_____ (b) Exercise the attached Warrant for [all of the shares] [_____ of the shares] [cross out inapplicable phrase] purchasable under the Warrant pursuant to the net exercise provisions of Section 5 of such Warrant.

The undersigned hereby represents and warrants that the undersigned is acquiring such shares for its own account for investment purposes only, and not for resale or with a view to distribution of such shares or any part thereof.

WARRANTHOLDER:

By: _____
[NAME]

Address: _____

Date: _____

Name in which shares should be registered:

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EXHIBIT 1 - SAMPLE TASK ORDER

TASK ORDER NO. 0X.X
Date: _____

THIS TASK ORDER effective _____, by and between EQUINIX, Inc. ("Equinix") and Bechtel Corporation ("Bechtel") hereby authorizes Bechtel to proceed with

the performance of the Services specified herein (the "Services") in accordance with and subject to the terms, conditions and provisions of the MASTER AGREEMENT FOR PROGRAM MANAGEMENT, SITE IDENTIFICATION AND EVALUATION, ENGINEERING AND CONSTRUCTION SERVICES between Equinix, Inc. and Bechtel Corporation dated _____ (the "Agreement"). Terms used but not otherwise defined herein shall have the meanings ascribed to such terms under the Agreement.

In consideration of the agreements herein contained, the parties hereto agree as follows:

1. SCOPE OF SERVICES

Attach additional sheets as necessary.

2. BUDGET ESTIMATE (for PROGRAM MANAGEMENT, SITE IDENTIFICATION AND EVALUATION, ENGINEERING and other CONSULTING SERVICES)

2.1 Professional Services Fee

_____ Jobhours _____ USD

Attach additional sheets as necessary (staffing plan, etc.)

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2.2 Reimbursable Expenses

Description of Expense -----	Estimated Cost -----
Travel/Lodging	\$x
Overnight Mail	\$x
Other	\$x
Total	\$x

Attach additional sheets as necessary.

3. LUMP SUM PRICE (for CONSTRUCTION SERVICES)

Attach additional sheets as necessary.

4. SCHEDULE

ACTIVITY -----	COMPLETION DATE -----
Commencing engineering	Week of x
x	x
x	x

Attach additional sheets as necessary.

5. DELIVERABLES

x

Attach additional sheets as necessary.

6. PROJECT ACCOUNTING INFORMATION

Bechtel's Project Information	Equinix's Project Information
-----	-----
Job - Sub No: _____	Project No. _____
	Acct. Code: _____

IN WITNESS THEREOF, the parties hereto have executed this Task Order under the Agreement on the day and year below written, but effective as of the day and year set forth above.

BECHTEL CORPORATION

EQUINIX, INC.

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Date: _____ Date: _____

EXHIBIT 2 - SAMPLE CONTRACT

CONTRACT NO. 0X.X
Date: _____

THIS CONTRACT is entered into effective _____, by and between [name Equinix or appropriate branch or affiliate] ("___") and [name appropriate Bechtel affiliate] ("___") and hereby authorizes [Bechtel] to proceed with the performance of the Services specified herein (the "Services"). The parties agree that the performance of such services shall be in accordance with and subject to the terms, conditions and provisions of the MASTER AGREEMENT FOR PROGRAM MANAGEMENT, SITE IDENTIFICATION AND EVALUATION, ENGINEERING AND CONSTRUCTION SERVICES between Equinix, Inc. and Bechtel Corporation dated _____ (the "Master Agreement"), which terms and conditions are incorporated herein by reference in their entirety. The Services provided under this Contract shall further be subject to any additional terms and conditions contained in this Contract; provided, however, that in the event of any conflict between the terms of this Contract and the terms of the Agreement, the terms of the Agreement shall take precedence unless expressly modified by the terms of this contract.

In consideration of the agreements herein contained, the parties hereto agree as follows:

1. SCOPE OF SERVICES

Attach additional sheets as necessary.

2. UNIT RATES

3. BUDGET ESTIMATE (for PROGRAM MANAGEMENT, SITE IDENTIFICATION AND EVALUATION, ENGINEERING and other CONSULTING SERVICES)

3.1 Professional Services Fee

_____ Jobhours _____ USD

Attach additional sheets as necessary (staffing plan, etc.)

3.2 Reimbursable Expenses

Description of Expense -----	Estimated Cost -----
Travel/Lodging	\$x
Overnight Mail	\$x
Other	\$x
Total	\$x

Attach additional sheets as necessary.

4. LUMP SUM PRICE (for CONSTRUCTION SERVICES)

Attach additional sheets as necessary

5. SCHEDULE

ACTIVITY -----	COMPLETION DATE -----
-------------------	--------------------------

Commencing engineering	Week of x
x	x
x	x

Attach additional sheets as necessary.

6. DELIVERABLES

x

Attach additional sheets as necessary.

7. PROJECT ACCOUNTING INFORMATION

[Bechtel's] Project Information [Equinix's] Project Information

Job - Sub No: _____ Project No. _____
Acct. Code: _____

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8. MODIFICATIONS TO MASTER AGREEMENT

IN WITNESS THEREOF, the parties hereto have executed this Contract on the day and year below written, but effective as of the day and year set forth above.

[BECHTEL AFFILIATE]	[EQUINIX BRANCH/AFFILIATE]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

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*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION

AGREEMENT BETWEEN

EQUINIX, INC. AND MCI WORLDCOM

This Agreement ("Agreement") is made by and between Equinix, Inc. ("Equinix"), a Delaware corporation, and MCI Worldcom, Inc. directly or through one or more of its operating affiliates ("MCI").

The parties shall execute a Customer Agreement ("Customer Agreement") concurrently with the execution of this Agreement. The Customer Agreement and this Agreement are separate agreements and shall be interpreted separately. However, if there is a direct conflict between the two agreements, then this Agreement shall take precedence.

NOW THEREFORE, in consideration of the covenants and conditions contained herein, the parties agree as follows:

1. Installation of Local Connectivity Services.

-
- (a) MCI shall (i) provide, install and maintain full [*] connectivity, including, but not limited to full regional internodal capacity with other MCI nodes, and (ii) provide an upgrade plan to [*] which will be implemented once an [*] is at 50% of capacity based on orders (collectively, the "Service"), in each of the seven IBX facilities to be opened by Equinix in Los Angeles, CA, Chicago, IL, Atlanta, GA, Dallas, TX, Ashburn, VA, Newark, NJ, and San Jose, CA (the "Facilities"). MCI shall provide all equipment and labor for installation and use of the Service at the Facilities except with respect to any items expressly and unambiguously required to be provided by Equinix hereunder. At each of the Facilities, MCI shall provide sufficient Service capacity to fulfill the Service requirements of all other customers of Equinix at and/or through such Facility.
- (b) The installation shall occur in accordance with Exhibit A. Within each Facility, Equinix shall provide MCI with sufficient access, security (only with respect to matters in Equinix's reasonable control), space, environmental maintenance for the equipment required to provide the Service (only with respect to matters in Equinix's reasonable control), and power in each Facility to locate and power the equipment that is required to operate the Service. Any license or use of the Space or the foregoing shall be subject to the terms and conditions of the Customer Agreement. MCI shall diligently and promptly apply for, prosecute and endeavor

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION

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to obtain the licenses and permits and other items necessary to install the Service at the Facilities by the installation dates described in Exhibit A. Equinix agrees to provide reasonable assistance to MCI to aid MCI in obtaining consent from the landlord of each Facility, in furtherance of the foregoing.

- (c) The parties will develop a written plan which will document how they will cooperate to implement the Service installations for each of the Facilities. Equinix shall make the Facilities available to MCI for installation of the Services, as the parties deem necessary. The Services shall be available at each Facility for a minimum of two years from the date of completed installation at the applicable Facility and MCI shall have the right to extend the term of provision of its Services at each Facility for an additional term of five years, at its sole discretion.
- (d) MCI's sole compensation from Equinix (including expenses) for providing, installing and maintaining the Service at each of the Facilities shall be receipt of Equinix Warrants ("Warrants") subject to the terms and conditions of: (1) the form of the Warrant Agreement attached as Exhibit B, with respect to the Ashburn, Newark, Los Angeles and San Jose Facilities and (2) the form of the Warrant Agreement attached as Exhibit C, with respect to the other Facilities. The Warrants shall be exercisable for an aggregate of 450,000 shares of Common Stock (as defined in Exhibits B and C) broken down among the

Facilities as follows:

Ashburn: [*]
Newark: [*]
San Jose: [*]
Los Angeles: [*]
Chicago: [*]
Atlanta: [*]
Dallas: [*]

(e) The Warrant shall be issued upon execution of this Agreement and shall bear the same date as this Agreement. Equinix warrants that it will in no way compensate MCI for Services provided to customers located in the Facilities. The charging or receipt of any installation fees and other fees related to Services sold to Equinix's other customers shall not be the right or responsibility of Equinix and shall be invoiced to such customers only. Equinix will cooperate with MCI in developing and implementing order and delivery procedures appropriate for delivery of the Services at the Facilities.

2. Customer Agreement. For the first two years from the date of completion of -----
installation at the applicable Facility, Equinix shall not charge MCI any fees or charges of any kind for the Space provided to MCI at the seven IBX Facilities noted above. For the purposes of this Agreement, "Space" shall mean a 15x9 foot cage with six, 35-amp dual feed

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circuits. After the first two years for such Space, MCI shall pay Equinix's standard rates which will in no case exceed the rate being charged the dominant local access provider. For any additional Equinix facilities,

Equinix shall not charge MCI any fees or charges of any kind for the Space for the first six months of operations and charges thereafter will not exceed those charged to the dominant local access provider. MCI shall retain title and have access to its free-standing equipment at all times, provided that removal of such equipment shall not cause damage to the applicable Facility. Any license or use of the Space or the foregoing shall be subject to the terms and conditions of the Customer Agreement.

3. Indemnity. MCI shall defend, indemnify and hold harmless Equinix and its -----
affiliates, representatives, other customers, contractors, and agents from any and all third party claims, liability, damages, costs and expenses payable to a third party (including, but not limited to attorneys' fees and expenses awarded to such third party by a final court judgment) arising from or relating to the provision of the Service by MCI (including but not limited to installation of equipment or Service) or any willful misconduct or grossly negligent action or inaction of MCI. Equinix shall defend, indemnify and hold harmless MCI and its affiliates, representatives, other customers, contractors, and agents from any and all third party claims, liability, damages, costs and expenses payable to a third party (including, but not limited to attorney's fees and expenses awarded to such third party by a final court judgment) arising from or relating to any willful misconduct or grossly negligent action or inaction of Equinix. As the condition of the foregoing, the indemnifying party ("Indemnitor") shall be promptly notified by the party being indemnified ("Indemnitee") of any and all threats, claims and proceedings related thereto and the Indemnitee shall give the Indemnitor all reasonable assistance, and the Indemnitor shall have sole control over the defense and all negotiations for a settlement or compromise; the Indemnitor will not be responsible for any settlement it does not approve in writing.

4. Warranty. MCI warrants: (1) that the work and Services under this -----
Agreement shall be performed in a professional and workman-like manner, (2) that it has full rights and authority to enter into and perform this Agreement and to its knowledge none of the Services will infringe, misappropriate, or violate any intellectual property or other right of any person or entity, (3) that the work and Services under this Agreement shall fully conform to the specifications and terms set forth herein and (4) the work and Services shall be completed on time, in accordance with Exhibit A, subject to any delays caused by Equinix or its agents or representatives.

5. Term and Termination. The term of this Agreement shall continue until [*] -----
years from the date of the completion of installation at each applicable Facility. If either party breaches the terms and conditions of this Agreement, in addition to all other available remedies, the other party may

terminate this Agreement upon thirty (30) days' prior written notice to the breaching party if such breach is not cured within such period. Sections 3, 4, 6, and 7 shall survive termination.

6. Confidentiality. Each party agrees that all business, technical and

financial information it obtains or learns from the other are the confidential property of the other ("Proprietary

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Information'). Except as expressly and unambiguously allowed herein, each party will hold in confidence and not use or disclose any Proprietary Information and shall similarly bind its employees and representatives in writing. Each party's nondisclosure obligation shall not apply to information it can document is generally available to the public (other than through breach of this Agreement).

7. Miscellaneous.

- (a) This Agreement shall be governed in all respects by the laws of the State of California without regard to its conflict of laws provisions. The sole jurisdiction and venue for actions related to the subject matter hereof shall be the state and U.S. federal courts in San Francisco, California. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, that provision shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable. In any action or proceeding to enforce rights under this Agreement, the prevailing party will be entitled to recover costs and attorneys fees.
- (b) No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.
- (c) MCI shall not assign or transfer the rights or obligations associated with this Agreement, in whole or in part, (except to an entity, directly or indirectly through one or more intermediaries, controlling, controlled by or under common control with such party or other entity. "Control" for this purpose shall mean greater than 50% voting control) without Equinix's prior written consent. Equinix, its successors and assigns may each assign, transfer, and delegate any of its rights or obligations under this Agreement without MCI's consent.
- (d) Equinix and MCI are independent contractors and not partners, joint venturers or otherwise affiliated and neither has any right or authority to bind the other in any way. MCI is an independent contractor and is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any sort, including, but not limited to, Workers' Compensation Insurance. The parties recognize and agree that "TIME IS OF THE ESSENCE" with respect to completion of the Services and work hereunder.
- (e) Headings and captions are for convenience only and are not to be used in the interpretation of this Agreement.
- (f) Except as is otherwise provided herein, neither MCI nor Equinix shall be prohibited from providing any of their respective services to any other entity, including competitors of the other party, in any market.

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- (g) All notices and other communications which are required or permitted hereunder shall be in writing and shall be deemed duly given (i) when delivered by hand, (ii) one day after being given to an express carrier with a reliable system for tracking delivery, or (iii) six (6) days after the day of mailing, when mailed by United States mail, postage prepaid and addressed as follows:

In the case of Equinix:

Al Avery
President
Equinix, Inc.
901 Marshall Street
Redwood City, CA 94063

With a copy to:

Scott Dettmer, Esq.
Gunderson Dettmer et al.
155 Constitution Drive,
Menlo Park, CA 94025
Fax: (650)321-2800
Email: sdetttmer@gunder.com

In the case of MCI WORLDCOM:

Dennis Muse
1 Tower Lane, Suite 2300
Oak Brook Terrace, Illinois 60181
Fax: (630)203-0564
Email: Dennis.Muse@wcom.com

With a copy to:

Charles P. Adams, Jr., Esq.
111 Capitol Building, Suite 350
111 East Capitol Street
P.O. Box 24297
Jackson, Mississippi 39225-4297
Fax: (601)355-9708
Email: adamscp@arlaw.com

- (h) Except for the Customer Agreement, this Agreement supersedes all proposals, oral or written, all negotiations, conversations, or discussions between or among the parties relating to the subject matter of this Agreement and all past dealing or industry custom, and all modifications must be in a non-preprinted writing signed by both parties.

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- (i) EXCEPT FOR SECTION 6, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR SPECIAL DAMAGES EVEN IF A PARTY IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed by their duly authorized representatives.

EQUINIX, INC.

MCI WORLDCOM

/s/ Albert M. Avery, IV

Signature

/s/ Dennis D. Muse

Signature

Albert M. Avery, IV

Name

Dennis D. Muse

Name

President

Title

President, Telecom

Title

November 16, 1999

Date

November 16, 1999

Date

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EXHIBIT A

INSTALLATION SCHEDULE

<TABLE>
<CAPTION>

Facility	Address	MCI Service Availability: All Services to be available at the corresponding Facility beginning on the corresponding date below:
<S> Northern Virginia	<C> [*] Ashburn, VA	<C> [*]
Newark	[*] 8th Floor	[*]

San Jose	[*]	[*]
Los Angeles	[*] 6th Floor	[*]
Chicago	[*] 5th Floor	[*]
Atlanta	[*] (tentative)	[*]
Dallas	[*]	[*]

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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EXHIBIT B

THIS WARRANT AND THE SECURITIES ISSUABLE UPON THE EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SUCH ACT.

WARRANT TO PURCHASE COMMON STOCK

of

EQUINIX, INC.

Void after November 16, 2004

This Warrant is issued to MCI WORLDCOM, INC. or its registered assigns ("Holder") by Equinix, Inc., a Delaware corporation (the "Company"), on November 16, 1999 (the "Warrant Issue Date"). This Warrant is issued pursuant to the terms of that certain Agreement dated as of the date hereof (the "Agreement") and relates to the Company's Ashburn, Newark, Los Angeles and San Jose facilities (the "Facilities"). In consideration of the Holder executing the Agreement and in consideration of the mutual covenants and agreements contained herein, the Company and the Holder agree as follows:

1. Purchase of Shares. Subject to the terms and conditions hereinafter

set forth and set forth in the Agreement, the Holder is entitled, upon surrender of this Warrant at the principal office of the Company (or at such other place as the Company shall notify the holder hereof in writing), to purchase from the Company up to [*] [*] fully paid and nonassessable shares of Common Stock of the Company, as constituted on the Warrant Issue Date (the "Common Stock"). The number of shares of Common Stock issuable pursuant to this Section 1 (the "Shares") shall be subject to adjustment pursuant to Section 9 hereof.

2. Exercise Price. The purchase price for the Shares shall be \$1.00, as

adjusted from time to time pursuant to Section 9 hereof (the "Exercise Price").

3. Exercise Period. This Warrant shall be exercisable during the term

commencing at such time as Holder provides Service (as defined in the Agreement) to a given Facility (for such amount per Facility as set forth in the Agreement, subject to adjustment pursuant to Section 9 hereof), and ending at 5:00 p.m. on November 16, 2004. Notwithstanding the term of this Warrant fixed pursuant to the preceding sentence, the right to purchase Common Stock as granted herein shall expire, if not previously exercised, immediately upon the closing of a merger

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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or consolidation of the Company with or into another corporation when the Company is not the surviving corporation, or the sale of all or substantially all of the Company's properties and assets to any other person, provided such transaction is one in which Holder realizes a value for its shares equal to or greater than three (3) times the Exercise Price for such shares (the "Threshold") (in connection therewith, the "Termination Event"). The Threshold

shall be adjusted in tandem with each adjustment in the Exercise Price hereunder. In the event of a proposed transaction of the kind described above, the Company shall notify the holder of the Warrant at least fifteen (15) days prior to the consummation of such Termination Event. If such closing does not take place, the Company shall promptly notify the Holder that the proposed Termination Event has been terminated and the Holder may rescind any exercise of this Warrant which occurred after the Company first notified the Holder of the Termination Event. In the event of such rescission, this Warrant will continue to be exercisable on the same terms and conditions contained herein.

4. Method of Exercise. While this Warrant remains outstanding and

exercisable in accordance with Section 3 above, the Holder may exercise, in whole or in part, the purchase rights evidenced hereby. Such exercise shall be effected by:

- (a) the surrender of the Warrant, together with a duly executed copy of the form of Notice of Election attached hereto, to the Secretary of the Company at its principal offices; and
- (b) the payment to the Company of an amount equal to the aggregate Exercise Price for the number of Shares being purchased, which may be paid by cash, check, wire transfer or by the surrender of promissory notes or other instruments representing indebtedness of the Company to the Holder.

5. Net Exercise. In lieu of exercising this Warrant pursuant to Section

4, the Holder may elect to receive, without the payment by the Holder of any additional consideration, shares of Common Stock equal to the value of this Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with notice of such election, in which event the Company shall issue to the holder hereof a number of shares of Common Stock computed using the following formula:

$$X = \frac{Y (A - B)}{A}$$

- Where:
- X = The number of shares of Common Stock to be issued to the Holder pursuant to this net exercise;
 - Y = The number of Shares in respect of which the net issue election is made;
 - A = The fair market value of one share of the Common Stock at the time the net issue election is made;
 - B = The Exercise Price (as adjusted to the date of the net issuance).

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For purposes of this Section 5, the fair market value of one share of Common Stock as of a particular date shall be determined as follows: (i) if traded on a securities exchange or through the Nasdaq National Market, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the thirty (30) day period ending three (3) days prior to the net exercise election; (ii) if traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the thirty (30) day period ending three (3) days prior to the net exercise; and (iii) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors of the Company; provided, that, if the Warrant is being exercised upon the closing of the IPO, the value will be the initial "Price to Public" of one share of such Common Stock specified in the final prospectus with respect to such offering.

6. "Easy Sale" Exercise. In lieu of the payment methods set forth in

Sections 4 and 5 above, when permitted by law and applicable regulations (including Nasdaq Stock Market and National Association of Securities Dealers, Inc. ("NASD") rules), the Holder may pay the Exercise Price through a "same day sale" commitment from the Holder (and if applicable a broker-dealer that is a member of the NASD (and "NASD Dealer")), whereby the Holder irrevocably elects to exercise this Warrant and to sell a portion of the Common Stock so purchased to pay for the Exercise Price and the Holder (or, if applicable, the NASD Dealer) commits upon sale (or, in the case of the NASD Dealer, upon receipt) of such Common Stock to forward the Exercise Price directly to the Company.

7. Certificates for Shares. Upon the exercise of the purchase rights

evidenced by this Warrant, one or more certificates for the number of Shares so purchased shall be issued in the name of the Holder (or as the Holder may direct) as soon as practicable thereafter (with appropriate restrictive legends, if applicable), and in any event within ten (10) days of the delivery of the

8. Representations and Warranties. The Company hereby represents and

warrants to Holder as follows:

(a) Corporate Power. The Company will have at the Warrant Issue

Date all requisite legal and corporate power to execute and deliver this Warrant, to sell and issue from Shares and to carry out and perform its obligations under the terms of this Warrant.

(b) Authorization. All corporate action on the part of the Company,

its directors and stockholders necessary for the authorization, execution, delivery and performance of this Warrant by the Company, the authorization, sale issuance and delivery of the Shares and the performance of all of the Company's obligations under this Warrant has been taken or will be taken prior to the Warrant Issue Date. This Warrant, when executed and delivered by the Company, shall constitute a valid and binding obligation of the Company enforceable against the Company in accordance with its terms. The Shares issuable upon exercise of this Warrant have been duly and validly reserved and, when issued in compliance with the provisions of this Warrant, will be validly issued and will be fully paid and nonassessable and will have the rights, preferences and privileges described in the Company's Amended and Restated Certificate of Incorporation (the "Restated Certificate"). The Shares, when issued upon exercise of this Warrant, will be free of any liens or encumbrances other than those created by or imposed upon

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the holders thereof through no action of the Company; provided, however, that the Shares may be subject to restrictions on transfer under state and/or federal securities laws. The Common Stock is not subject to any preemptive rights or rights of first refusal.

9. Adjustment of Exercise Price and Number of Shares. The number of and

kind of securities purchasable upon exercise of this Warrant and the Exercise Price shall be subject to adjustment from time to time as follows:

(a) Subdivisions, Combinations and Other Issuances. If the Company

shall at any time prior to the expiration of this Warrant subdivide its Common Stock, by split-up or otherwise, or issue additional shares of its Common Stock as a dividend with respect to any shares of its Common Stock, the number of Shares issuable on the exercise of this Warrant shall forthwith be proportionately increased in the case of a subdivision or stock dividend, or proportionately decreased in the case of a combination. Appropriate adjustments shall also be made to the Exercise Price, but the aggregate Exercise Price payable for the total number of Shares purchasable under this Warrant (as adjusted) shall remain the same. Any adjustment under this Section 9(a) shall become effective at the close of business on the date the subdivision or combination becomes effective, or as of the record date of such dividend, or in the event that no record date is fixed, upon the making of such dividend.

(b) Reclassification, Reorganization and Consolidation. In case of

any reclassification, capital reorganization, or change in the Common Stock of the Company (other than as a result of a subdivision, combination, or stock dividend provided for in Section 9(a) above), then, as a condition of such reclassification, reorganization, or change, lawful provision shall be made, and duly executed documents evidencing the same from the Company or its successor shall be delivered to the Holder, so that the Holder shall have the right at any time prior to the expiration of this Warrant to purchase, at a total price equal to that payable upon the exercise of this Warrant, the kind and amount of shares of stock and other securities and property receivable in connection with such reclassification, reorganization, or change by a holder of the same number of shares of Common Stock as were purchasable by the Holder immediately prior to such reclassification, reorganization, or change. In any such case appropriate provisions shall be made with respect to the rights and interest of the Holder so that the provisions hereof shall thereafter be applicable with respect to any shares of stock or other securities and property deliverable upon exercise hereof, and appropriate adjustments shall be made to the Exercise Price payable hereunder, provided the aggregate Exercise Price shall remain the same.

(c) Adjustment for Capital Reorganization, Merger or Consolidation.

In case of any capital reorganization of the capital stock of the Company (other than a combination, reclassification, exchange or subdivision of shares otherwise provided for herein), or any merger or consolidation of the Company with or into another corporation whether or not the Company is the surviving corporation, or the sale of all or substantially all of the assets of the Company other than a Termination Event as defined in Section 3 hereof, then, and in each such case, as a part of such reorganization, merger, consolidation, sale

or transfer, lawful provision shall be made so that the Holder of this Warrant shall thereafter be entitled to receive upon exercise of this Warrant, during the period specified herein and upon payment of the Exercise Price then in effect, the number of shares of stock or other securities or property of the successor corporation resulting from such reorganization, merger, consolidation, sale or transfer that the Holder would

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have been entitled to if this Warrant had been exercised immediately before such reorganization, merger, consolidation, sale or transfer, all subject to further adjustment as provided in this Section 9. The foregoing provisions of this Section 9(c) shall similarly apply to successive reorganizations, consolidations, mergers, sales and transfers and to the stock or securities of any other corporation that are at the time receivable upon the exercise of this Warrant. If the per share consideration payable to the Holder hereof for shares in connection with any such transaction is in a form other than cash or marketable securities, then the value of such consideration shall be determined in good faith by the Company's Board of Directors. In all events, appropriate adjustment (as determined in good faith by the Company's Board of Directors) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after the transaction, to the end that the provisions of this Warrant shall be applicable after that event to the greatest extent possible.

(d) Adjustment for Delays Under the Agreement. This Warrant shall

be subject to downward adjustment in the event that Holder fails to timely meet its obligations with respect to the Company's Ashburn, Newark, Los Angeles or San Jose facility under the Agreement. The number of shares of Common Stock purchasable upon exercise of this Warrant shall be adjusted as follows, based on number of days of delay of the timeline for the Facility outlined on Schedule A

of the Agreement:

0 to 14 days delay:	[*] adjustment
15 to 30 days delay:	[*]% adjustment (total: [*]%)
31 to 45 days delay:	additional [*]% adjustment (total: [*]%)
46 to 60 days delay:	additional [*]% adjustment (total: [*]%)
61-90 days delay:	additional [*]% adjustment (total: [*]%)
91+ days or more delay:	additional [*]% adjustment (total: [*]%)

provided, however that no adjustment shall be made if the delay is caused by acts, delays or omissions of the Company, the Company's contractors, equipment vendors of the Holder, federal, state or local jurisdictions or the inability of the Holder to obtain necessary licenses or permits necessary for the Holder's Service (as defined in the Agreement). In addition, in the event the Facility is not located at the address set forth on Schedule A of the Agreement, the

timeline for the Facility shall be as mutually agreed to by Holder and the Company at such time as a new address is identified for the Facility.

(e) Repurchase of Shares. In the event of a downward adjustment

after Holder has exercised this warrant, the Company shall be entitled to repurchase the shares subject to the downward adjustment at the exercise price.

(f) Notice of Adjustment. When any adjustment is required to be

made in the number or kind of shares purchasable upon exercise of the Warrant, or in the Exercise Price, the Company shall promptly notify the holder of such event and (i) of the number of shares of Common Stock or other securities or property thereafter purchasable upon exercise of this Warrant and (ii) the Exercise Price after such adjustment.

* CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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10. Registration Rights. Holder shall be entitled to all of the rights

set forth in Section 1 of the Amended and Restated Investors' Rights Agreement (the "Investors' Rights Agreement") dated August 26, 1999 among the Company, Holder and certain other Investors (as defined therein) on the terms and conditions set forth therein, as if such terms and conditions were set forth in this Warrant Agreement. In furtherance of the preceding sentence, the Company and Holder agree that the Shares issuable upon exercise of this Warrant are "Registrable Securities," as that term is defined in the Investors' Rights Agreement. The Company shall provide Holder with all notices and information at the time and to the extent it is required to do so pursuant to Section 1 of the Investors' Rights Agreement.

11. No Fractional Shares or Scrip. No fractional shares or scrip

representing fractional shares shall be issued upon the exercise of this Warrant, but in lieu of such fractional shares the Company shall make a cash payment therefor on the basis of the Exercise Price then in effect.

12. No Stockholder Rights. Prior to exercise of this Warrant, the Holder

shall not be entitled to any rights of a stockholder with respect to the Shares, including (without limitation) the right to vote such Shares, receive dividends or other distributions thereon, exercise preemptive rights or be notified of stockholder meetings, and such holder shall not be entitled to any notice or other communication concerning the business or affairs of the Company. However, nothing in this Section 12 shall limit the right of the Holder to be provided the Notices required under this Warrant or the Agreement.

13. Transfers of Warrant. Subject to compliance with applicable federal

and state securities laws, this Warrant and all rights hereunder are transferable in whole or in part by the Holder to any person or entity upon written notice to the Company. The transfer shall be recorded on the books of the Company upon the surrender of this Warrant, properly endorsed, to the Company at its principal offices, and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. In the event of a partial transfer, the Company shall issue to the holders one or more appropriate new warrants.

14. Successors and Assigns. The terms and provisions of this Warrant and

the Agreement shall inure to the benefit of, and be binding upon, the Company and the Holders hereof and their respective successors and assigns.

15. Amendments and Waivers. Any term of this Warrant may be amended and

the observance of any term of this Warrant may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Company and the Holder.

16. Reservation of Stock. The Company will at all times reserve and keep

available, solely for the issuance and delivery upon the exercise of this Warrant, such shares of Common Stock and other stock, securities and property, as from time to time shall be issuable upon the exercise of this Warrant.

17. Notices. All notices required under this Warrant and shall be deemed

to have been given or made for all purposes (i) upon personal delivery, (ii) upon confirmation receipt

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that the communication was successfully sent to the applicable number if sent by facsimile; (iii) one day after being sent, when sent by professional overnight courier service, or (iv) five days after posting when sent by registered or certified mail. Notices to the Company shall be sent to the principal office of the Company (or at such other place as the Company shall notify the Holder hereof in writing). Notices to the Holder shall be sent to the address of the Holder on the books of the Company (or at such other place as the Holder shall notify the Company hereof in writing).

18. Replacement of Warrants. Upon receipt of evidence reasonably

satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and (in the case of loss, theft or destruction) upon delivery of an indemnity agreement in an amount reasonably satisfactory to the Company, or (in the case of mutilation) upon surrender and cancellation of this Warrant, the Company will issue, in lieu thereof, a new Warrant of like tenor.

19. Attorneys' Fees. If any action of law or equity is necessary to

enforce or interpret the terms of this Warrant, the prevailing party shall be entitled to its reasonable attorneys' fees, costs and disbursements in addition to any other relief to which it may be entitled.

20. Captions. The section and subsection headings of this Warrant are

inserted for convenience only and shall not constitute a part of this Warrant in construing or interpreting any provision hereof.

21. Governing Law. This Warrant shall be governed by the laws of the

State of California as applied to agreements among California residents made and to be performed entirely within the State of California.

IN WITNESS WHEREOF, Equinix, Inc. caused this Warrant to be executed by an

officer thereunto duly authorized.

EQUINIX, INC.

By: _____
Name
Title

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NOTICE OF EXERCISE

To: EQUINIX, INC.

The undersigned hereby elects to [check applicable subsection]:

_____ (a) Purchase _____ shares of Common Stock of Equinix, Inc., pursuant to the terms of the attached Warrant and payment of the Exercise Price per share required under such Warrant accompanies this notice;

OR

_____ (b) Exercise the attached Warrant for [all of the shares] [_____ of the shares] [cross out inapplicable phrase] purchasable under the Warrant pursuant to the net exercise provisions of Section 5 of such Warrant.

The undersigned hereby represents and warrants that the undersigned is acquiring such shares for its own account for investment purposes only, and not for resale or with a view to distribution of such shares or any part thereof.

WARRANTHOLDER:

By: _____
[NAME]

Address: _____

Date: _____

Name in which shares should be registered:

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EXHIBIT C

THIS WARRANT AND THE SECURITIES ISSUABLE UPON THE EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SUCH ACT.

WARRANT TO PURCHASE COMMON STOCK
of
EQUINIX, INC.

Void after November 16, 2004

This Warrant is issued to MCI WORLDCOM, INC. or its registered assigns ("Holder") by Equinix, Inc., a Delaware corporation (the "Company"), on November 16, 1999 (the "Warrant Issue Date"). This Warrant is issued pursuant to the terms of that certain Agreement dated as of the date hereof (the "Agreement"). In consideration of the Holder executing the Agreement and in consideration of the mutual covenants and agreements contained herein, the Company and the Holder agree as follows:

1. Purchase of Shares. Subject to the terms and conditions hereinafter

set forth and set forth in the Agreement, the Holder is entitled, upon surrender of this Warrant at the principal office of the Company (or at such other place

as the Company shall notify the holder hereof in writing), to purchase from the Company up to [*] [*] fully paid and nonassessable shares of Common Stock of the Company, as constituted on the Warrant Issue Date (the "Common Stock"). The number of shares of Common Stock issuable pursuant to this Section 1 (the "Shares") shall be subject to adjustment pursuant to Section 9 hereof .

2. Exercise Price. The purchase price for the Shares shall be \$1.00, as

adjusted from time to time pursuant to Section 9 hereof (the "Exercise Price").

3. Exercise Period. This Warrant shall be exercisable, in whole or in

part, during the term commencing on the Warrant Issue Date and ending at 5:00 p.m. on November 16, 2004. Notwithstanding the term of this Warrant fixed pursuant to the preceding sentence, the right to purchase Common Stock as granted herein shall expire, if not previously exercised, immediately upon the closing of a merger or consolidation of the Company with or into another corporation when the Company is not the surviving corporation, or the sale of all or substantially all of the Company's properties and assets to any other person, provided such transaction is one in which

*CONFIDENTIAL TREATMENT REQUESTED. CONFIDENTIAL PORTION HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION.

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Holder realizes a value for its shares equal to or greater than three (3) times the Exercise Price for such shares (the "Threshold") (in connection therewith, the "Termination Event"). The Threshold shall be adjusted in tandem with each adjustment in the Exercise Price hereunder. In the event of a proposed transaction of the kind described above, the Company shall notify the holder of the Warrant at least fifteen (15) days prior to the consummation of such Termination Event. If such closing does not take place, the Company shall promptly notify the Holder that the proposed Termination Event has been terminated and the Holder may rescind any exercise of this Warrant which occurred after the Company first notified the Holder of the Termination Event. In the event of such rescission, this Warrant will continue to be exercisable on the same terms and conditions contained herein.

4. Method of Exercise. While this Warrant remains outstanding and

exercisable in accordance with Section 3 above, the Holder may exercise, in whole or in part, the purchase rights evidenced hereby. Such exercise shall be effected by:

(a) the surrender of the Warrant, together with a duly executed copy of the form of Notice of Election attached hereto, to the Secretary of the Company at its principal offices; and

(b) the payment to the Company of an amount equal to the aggregate Exercise Price for the number of Shares being purchased, which may be paid by cash, check, wire transfer or by the surrender of promissory notes or other instruments representing indebtedness of the Company to the Holder.

5. Net Exercise. In lieu of exercising this Warrant pursuant to Section

4, the Holder may elect to receive, without the payment by the Holder of any additional consideration, shares of Common Stock equal to the value of this Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with notice of such election, in which event the Company shall issue to the holder hereof a number of shares of Common Stock computed using the following formula:

$$X = \frac{Y (A - B)}{A}$$

Where: X = The number of shares of Common Stock to be issued to the Holder pursuant to this net exercise;

Y = The number of Shares in respect of which the net issue election is made;

A = The fair market value of one share of the Common Stock at the time the net issue election is made;

B = The Exercise Price (as adjusted to the date of the net issuance).

For purposes of this Section 5, the fair market value of one share of Common Stock as of a particular date shall be determined as follows: (i) if traded on a securities exchange or through the Nasdaq National Market, the value shall be deemed to be the average of the closing prices of

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the securities on such exchange over the thirty (30) day period ending three (3) days prior to the net exercise election; (ii) if traded over-the-counter, the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the thirty (30) day period ending three (3) days prior to the net exercise; and (iii) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors of the Company; provided, that, if the Warrant is being exercised upon the closing of the IPO, the value will be the initial "Price to Public" of one share of such Common Stock specified in the final prospectus with respect to such offering.

6. "Easy Sale" Exercise. In lieu of the payment methods set forth in

Sections 4 and 5 above, when permitted by law and applicable regulations (including Nasdaq Stock Market and National Association of Securities Dealers, Inc. ("NASD") rules), the Holder may pay the Exercise Price through a "same day sale" commitment from the Holder (and if applicable a broker-dealer that is a member of the NASD (and "NASD Dealer")), whereby the Holder irrevocably elects to exercise this Warrant and to sell a portion of the Common Stock so purchased to pay for the Exercise Price and the Holder (or, if applicable, the NASD Dealer) commits upon sale (or, in the case of the NASD Dealer, upon receipt) of such Common Stock to forward the Exercise Price directly to the Company.

7. Certificates for Shares. Upon the exercise of the purchase rights

evidenced by this Warrant, one or more certificates for the number of Shares so purchased shall be issued in the name of the Holder (or as the Holder may direct) as soon as practicable thereafter (with appropriate restrictive legends, if applicable), and in any event within ten (10) days of the delivery of the Notice of Election.

8. Representations and Warranties. The Company hereby represents and

warrants to Holder as follows:

(a) Corporate Power. The Company will have at the Warrant Issue Date

all requisite legal and corporate power to execute and deliver this Warrant, to sell and issue from Shares and to carry out and perform its obligations under the terms of this Warrant.

(b) Authorization. All corporate action on the part of the Company,

its directors and stockholders necessary for the authorization, execution, delivery and performance of this Warrant by the Company, the authorization, sale issuance and delivery of the Shares and the performance of all of the Company's obligations under this Warrant has been taken or will be taken prior to the Warrant Issue Date. This Warrant, when executed and delivered by the Company, shall constitute a valid and binding obligation of the Company enforceable against the Company in accordance with its terms. The Shares issuable upon exercise of this Warrant have been duly and validly reserved and, when issued in compliance with the provisions of this Warrant, will be validly issued and will be fully paid and nonassessable and will have the rights, preferences and privileges described in the Company's Amended and Restated Certificate of Incorporation (the "Restated Certificate"). The Shares, when issued upon exercise of this Warrant, will be free of any liens or encumbrances other than those created by or imposed upon the holders thereof through no action of the Company; provided, however, that the Shares may be subject to restrictions on transfer under state and/or federal securities laws. The Common Stock is not subject to any preemptive rights or rights of first refusal.

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9. Adjustment of Exercise Price and Number of Shares. The number of and

kind of securities purchasable upon exercise of this Warrant and the Exercise Price shall be subject to adjustment from time to time as follows:

(a) Subdivisions, Combinations and Other Issuances. If the Company

shall at any time prior to the expiration of this Warrant subdivide its Common Stock, by split-up or otherwise, or issue additional shares of its Common Stock as a dividend with respect to any shares of its Common Stock, the number of Shares issuable on the exercise of this Warrant shall forthwith be proportionately increased in the case of a subdivision or stock dividend, or proportionately decreased in the case of a combination. Appropriate adjustments shall also be made to the Exercise Price, but the aggregate Exercise Price payable for the total number of Shares purchasable under this Warrant (as adjusted) shall remain the same. Any adjustment under this Section 9(a) shall become effective at the close of business on the date the subdivision or combination becomes effective, or as of the record date of such dividend, or in the event that no record date is fixed, upon the making of such dividend.

(b) Reclassification, Reorganization and Consolidation. In case of

any reclassification, capital reorganization, or change in the Common Stock of the Company (other than as a result of a subdivision, combination, or stock dividend provided for in Section 9(a) above), then, as a condition of such reclassification, reorganization, or change, lawful provision shall be made, and duly executed documents evidencing the same from the Company or its successor shall be delivered to the Holder, so that the Holder shall have the right at any time prior to the expiration of this Warrant to purchase, at a total price equal to that payable upon the exercise of this Warrant, the kind and amount of shares of stock and other securities and property receivable in connection with such reclassification, reorganization, or change by a holder of the same number of shares of Common Stock as were purchasable by the Holder immediately prior to such reclassification, reorganization, or change. In any such case appropriate provisions shall be made with respect to the rights and interest of the Holder so that the provisions hereof shall thereafter be applicable with respect to any shares of stock or other securities and property deliverable upon exercise hereof, and appropriate adjustments shall be made to the Exercise Price payable hereunder, provided the aggregate Exercise Price shall remain the same.

(c) Adjustment for Capital Reorganization, Merger or Consolidation.

In case of any capital reorganization of the capital stock of the Company (other than a combination, reclassification, exchange or subdivision of shares otherwise provided for herein), or any merger or consolidation of the Company with or into another corporation whether or not the Company is the surviving corporation, or the sale of all or substantially all of the assets of the Company other than a Termination Event as defined in Section 3 hereof, then, and in each such case, as a part of such reorganization, merger, consolidation, sale or transfer, lawful provision shall be made so that the Holder of this Warrant shall thereafter be entitled to receive upon exercise of this Warrant, during the period specified herein and upon payment of the Exercise Price then in effect, the number of shares of stock or other securities or property of the successor corporation resulting from such reorganization, merger, consolidation, sale or transfer that the Holder would have been entitled to if this Warrant had been exercised immediately before such reorganization, merger, consolidation, sale or transfer, all subject to further adjustment as provided in this Section 9. The foregoing provisions of this Section 9(c) shall similarly apply to successive reorganizations, consolidations, mergers, sales and transfers and to the stock or securities of any

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other corporation that are at the time receivable upon the exercise of this Warrant. If the per share consideration payable to the Holder hereof for shares in connection with any such transaction is in a form other than cash or marketable securities, then the value of such consideration shall be determined in good faith by the Company's Board of Directors. In all events, appropriate adjustment (as determined in good faith by the Company's Board of Directors) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after the transaction, to the end that the provisions of this Warrant shall be applicable after that event to the greatest extent possible.

(d) Notice of Adjustment. When any adjustment is required to be made

in the number or kind of shares purchasable upon exercise of the Warrant, or in the Exercise Price, the Company shall promptly notify the holder of such event and (i) of the number of shares of Common Stock or other securities or property thereafter purchasable upon exercise of this Warrant and (ii) the Exercise Price after such adjustment.

10. Registration Rights. Holder shall be entitled to all of the rights

set forth in Section 1 of the Amended and Restated Investors' Rights Agreement (the "Investors' Rights Agreement") dated August 26, 1999 among the Company, Holder and certain other Investors (as defined therein) on the terms and conditions set forth therein, as if such terms and conditions were set forth in this Warrant Agreement. In furtherance of the preceding sentence, the Company and Holder agree that the Shares issuable upon exercise of this Warrant are "Registrable Securities," as that term is defined in the Investors' Rights Agreement. The Company shall provide Holder with all notices and information at the time and to the extent it is required to do so pursuant to Section 1 of the Investors' Rights Agreement.

11. No Fractional Shares or Scrip. No fractional shares or scrip

representing fractional shares shall be issued upon the exercise of this Warrant, but in lieu of such fractional shares the Company shall make a cash payment therefor on the basis of the Exercise Price then in effect.

12. No Stockholder Rights. Prior to exercise of this Warrant, the Holder

shall not be entitled to any rights of a stockholder with respect to the Shares, including (without limitation) the right to vote such Shares, receive dividends or other distributions thereon, exercise preemptive rights or be notified of stockholder meetings, and such holder shall not be entitled to any notice or other communication concerning the business or affairs of the Company. However, nothing in this Section 12 shall limit the right of the Holder to be provided the Notices required under this Warrant or the Agreement.

13. Transfers of Warrant. Subject to compliance with applicable federal

and state securities laws, this Warrant and all rights hereunder are transferable in whole or in part by the Holder to any person or entity upon written notice to the Company. The transfer shall be recorded on the books of the Company upon the surrender of this Warrant, properly endorsed, to the Company at its principal offices, and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. In the event of a partial transfer, the Company shall issue to the holders one or more appropriate new warrants.

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14. Successors and Assigns. The terms and provisions of this Warrant and

the Agreement shall inure to the benefit of, and be binding upon, the Company and the Holders hereof and their respective successors and assigns.

15. Amendments and Waivers. Any term of this Warrant may be amended and

the observance of any term of this Warrant may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Company and the Holder.

16. Reservation of Stock. The Company will at all times reserve and keep

available, solely for the issuance and delivery upon the exercise of this Warrant, such shares of Common Stock and other stock, securities and property, as from time to time shall be issuable upon the exercise of this Warrant.

17. Notices. All notices required under this Warrant and shall be deemed

to have been given or made for all purposes (i) upon personal delivery, (ii) upon confirmation receipt that the communication was successfully sent to the applicable number if sent by facsimile; (iii) one day after being sent, when sent by professional overnight courier service, or (iv) five days after posting when sent by registered or certified mail. Notices to the Company shall be sent to the principal office of the Company (or at such other place as the Company shall notify the Holder hereof in writing). Notices to the Holder shall be sent to the address of the Holder on the books of the Company (or at such other place as the Holder shall notify the Company hereof in writing).

18. Replacement of Warrants. Upon receipt of evidence reasonably

satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and (in the case of loss, theft or destruction) upon delivery of an indemnity agreement in an amount reasonably satisfactory to the Company, or (in the case of mutilation) upon surrender and cancellation of this Warrant, the Company will issue, in lieu thereof, a new Warrant of like tenor.

19. Attorneys' Fees. If any action of law or equity is necessary to

enforce or interpret the terms of this Warrant, the prevailing party shall be entitled to its reasonable attorneys' fees, costs and disbursements in addition to any other relief to which it may be entitled.

20. Captions. The section and subsection headings of this Warrant are

inserted for convenience only and shall not constitute a part of this Warrant in construing or interpreting any provision hereof.

21. Governing Law. This Warrant shall be governed by the laws of the

State of California as applied to agreements among California residents made and to be performed entirely within the State of California.

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IN WITNESS WHEREOF, Equinix, Inc. caused this Warrant to be executed by an officer thereunto duly authorized.

EQUINIX, INC.

By: _____
Name

NOTICE OF EXERCISE

To: EQUINIX, INC.

The undersigned hereby elects to [check applicable subsection]:

_____ (a) Purchase _____ shares of Common Stock of Equinix, Inc., pursuant to the terms of the attached Warrant and payment of the Exercise Price per share required under such Warrant accompanies this notice;

OR

_____ (b) Exercise the attached Warrant for [all of the shares] [_____ of the shares] [cross out inapplicable phrase] purchasable under the Warrant pursuant to the net exercise provisions of Section 5 of such Warrant.

The undersigned hereby represents and warrants that the undersigned is acquiring such shares for its own account for investment purposes only, and not for resale or with a view to distribution of such shares or any part thereof.

WARRANTHOLDER:

By: _____
[NAME]

Address: _____

Date: _____

Name in which shares should be registered:

Agreement No. _____

ORDER FORM

<TABLE>
<CAPTION>

Customer: MCI Worldcom, Inc.

Contact: Dennis Muse

<S>
Address: 1 Tower Lane, Suite 2300, Oak Brook Terrace, IL 60181

<C>
Phone: 630.203.7381

Equinix Location Designation: See Attached Agreement dated November 16, 1999. Fax: 630.203.0564

Billing Address: 1 Tower Lane, Suite 2300, Oak Brook Terrace, IL 60181

E-Mail: dennis.muse@wcom.com

1. Premises:

Building:

Space shall refer to the items as set forth on the attached quotation. See Attached Agreement dated November 16, 1999.

Fees are as set forth on the attached quotation.

Effective Date:

2. Premises:

Building:

Space shall refer to the items as set forth on the attached quotation. See Attached Agreement dated November 16, 1999.

Fees are as set forth on the attached quotation.

Effective Date:

3. Premises:

Building:

Space shall refer to the items as set forth on the attached quotation. See Attached Agreement dated November 16, 1999.

Fees are as set forth on the attached quotation.

Effective Date:

4. Premises:

Building:

Space shall refer to the items as set forth on the attached quotation. See Attached Agreement dated November 16, 1999.

Fees are as set forth on the attached quotation.

Effective Date:

</TABLE>

This Customer Agreement (hereinafter the "Agreement") is between Equinix, Inc., a Delaware corporation (hereinafter "Equinix") and the Customer listed in the Order Form above who wishes to locate certain network and/or computer equipment (hereinafter "Equipment") within the IBX (as defined below). This Agreement includes and incorporates the Order Form, the attached quotation from Equinix, any future Order Form(s) and quotation(s) from Equinix, as well as the accompanying Terms and Conditions, and all policies published by Equinix from time to time relating to the use of the Space ("Policies") (a copy of the current version of such Policies is attached to this Agreement) and contains, among other things, warranty disclaimers, liability limitations and use limitations. NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY, THERE SHALL BE NO FORCE OR EFFECT TO ANY DIFFERENT OR ADDITIONAL TERMS: (1) OF ANY RELATED PURCHASE ORDER, CONFIRMATION OR SIMILAR FORM OR (2) ATTACHED BY CUSTOMER NOT SPECIFICALLY PRE-APPROVED BY EQUINIX IN WRITING. IF CUSTOMER USES OR ORDERS ANY SPACE, SERVICES, AND/OR LICENSE FROM EQUINIX AT ANY TIME, EQUINIX'S ACCEPTANCE AND SUCH USE IS EXPRESSLY CONDITIONED UPON ASSENT TO ALL THE TERMS AND CONDITIONS OF THIS AGREEMENT, TO THE EXCLUSION OF ALL OTHER TERMS; IF THESE TERMS ARE CONSIDERED AN OFFER BY EQUINIX, ACCEPTANCE IS EXPRESSLY LIMITED TO THESE TERMS.

<TABLE>
<CAPTION>

Equinix, Inc.

Customer:

<S>

<C>

By: /s/ Albert M. Avery, IV

By: /s/ Dennis D. Muse

Name & Title: Albert M. Avery, IV,
 President

Name & Title: Dennis D. Muse,
 President, Telecom

</TABLE>

Equinix mailing address:

Equinix, Inc.
901 Marshall Street
Redwood City, CA 94063

Agreement No. _____

TERMS AND CONDITIONS

1. License Terms and Responsibilities of the Parties.

(a) Equinix and its affiliates build and provide Internet business and exchange facilities with related services. Upon payment of the applicable fees and subject to the terms and conditions herein, Equinix or the relevant affiliate (i) grants Customer a license ("License") to use that certain area or cabinet or rack space of the IBX (as defined below) as set forth in the Order Form attached and as further determined by Equinix (hereinafter "Space") only for installing, maintaining, and operating Equipment in the manner set forth in the Policies (as defined below), and (ii) shall provide certain services for Customer set forth herein and in the Policies ("Services"). If Equinix and Customer execute an Order Form and/or quotation or enter into any agreement for the provision of any additional services or licenses or the use of any portion of the IBX, such additional services, licenses or IBX use shall be subject to the terms and conditions of this Agreement, and shall be respectively incorporated into the terms "Services," "License," and "Space." For the purposes of this Agreement, "IBX" means the facility at the Premises of the Building set forth in the Order Form, and related facilities (including but not limited to equipment related to such facility, a parking structure that is related to such facility, and the rooftop of such Building).

(b) Customer shall comply with Policies and shall obtain prior written consent from Equinix before engaging in, performing any activity or work, or making any changes or modifications relating to the Equipment, Space, or IBX, including but not limited to delivery, installation, connection, or removal of Equipment. Policies may be changed from time to time by Equinix in its discretion without notice. Customer shall obtain Equinix's written approval of Customer's choice of supplier and contractors engaged to perform any services (including but not limited to services under this Section 1) for Customer associated with the Equipment, Space, IBX, or Building. Customer may request Equinix to perform any such services, which Equinix or Equinix's designated agents may perform at Equinix's discretion. All costs of the services or activities under this Section 1(b) shall be at Customer's sole expense.

(c) Customer acknowledges that the License is only to use the Space, and that Customer has not been granted any other rights or real property or other interests in the Space, the Premises or the Building.

(d) Equinix or its designated agents shall perform services set forth in Policies which support the overall operation of each Space.

(e) Unless otherwise elected by Equinix in writing (which Equinix may do at its option), only Equinix or its designated agents shall (at Equinix's sole discretion) connect or install a connection from the Equipment to any other equipment, utility, item, or service (collectively, "Interconnection").

2. Additional Terms Governing Use Of Space.

(a) Sublicense.

(i) Subject to the terms and conditions under this Agreement, Customer may sublicense any part of the Space; provided that each sublicensee of Customer (1) shall not sublicense or provide or make available in any manner any part of the Space to any third party and (2) is an entity that obtains Internet and/or telecommunications services from Customer at the IBX; and provided that each such sublicensee agrees in writing to be bound by the terms, conditions, liability limitations and disclaimers set forth in this Agreement. Customer shall be responsible for any and all activities of such sublicensee. Equinix shall have no obligation to assist such sublicensee, and any breach of this Agreement by such sublicensee shall be deemed a breach of this Agreement by Customer. Customer shall not make any representations or warranties on Equinix's behalf. Customer shall indemnify and hold harmless Equinix and its affiliates, representatives, employees, other customers, contractors, and agents from any

and all liability, damages, costs and expenses (including, but not limited to attorneys' fees and expenses) arising from or relating to the use of the Space or any subject matter of this Agreement.

(ii) Equinix and Customer are independent contractors and not partners, joint venturers or otherwise affiliated and neither has any right or authority to bind the other in any way. Each party shall make no representations to the contrary to any third party.

(b) Insurance.

(i) Customer agrees to maintain, at Customer's expense, for each IBX during the entire time this Agreement is in effect (1) Comprehensive General Liability Insurance in an amount not less than One Million U.S. Dollars (\$1,000,000) per occurrence for bodily injury and property damage, which policy shall include a broad form comprehensive liability endorsement that specifically includes contractual liability coverage insuring Customer's activities contemplated by this Agreement; (2) Worker's Compensation and employer's liability in an amount not less than that prescribed by statutory limits covering any of its actions or damage by its Equipment at each IBX; (3) commercial automobile liability insurance (including owned, non-owned, leased and hired vehicles), which insurance shall apply to bodily injury and property damage in a combined single limit of no less than One Million U.S. Dollars (\$1,000,000) per accident; (4) umbrella or excess liability insurance with a combined single limit of no less than Two Million U.S. Dollars (\$2,000,000); and (5) personal property insurance for full replacement value for the Equipment, and any trade fixtures, personal property or other property while in the care, custody, or control of Customer, Equinix and/or Equinix's designated agents. Prior to any direct or indirect use of the Space (including but not limited to delivery of any Equipment to IBX), Customer shall furnish Equinix with certificates of insurance which evidence the minimum levels of insurance set forth herein and which names Equinix and other parties with an interest in the Space as designated by Equinix, as additional insureds. The requirements in this Section 2(b) shall be subject to change at Equinix's discretion, upon ninety (90) days' prior written notice.

(ii) Equinix shall have no obligation to insure or be responsible for any loss or damage to property of any kind owned or leased by Customer or its employees, contractors, and agents. Any policy of insurance covering the Equipment owned or leased by Customer against loss or physical damage shall contain a waiver by Customer of any and all claims against Equinix and other parties with an interest in the Space as designated by Equinix, and each of their directors, officers, employees, affiliates, contractors and agents. In addition, any property insurance policy carried by Customer covering property in, on or about the Building shall expressly waive any right of subrogation on the part of the insurer against Equinix and/or its officers, directors, affiliates, employees, agents and contractors when acting within the scope of their employment or engagement.

3. Authorized Access Protection and Related Customer Responsibilities.

(a) Customer's employees, representatives, and/or agents shall comply with all Premises, IBX, security and access procedures established from time to time by Equinix. Customer shall provide a written list of all employees, representatives, and/or agents of Customer who are authorized to enter the Space. Customer shall provide written notification of any changes to such list at least one (1) business day prior to the next entry of Customer to such Space. Equinix (at its discretion) may refuse entry to any persons who are not named on such list.

(b) Except for matters in the reasonable control of Equinix, Customer is responsible for protecting Customer's authorized access (including but not limited to authorized electronic certificates issued to Customer by Equinix) to the Space and the IBX, Equinix's web site and systems, and for any authorized or unauthorized use made with such Customer's authorized access. Customer shall not permit anyone to access or use anything at the IBX, except (1) for the Building common areas, the IBX common areas (to be provided by Equinix in its sole discretion such as a kitchen and conference room), and Space, and (2) in strict compliance with this Agreement.

(c) Customer acknowledges and agrees that Equinix and its designees shall at all times have access and entry to the Space to perform the Services and as otherwise reasonably determined by Equinix. Furthermore, Customer hereby consents to any entry into the Space by law enforcement authorities.

4. Use of Building by Customer.

Upon the occurrence of any event set forth in the "Use of Building by Customer" section of the Policies, Equinix may, in addition to any and all other remedies available to Equinix under this Agreement or by law or in equity, upon written notice to Customer, suspend its performance and/or terminate this Agreement with no further obligation to Customer.

5. Interruptions in Service.

Equinix shall use reasonable commercial efforts to maintain the IBX in a manner that minimizes errors and interruptions in the services provided by Equinix hereunder. However, Equinix shall not be liable for any errors or interruption in service, whether within or outside of Equinix's reasonable control. Service may be temporarily unavailable for scheduled maintenance or for unscheduled emergency maintenance, either by Equinix or by third-party providers, or because of other causes beyond Equinix's reasonable control. Equinix shall use reasonable commercial efforts to provide advance notice in writing or by electronic mail or by telephone or other electronic means (including but not limited to pagers and pilots) of any scheduled service disruption.

6. Term of Agreement, Termination, and Renewal.

(a) This Agreement shall have a term of one year from the Earliest Effective Date. For the purposes of this Agreement, "Earliest Effective Date" means, for each Equinix Location Designation, the Effective Date (as set forth on the Order Form) for the earliest Space licensed by Customer in such Equinix Location Designation. Accordingly, the initial term for subsequent Spaces licensed by Customer in each Equinix Location Designation shall be from the Effective Date for such Space to the Anniversary. Each year upon the anniversary ("Anniversary") of the Earliest Effective Date, this Agreement shall be extended for an additional year for all Spaces in each Equinix Location Designation, unless either party notifies the other party at least sixty (60) days prior to the Anniversary. Any such extension shall be subject to payment of the then-current fees.

(b) If either party breaches the terms and conditions of this Agreement with respect to a particular IBX ("Breached IBX"), the other party may terminate (at its discretion) this Agreement and all Spaces in the Breached IBX or all IBXs related to the same Equinix Location Designation as the Breached IBX, upon thirty (30) days' prior written notice (or ten (10) days in the case of nonpayment or immediately in the case of any breach of Sections 1(b) or 1(e) or 4 of this Agreement) to the breaching party if such breach is not cured within such period. Termination is not the sole remedy under this Agreement and, whether or not termination is effected, except as expressly and unambiguously limited in this Agreement, all other remedies will remain available. This Agreement for any and all Spaces may be terminated by Equinix for cause immediately (i) if Customer ceases to do business, or otherwise terminates its business operations, or (ii) if Customer shall seek protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against Customer. If the Premises or IBX becomes the subject of a condemnation action by any authority or person that has such power or Equinix's possession is otherwise terminated or abated, Equinix shall have the right to immediately terminate or abate this Agreement. Equinix will use reasonable efforts to notify Customer of any threatened termination or possession action when Equinix receives such notice.

(c) Upon termination of this Agreement with respect to any particular Space or Spaces, all rights and licenses of Customer with respect to such Space(s) herein shall terminate, and Customer agrees to remove the Equipment, other property that has been installed by Customer or Customer's agents or representatives, and otherwise comply with Policies, no later than ten (10) days after such termination. If Customer fails to remove the Equipment and other such property within such ten (10) day period, Equinix shall be entitled to pursue all available legal remedies against Customer, including, without limitation, immediately removing the Equipment and other Customer-related property from the Space, the Premises and/or Building and storing it at Customer's expense at an off-site location and, at Equinix's option, selling the Equipment and other property to cover storage and other expenses if Customer fails to retrieve its Equipment and other property and satisfactorily pay all accrued storage and other expenses within thirty (30) days after receiving written notice from Equinix of its intention to effect such sale.

7. Price and Payment Terms.

(a) With respect to each Equinix Location Designation, the prices set forth on the Order Form shall remain in effect for the first six months after the Earliest Effective Date. Thereafter, prices shall be subject to change, at Equinix's discretion, upon ninety (90) days' prior written notice.

(b) Customer shall pay Equinix the then-current initial charges, monthly recurring fees (hereinafter "Recurring Fees"), and other charges and deposits set forth in the Order Form, which include charges for use of the Space. Upon the Effective Date of each Space listed on the Order Form, Customer agrees to

pay: (1) the pre-paid installation charges as estimated by Equinix, and (2) a deposit equal to two months' Recurring Fees, and the other charges as specified on the Order Form for such Space ("Deposit"). For the avoidance of doubt, for each Space licensed after the Earliest Effective Date, Customer agrees to pay such additional pre-paid estimated installation charges and Deposit on the Effective Date of such subsequent Space. Further, if Customer's Recurring Fees increase, Equinix reserves the right to increase the Deposit on a commensurate basis, and such additional amount shall be due and payable to Equinix on the date set forth in Equinix's invoice. The estimated pre-paid installation charges will be applied against charges due in the first month for such Space. Following termination of the Agreement for all Spaces, such Deposit will be applied against any unpaid charges, de-installation and other ancillary costs and other amounts owed by Customer to Equinix (collectively, "Unpaid Customer Fees") and, to the extent that such Deposit exceeds such Unpaid Customer Fees, the excess will be refunded to Customer within thirty (30) days after all Unpaid Customer Fees then owed to Equinix from Customer arising out of or following the termination of this Agreement have been accounted for by Equinix. For the avoidance of doubt, Customer shall continue to pay Recurring Fees and other charges specified in the Order Form for each Space until the Agreement terminates for such Space.

(c) Monthly payment of all Recurring Fees and other charges are due and payable on the date set forth in Equinix's invoice. However, if Equinix at any time determines that Customer's credit is not satisfactory, Customer shall make payments in advance as determined by Equinix. Without limiting any other remedies to Equinix, amounts past due will incur a finance charge at the rate of 1.5% per month of the amount past due or the maximum amount permitted by law, whichever is lower.

(d) Customer shall pay all taxes, governmental fees, and the third party charges set forth in the Policies.

8. Warranty Disclaimer and Limitation of Liability.

(a) CUSTOMER USE OF THE SPACE, IBX, LICENSE, EQUIPMENT, AND ANY AND ALL OF EQUINIX'S SERVICES, INCLUDING BUT NOT LIMITED TO ANY INTERCONNECTION, ARE AT CUSTOMER'S OWN RISK. EQUINIX PROVIDES THE LICENSE, IBX, SPACE, AND ANY AND ALL SERVICES HEREIN ON AN "AS IS, AS AVAILABLE" BASIS AND EQUINIX MAKES NO WARRANTY, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF NONINFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

(b) NOTWITHSTANDING ANYTHING TO THE CONTRARY, EXCEPT FOR BODILY INJURY OF A PERSON, NEITHER EQUINIX NOR ANY OF ITS SUPPLIERS (INCLUDING BUT NOT LIMITED TO ALL EQUIPMENT AND PROPERTY SUPPLIERS), DIRECTORS, OFFICERS, AFFILIATES, SUBSIDIARIES, AGENTS, REPRESENTATIVES, CONTRACTORS OR EMPLOYEES (COLLECTIVELY, "EQUINIX AFFILIATES") SHALL BE RESPONSIBLE OR LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO UNDER ANY CONTRACT, TORT, STRICT LIABILITY OR OTHER THEORY: (A) FOR ERROR OR INTERRUPTION OF USE OR FOR LOSS OR INACCURACY OR CORRUPTION OF DATA OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY OR FOR RELOCATION EXPENSES OR LOSS OF BUSINESS; (B) FOR ANY INDIRECT, EXEMPLARY, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS; OR (C) FOR ANY MATTER BEYOND ITS REASONABLE CONTROL, EVEN IF ANY OF THE EQUINIX AFFILIATES HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE. IN NO EVENT SHALL ANY OF THE EQUINIX AFFILIATES BE LIABLE EITHER IN CONTRACT, TORT, STRICT LIABILITY OR OTHER THEORY, FOR PROTECTION FROM UNAUTHORIZED ACCESS TO CUSTOMER'S TRANSMISSION FACILITIES OR THE EQUIPMENT, OR FOR UNAUTHORIZED ACCESS TO OR ALTERATION, THEFT OR DESTRUCTION OF CUSTOMER'S DATA FILES, PROGRAMS OR OTHER INFORMATION, WHETHER THROUGH ACCIDENT, THIRD PARTY OR CUSTOMER FRAUDULENT MEANS OR DEVICES OR ANY OTHER METHOD OR MEANS, EVEN IF ANY OF THE EQUINIX AFFILIATES HAVE ASSISTED CUSTOMER WITH ACCESS MANAGEMENT FUNCTIONALITY, INCLUDING BUT NOT LIMITED TO, ACCESS LISTS AND FIREWALLS. WITHOUT LIMITING THE FOREGOING, EQUINIX AFFILIATES' TOTAL LIABILITY FOR DAMAGES TO CUSTOMER FOR ANY CAUSE WHATSOEVER, REGARDLESS OF THE FORM OF ACTION, AND WHETHER IN

Agreement No. _____

CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHER THEORY SHALL BE LIMITED TO THE AGGREGATE MONTHLY CHARGES PAID BY CUSTOMER TO EQUINIX HEREUNDER DURING THE THREE (3) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENTS GIVING RISE TO CUSTOMER'S CLAIM.

9. Miscellaneous.

(a) Customer shall not assign or transfer the rights or obligations associated with this Agreement, in whole or in part, without Equinix's prior written consent except to any acquiror of all or substantially all of Customer's business or assets or equity securities. Equinix, its successors and assigns may each assign, transfer, and delegate any of its rights or obligations under this Agreement without Customer's consent. For the purposes of this Agreement, "Equinix" shall mean Equinix or any assignee of Equinix.

(b) All notices, consents, or approvals required by this Agreement shall be (i) in writing sent by certified or registered air mail, postage prepaid, or by confirmed facsimile, electronic mail, or cable (confirmed by such certified or registered mail) to the parties at the addresses set forth on the Order Form or such other addresses as may be designated in writing by the respective parties or (ii) in any other manner mutually agreed upon by the parties. Notices shall be deemed effective on the date of mailing.

(c) Except that either party may seek equitable or similar relief from a court, any dispute, controversy or claim arising out of or in relation to this Agreement or at law, or the breach, termination or invalidity thereof, that cannot be settled amicably by agreement of the parties hereto, shall be finally settled by arbitration in San Francisco, California (which arbitration shall be binding and enforceable in any court of competent jurisdiction for purposes of this Agreement only) in accordance with the commercial rules of the American Arbitration Association (AAA). Equinix and Customer will each select one arbitrator and a third arbitrator will be selected unanimously by the two arbitrators selected by the parties. If the two arbitrators selected by the parties are unable to select the third arbitrator within ten (10) days of the appointment of the two arbitrators, the parties consent to the selection of the third arbitrator by the AAA administrator.

(d) Equinix shall not be responsible for any failure to perform its obligations under this Agreement if such failure is caused by acts of God, war, labor strike, revolutions, lack or failure of transportation facilities, fire, flood, lockouts, water damage, earthquake, epidemic, explosion, storm, severe weather, nuclear radiation, contamination of soil or groundwater with toxic or hazardous materials, earth slides, freight embargo, fuel or energy shortage, loss of power or heating, ventilation, telecommunication, and/or air conditioning (HVAC) interruption, riot or public discord, civil disturbance, takings, condemnation, laws or governmental regulations or other causes which are beyond the reasonable control of Equinix. Obligations hereunder, however, shall in no event be excused but shall be suspended only until the cessation of any cause of such failure. In the event that such cause or event should obstruct performance of this Agreement for more than six (6) months, the parties hereto shall consult with each other to determine whether this Agreement should be modified. Equinix, upon facing such cause or event, shall use reasonable endeavors in order to remedy that situation as well as to minimize its effects. Equinix shall use reasonable efforts to notify Customer of any cause or event that is the subject of this Section 9(d) within three (3) days after its occurrence.

(e) This Agreement shall be governed in all respects by the internal laws of the State of California (as if made and entered into between California residents and fully executed within California) without regard to its conflict of laws provisions. The sole jurisdiction and venue for actions related to the subject matter hereof shall be the state and U.S. federal courts in San Francisco, California. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, that provision shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable. Except for the Agreement between Equinix and Customer dated _____, this Agreement supersedes all proposals, oral or written, all negotiations, conversations, or discussions between or among the parties relating to the subject matter of this Agreement and all past dealing or industry custom. This Agreement shall not be modified except by a non-preprinted written agreement signed on behalf of Equinix and Customer by their respective duly authorized representatives and clearly understood by both parties to be an amendment or waiver of the Agreement, except as expressly and unambiguously provided herein. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party and clearly understood by the waiving party to be such a waiver. In any action or proceeding to enforce rights under this Agreement, the prevailing party will be entitled to recover costs and attorneys fees. Equinix shall not incur any liability whatsoever for any damage, loss or expenses of any kind suffered or incurred by Customer arising from or incident to any termination of this Agreement (or any part thereof) by Equinix which complies with the terms of the Agreement whether or not Equinix is aware of any such damage, loss or expenses. Each party shall comply with all applicable export laws, restrictions, and regulations of any United States or foreign agency or authority and will not export or re-export, or allow the export or re-export of any product, technology or information it obtains or learns pursuant to this Agreement (or any direct product thereof) in violation of any such laws, restrictions or regulations. Customer represents, covenants, and warrants that Customer will comply with all applicable laws (including but not limited to laws related to spamming, spoofing, privacy, obscenity or defamation). Headings and captions are for convenience only and are not to be used in the interpretation of this Agreement. EACH PARTY RECOGNIZES AND AGREES THAT THE WARRANTY DISCLAIMERS AND LIABILITY AND REMEDY LIMITATIONS IN THIS AGREEMENT ARE MATERIAL BARGAINED FOR BASES OF THIS AGREEMENT AND THAT THEY HAVE BEEN TAKEN INTO ACCOUNT AND REFLECTED IN DETERMINING THE CONSIDERATION TO BE GIVEN BY EACH PARTY UNDER THIS AGREEMENT AND IN THE DECISION BY EACH PARTY TO ENTER INTO THIS AGREEMENT.

(f) Except to the extent expressly provided to the contrary, the following provisions shall survive the termination of this Agreement: Sections 2(a) (i) (excluding the first sentence), 2(a) (ii), 2(b) (ii), 3(c), 6(b) (only the sentence: "Termination is not the sole remedy under this Agreement and, whether or not termination is effected, except as expressly and unambiguously limited in this Agreement, all other remedies will remain available."), 6(c), 7(b)-(d), 8, and 9.

The Board of Directors
Equinix, Inc.:

We consent to the use of our report dated January 21, 2000, except as to Note 10, which is as of January 28, 2000, relating to the consolidated balance sheets of Equinix, Inc and subsidiary, as of December 31, 1998 and 1999 and the related consolidated statements of operations, stockholders' equity and cash flows for the period from June 22, 1998 (inception) to December 31, 1998 and for the year ended December 31, 1999 which report is included in the registration statement on Form S-4, and to the reference to our firm under the heading "Experts" in the prospectus.

/s/ KPMG LLP

Mountain View, California
February 23, 2000

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER THE
TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

Check if an Application to Determine Eligibility
of a Trustee Pursuant to Section 305(b)(2) [X]

STATE STREET BANK AND TRUST COMPANY OF CALIFORNIA, NATIONAL ASSOCIATION
(Exact name of trustee as specified in its charter)

United States 06-1143380
(Jurisdiction of incorporation or (I.R.S. Employer
organization if not a U.S. national bank) Identification No.)

633 West 5/th/ Street, 12/th/ Floor, Los Angeles, California 90071
(Address of principal executive offices) (Zip Code)

Lynda A. Vogel, Senior Vice President and Managing Director
633 West 5/th/ Street, 12/th/ Floor, Los Angeles, California 90071
(213) 362-7399
(Name, address and telephone number of agent for service)

Equinix, Inc.
(Exact name of obligor as specified in its charter)

Delaware 77-0487526
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

901 Marshall Street
Redwood City, CA 94063
(Address of principal executive offices) (Zip Code)

13% Senior Notes due 2007
(TYPE OF SECURITIES)

GENERAL

Item 1. General Information.

Furnish the following information as to the trustee:

- (a) Name and address of each examining or supervisory authority to
which it is subject.

Comptroller of the Currency, Western District Office,
50 Fremont Street, Suite 3900, San Francisco, California, 94105-2292

- (b) Whether it is authorized to exercise corporate trust powers.
Trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations with Obligor.

If the Obligor is an affiliate of the trustee, describe each such
affiliation.

The obligor is not an affiliate of the trustee or of its
parent, State Street Bank and Trust Company.

(See notes on page 2.)

Item 3. through Item 15. Not applicable.

Item 16. List of Exhibits.

List below all exhibits filed as part of this statement of
eligibility.

1. A copy of the articles of association of the trustee as now in
effect.

A copy of the Articles of Association of the trustee, as now

in effect, is on file with the Securities and Exchange Commission as an Exhibit with corresponding exhibit number to the Form T-1 of Western Digital Corporation, filed pursuant to Section 305(b)(2) of the Trust Indenture Act of 1939, as amended (the "Act"), on May 12, 1998 (Registration No. 333-52463), and is incorporated herein by reference.

2. A copy of the certificate of authority of the trustee to commence business, if not contained in the articles of association.

A Certificate of Corporate Existence (with fiduciary powers) from the Comptroller of the Currency, Administrator of National Banks is on file with the Securities and Exchange Commission as an Exhibit with corresponding exhibit number to the Form T-1 of Western Digital Corporation, filed pursuant to Section 305(b)(2) of the Act, on May 12, 1998 (Registration No. 333-52463), and is incorporated herein by reference.

3. A copy of the authorization of the trustee to exercise corporate trust powers, if such authorization is not contained in the documents specified in paragraph (1) or (2), above.

Authorization of the Trustee to exercise fiduciary powers (included in Exhibits 1 and 2; no separate instrument).

4. A copy of the existing by-laws of the trustee, or instruments corresponding thereto.

A copy of the by-laws of the trustee, as now in effect, is on file with the Securities and Exchange Commission as an Exhibit with corresponding exhibit number to the Form T-1 of Western Digital Corporation, filed pursuant to Section 305(b)(2) of the Act, on May 12, 1998 (Registration No. 333-52463), and is incorporated herein by reference.

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5. A copy of each indenture referred to in Item 4. if the obligor is in default.

Not applicable.

6. The consents of United States institutional trustees required by Section 321(b) of the Act.

The consent of the trustee required by Section 321(b) of the Act is annexed hereto as Exhibit 6 and made a part hereof.

7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.

A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority is annexed hereto as Exhibit 7 and made a part hereof.

NOTES

In answering any item of this Statement of Eligibility which relates to matters peculiarly within the knowledge of the obligor or any underwriter for the obligor, the trustee has relied upon information furnished to it by the obligor and the underwriters, and the trustee disclaims responsibility for the accuracy or completeness of such information.

The answer furnished to Item 2. of this statement will be amended, if necessary, to reflect any facts which differ from those stated and which would have been required to be stated if known at the date hereof.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, State Street Bank and Trust Company of California, National Association, a national banking association, organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Los Angeles, and State of California, on the 12th of January, 2000.

STATE STREET BANK AND TRUST COMPANY
OF CALIFORNIA, NATIONAL ASSOCIATION

By: /S/ Scott C. Emmons

Scott C. Emmons
Vice President

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EXHIBIT 6

CONSENT OF THE TRUSTEE

Pursuant to the requirements of Section 321(b) of the Trust Indenture Act of 1939, as amended, in connection with the proposed issuance by Equinix, Inc. of its 13% Senior Notes due 2007, we hereby consent that reports of examination by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefor.

STATE STREET BANK AND TRUST COMPANY
OF CALIFORNIA, NATIONAL ASSOCIATION

By: /S/ Scott C. Emmons

Scott C. Emmons
Vice President

Dated: January 12, 2000

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EXHIBIT 7

Consolidated Report of Condition and Income for A Bank With Domestic Offices Only and Total Assets of Less Than \$100 Million of State Street Bank and Trust Company of California, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, at the close of business September 30, 1999, published in accordance with a call made

by the Federal Deposit Insurance Corporation pursuant to the required law: 12 U.S.C. Section 324 (State member banks); 12 U.S.C. Section 1817 (State nonmember banks); and 12 U.S.C. Section 161 (National banks).

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Thousands		of
ASSETS		
Dollars		
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Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin.....	6,329	
Interest-bearing balances.....	0	
Securities.....	38	
Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge subsidiary.....	0	
Loans and lease financing receivables:		
Loans and leases, net of unearned income.....	0	
Allowance for loan and lease losses.....	0	
Allocated transfer risk reserve.....	0	
Loans and leases, net of unearned income and allowances.....	0	
Assets held in trading accounts.....	0	
Premises and fixed assets.....	38	
Other real estate owned.....	0	
Investments in unconsolidated subsidiaries.....	0	
Customers' liability to this bank on acceptances outstanding.....	0	
Intangible assets.....	0	
Other assets.....		

Total assets.....	7,090
=====	
LIABILITIES	
Deposits:	
In domestic offices.....	0
Noninterest-bearing.....	0
Interest-bearing.....	0
In foreign offices and Edge subsidiary.....	0
Noninterest-bearing.....	0
Interest-bearing.....	0
Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge subsidiary.....	0
Demand notes issued to the U.S. Treasury and Trading Liabilities.....	0
Other borrowed money.....	0
Subordinated notes and debentures.....	0
Bank's liability on acceptances executed and outstanding.....	0
Other liabilities.....	3,448
Total liabilities.....	3,448

EQUITY CAPITAL	
Perpetual preferred stock and related surplus.....	0
Common stock.....	500
Surplus.....	750
Undivided profits and capital reserves/Net unrealized holding gains (losses).....	2,392
Cumulative foreign currency translation adjustments.....	0
Total equity capital.....	3,642

Total liabilities and equity capital.....	7,090
=====	

</TABLE>

I, John J. Saniuk, Vice President and Comptroller of the above named bank do hereby declare that this Report of Condition and Income for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true to the best of my knowledge and belief.

/S/ John J. Saniuk

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

/S/ Alan D. Greene
/S/ Bryan R. Calder

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FORM OF
LETTER OF TRANSMITTAL
for
13% Senior Notes Due 2007
of
EQUINIX, INC.
Pursuant to the Exchange Offer for
All of Its Outstanding 13% Senior Notes Due 2007
for
13% Senior Notes Due 2007

Pursuant to the Prospectus Dated _____, 2000

<TABLE>

<S> THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M. NEW YORK CITY TIME ON _____, 2000 UNLESS THE OFFER IS EXTENDED (THE "EXPIRATION DATE"). TENDERS OF NOTES MAY BE WITHDRAWN AT ANY TIME PRIOR TO 5:00 P.M. ON THE EXPIRATION DATE.

</TABLE>

To: State Street Bank and Trust Company of California, N.A., Exchange Agent

<TABLE>

<S> By Registered or Certified Mail: State Street Bank and Trust Company of California, N.A. c/o State Street Bank and Trust Company P.O. Box 778 Boston, MA 02102-0778 Attn: Ralph Jones

<C> The Exchange Agent State Street Bank and Trust Company of California, N.A.

By Facsimile: (For Eligible Institutions Only) (617) 662-1452

By Hand or Overnight Carrier: State Street Bank and Trust Company of California, N.A. c/o State Street Bank and Trust Company 2 Avenue de Lafayette, LCC5 Boston, MA 02111-1724 Attn: Ralph Jones

Confirm by Telephone: (617) 662-1548 Attn: Ralph Jones

</TABLE>

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS, OR TRANSMISSION VIA FACSIMILE, OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY. THE INSTRUCTIONS CONTAINED HEREIN SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

HOLDERS WHO WISH TO BE ELIGIBLE TO RECEIVE EXCHANGE NOTES FOR THEIR INITIAL NOTES PURSUANT TO THE EXCHANGE OFFER MUST VALIDLY TENDER (AND NOT WITHDRAW) THEIR INITIAL NOTES TO THE EXCHANGE AGENT PRIOR TO THE EXPIRATION DATE.

By execution hereof, the undersigned acknowledges receipt of the Prospectus dated _____, 2000 (the "Prospectus") of Equinix, Inc., a Delaware corporation (the "Company"), which, together with this Letter of Transmittal and the instructions hereto (the "Letter of Transmittal"), constitutes the Company's offer (the "Exchange Offer") to exchange \$1,000 principal amount of its new 13% Senior Notes Due 2007 (the "Exchange Notes"), which have been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to a Registration Statement of which the Prospectus constitutes a part, for each \$1,000 principal amount of its

outstanding 13% Senior Notes Due 2007 (the "Initial Notes"), upon the terms and subject to the conditions set forth in the Prospectus. Capitalized terms used but not defined herein have the meaning given to them in the Prospectus.

This Letter of Transmittal is to be used if certificates for the Initial Notes are to be forwarded herewith. If delivery of the Initial Notes is to be made through book-entry transfer into the Exchange Agent's account at The Depository Trust Company ("DTC"), this Letter of Transmittal need not be delivered; provided, however, that tenders of the Initial Notes must be effected in accordance with DTC's Automated Tender Offer Program procedures and the procedures set forth in the Prospectus under the caption "The Exchange Offer--Procedures for Tendering Initial Notes" and "--Book-Entry Transfer."

For each Initial Note accepted for exchange, the holder of such Initial Note will receive an Exchange Note having a principal amount equal to that of the surrendered Initial Note. If (a) the Company fails to file any of the Registration Statements required by the Registration Rights Agreement on or

* Need not be completed by Book-Entry Holders.

** Unless otherwise indicated, the Holder will be deemed to have tendered the full aggregate principal amount represented by such Initial Notes. All tenders must be in integral multiples of \$1,000. See Instruction 1.

[] CHECK HERE IF TENDERED INITIAL NOTES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE EXCHANGE AGENT WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING:

Name of Tendering Institution _____
Account Number _____
Transaction Code Number _____

[] CHECK HERE IF INITIAL NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE EXCHANGE AGENT AND COMPLETE THE FOLLOWING:

Name of Registered Holder(s) _____
Window Ticket (if any) _____
Date of Execution of Notice of Guaranteed Delivery _____
Name of Institution which guaranteed delivery _____

IF DELIVERED BY BOOK-ENTRY TRANSFER, COMPLETE THE FOLLOWING:

Account Number _____
Transaction Code Number _____

[] CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name: _____
Address: _____
Telephone Number: _____

</TABLE>

PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned hereby tenders to the Company the principal amount of the Initial Notes indicated above. Subject to, and effective upon, the acceptance for exchange of such Initial Notes tendered hereby, the undersigned hereby exchanges, assigns and transfers to, or upon the order of, the Company all right, title in and interest in and to such Initial Notes as are being tendered hereby, including all rights to accrued and unpaid interest thereon as of the Expiration Date. The undersigned hereby irrevocably constitutes and appoints the Exchange Agent the true and lawful agent and attorney-in-fact of the undersigned (with full knowledge that said Exchange Agent acts as the agent of the Company in connection with the Exchange Offer) to cause the Initial Notes to be assigned, transferred and exchanged. The undersigned represents and warrants that it has full power and authority to tender, exchange, assign and transfer the Initial Notes and to acquire Exchange Notes issuable upon the exchange of such tendered Initial Notes, and that when the same are accepted for exchange, the Company will acquire good and unencumbered title to the tendered Initial Notes, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim.

The undersigned represents to the Company that (i) the Exchange Notes acquired pursuant to the Exchange Offer are being obtained in the ordinary course of business of the person receiving such Exchange Notes, whether or not such person is the undersigned, and (ii) neither the undersigned nor any such other person has an arrangement or understanding with any person to participate in a distribution of such Exchange Notes. If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of Exchange Notes. If the undersigned is a broker-dealer that will receive Exchange Notes for its own account in exchange for Initial Notes, it represents that the Initial Notes to be exchanged for Exchange Notes were acquired by it as a result of market-making activities or other trading activities and acknowledges that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes pursuant to the Exchange Offer; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. The undersigned and any such other person acknowledge that, if they are participating in the Exchange Offer for the purpose of distributing the Exchange Notes, (i) they cannot rely on the position of the staff of the Securities and Exchange Commission enunciated in Exxon Capital Holdings Corporation (available April 13, 1989), Morgan Stanley & Co., Inc. (available June 5, 1991), Sherman & Sterling (available July 2, 1993) or similar no-action letters and, in the absence of an exemption therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction and

(ii) failure to comply with such requirements in such instance could result in the undersigned or any such other person incurring liability under the Securities Act for which such persons are not indemnified by the Company. If the undersigned or the person receiving the Exchange Notes covered by this letter is an "affiliate" (as defined under Rule 405 of the Securities Act) of the Company, the undersigned represents to the Company that the undersigned understands and acknowledges that such Exchange Notes may not be offered for resale, resold or otherwise transferred by the undersigned or such other person without registration under the Securities Act or an exemption therefrom.

The undersigned also warrants that it will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or the Company to be necessary or desirable to complete the exchange, assignment and transfer of the Initial Notes tendered hereby or transfer ownership of such Initial Notes on the account books maintained by a book-entry transfer facility. The undersigned further agrees that acceptance of any tendered Initial Notes by the Company and the issuance of Exchange Notes in exchange therefor shall constitute performance in full by the Company of its obligations under the Registration Rights Agreement and that the Company shall have no further obligations or liabilities thereunder for the registration of the Initial Notes or the Exchange Notes.

The Exchange Offer is subject to certain conditions set forth in the Prospectus under the caption "The Exchange Offer--Conditions." The undersigned recognizes that as a result of these conditions (which may be waived, in whole or in part, by the Company), as more particularly set forth in the Prospectus, the Company may not be required to exchange any of the Initial Notes tendered hereby and, in such event, the Initial Notes not exchanged will be returned to the undersigned at the address shown above in the box entitled "Description of Initial Notes Tendered Hereby."

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All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned and every obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. This tender may be withdrawn only in accordance with the procedures set forth in "The Exchange Offer--Withdrawal of Tenders" section of the Prospectus.

Unless otherwise indicated in the box entitled "Special Issuance Instructions" or the box entitled "Special Delivery Instructions" in this Letter of Transmittal, certificates for all Exchange Notes delivered in exchange for tendered Initial Notes, and any Initial Notes delivered herewith but not exchanged, will be registered in the name of the undersigned and shall be delivered to the undersigned at the address shown above in the box entitled "Description of Initial Notes Tendered Hereby." If an Exchange Note is to be issued to a person other than the person(s) signing this Letter of Transmittal, or if the Exchange Note is to be mailed to someone other than the person(s) signing this Letter of Transmittal or to the person(s) signing this Letter of Transmittal at an address different than the address shown on this Letter of Transmittal, the appropriate boxes of this Letter of Transmittal should be completed. If Initial Notes are surrendered by Holder(s) that have completed either the box entitled "Special Issuance Instructions" or the box entitled "Special Delivery Instructions" in this Letter of Transmittal, signature(s) on this Letter of Transmittal must be guaranteed by an Eligible Institution (defined in Instruction 4).

THE UNDERSIGNED, BY COMPLETING THE BOX ENTITLED "DESCRIPTION OF INITIAL NOTES TENDERED HEREBY" ABOVE AND SIGNING THIS LETTER OF TRANSMITTAL, WILL BE DEEMED TO HAVE TENDERED THE INITIAL NOTES AS SET FORTH IN SUCH BOX ABOVE.

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<TABLE>

<S>

SPECIAL ISSUANCE INSTRUCTIONS
(SEE INSTRUCTIONS 4 AND 5)

<C>

SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 4 AND 5)

To be completed ONLY if certificates for Initial Notes not exchanged and/or Exchange Notes are to be sent

issued in the name of and sent to someone other than the person(s) whose signature(s) appear(s) on this Letter above, or if Initial Notes delivered by book-entry transfer which are not accepted for exchange are to be returned by credit to an account maintained at the Book-Entry Transfer Facility other than the account indicated above

To be completed ONLY if certificates for Initial Notes not exchanged and/or Exchange Notes are to be

to someone other than the person(s) whose signature(s) appear(s) on this Letter above or to such person(s) at an address other than shown in the box entitled "Description of Initial Notes Tendered Hereby" on this Letter above.

Mail Exchange Notes and/or Initial Notes to:

Issue Exchange Notes and/or Initial Notes to:

Name(s) : _____
(PLEASE TYPE OR PRINT)

Name(s) : _____
(PLEASE TYPE OR PRINT)

(PLEASE TYPE OR PRINT)

(PLEASE TYPE OR PRINT)

Address: _____

Address: _____

(INCLUDING ZIP CODE)

(INCLUDING ZIP CODE)

(Complete accompanying Substitute Form W-9) Credit unexchanged Initial Notes delivered by book-entry transfer to the Book-Entry Transfer Facility account set forth below.

(BOOK-ENTRY TRANSFER FACILITY ACCOUNT NUMBER, IF APPLICABLE)

</TABLE>

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REGISTERED HOLDER(S) OF NOTES SIGN HERE (IN ADDITION, COMPLETE SUBSTITUTE FORM W-9 BELOW)

<TABLE>

<CAPTION>

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Dated:	_____	_____	, 2000
	X _____	_____	, 2000
	X _____	_____	, 2000
	Signature(s) of Owner(s)	Date	

Area Code and Telephone Number: _____

SIGNATURE(S) OF REGISTERED HOLDER(S):

Must be signed by registered holder(s) exactly as name(s) appear(s) on the Initial Notes or on a security position listing as the owner of the Initial Notes or by person(s) authorized to become registered holder(s) by properly completed bond powers transmitted herewith. If signature is by attorney-in-fact, trustee, executor, administrator, guardian, officer of a corporation or other person acting in a fiduciary capacity, please provide the following information.

(PLEASE PRINT OF TYPE)

Name(s): _____

Capacity (full title): _____

Address (including zip code): _____

Area Code and Telephone Number: _____

Tax Identification or Social Security No. _____

Dated: _____

SIGNATURE GUARANTEE (IF REQUIRED--SEE INSTRUCTION 4)

Authorized Signature: _____ (Signature of Representative of Signature Guarantor)

Name and Title: _____

Name of Plan: _____

Area Code and Telephone Number: _____

Dated: _____

IMPORTANT: THIS LETTER OF TRANSMITTAL OR A FACSIMILE HEREOF (TOGETHER WITH THE CERTIFICATES FOR INITIAL NOTES OR A BOOK-ENTRY CONFIRMATION AND ALL OTHER REQUIRED DOCUMENTS OR THE NOTICE OF GUARANTEED DELIVERY) MUST BE RECEIVED BY THE EXCHANGE AGENT PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

</TABLE>

PLEASE READ THIS LETTER OF TRANSMITTAL CAREFULLY BEFORE COMPLETING ANY BOX ABOVE

PAYOR'S NAME: EQUINIX, INC.

THIS SUBSTITUTE FORM W-9 MUST BE COMPLETED AND SIGNED

<TABLE>
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Please provide your social security number or other taxpayer identification number on the following Substitute Form W-9 and certify therein that you are subject to backup withholding.

Name

Business Name, if different from above

Check appropriate box: Individual/Sole Proprietor Corporation Partnership Other

Address (number, street, and apt. or suite no.)

City, state and ZIP Code

Substitute Form W-9

Part 1 -- PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW

Social security number OR Employer identification number

Department of the Treasury
Internal Revenue Service

PART 2 -- CHECK THE BOX AND CERTIFY BY SIGNING AND DATING BELOW IF YOU ARE NOT SUBJECT TO BACKUP WITHHOLDING UNDER THE PROVISIONS OF SECTION 3406 OF THE INTERNAL REVENUE CODE BECAUSE (1) YOU ARE EXEMPT FROM BACKUP WITHHOLDING, (2) YOU HAVE NOT BEEN NOTIFIED THAT YOU ARE SUBJECT TO BACKUP WITHHOLDING AS A RESULT OF FAILURE TO REPORT ALL INTEREST OR DIVIDENDS OR (3) THE INTERNAL REVENUE SERVICE HAS NOTIFIED YOU THAT YOU ARE NO LONGER SUBJECT TO BACKUP WITHHOLDING.

PAYER'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER (TIN)

Part 3 - CERTIFICATION -- UNDER THE PENALTIES OF PERJURY, I CERTIFY THAT THE INFORMATION PROVIDED ON THIS FORM IS TRUE, CORRECT AND COMPLETE.

Awaiting TIN

SIGNATURE _____ Date: _____

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 31% OF PAYMENTS MADE TO YOU.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF SUBSTITUTE FORM W-9. CERTIFICATE OF AWAITING TAX IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number within 60 days, 31% of all reportable payments made to me thereafter will be withheld, until I provide a number.

Signature _____ Date: _____

</TABLE>

INSTRUCTIONS
FORMING PART OF THE TERMS AND
CONDITIONS OF THE EXCHANGE OFFER

1. DELIVERY OF THIS LETTER OF TRANSMITTAL AND CERTIFICATES

All physically delivered Initial Notes or confirmation of any book-entry transfer to the Exchange Agent's account at a book-entry transfer facility of Initial Notes tendered by book-entry transfer, as well as a properly completed and duly executed copy of this Letter of Transmittal or facsimile thereof, and any other documents required by this Letter of Transmittal, must be received by the Exchange Agent at its address set forth herein on or prior to the Expiration Date. The method of delivery of this Letter of Transmittal, the Initial Notes and any other required documents is at the election and risk of the Holder, and

except as otherwise provided below, the delivery will be deemed made only when actually received by the Exchange Agent. If such delivery is by mail, it is suggested that registered mail with return receipt requested, properly insured, be used. Initial Notes tendered hereby must be in denominations of principal amount of \$1,000 and any integral multiple thereof.

No alternative, conditional, irregular or contingent tenders will be accepted. All tendering Holders, by execution of this Letter of Transmittal (or facsimile thereof), shall waive any right to receive notice of the acceptance of the Initial Notes for exchange.

Delivery to an address of the Trustee other than as set forth herein, or instructions via a facsimile number other than the ones set forth herein, will not constitute a valid delivery.

2. GUARANTEED DELIVERY PROCEDURES.

Holders who wish to tender their Initial Notes and (i) whose Initial Notes are not immediately available, or (ii) who cannot deliver their Initial Notes, the Letter of Transmittal or any other required documents to the Exchange Agent prior to the Expiration Date, may effect a tender if:

(a) The tender is made through an Eligible Institution;

(b) Prior to the Expiration Date, the Exchange Agent receives from such Eligible Institution a properly completed and duly executed Letter of Transmittal and Notice of Guaranteed Delivery (by facsimile transmission, mail or hand delivery) setting forth the name and address of the Holder of the Initial Notes, the certificate number or numbers of such Initial Notes and the principal amount of Initial Notes tendered, stating that the tender is being made thereby and guaranteeing that, within five business days after the Expiration Date, the Letter of Transmittal (or facsimile thereof) together with the certificate(s) representing the Initial Notes to be tendered in proper form for transfer and any other documents required by the Letter of Transmittal, or a Book-Entry Confirmation, as the case may be, will be delivered by the Eligible Institution to the Exchange Agent; and

(c) The certificate(s) representing all tendered Initial Notes in proper form for transfer and all other documents required by the Letter of Transmittal, or a Book-Entry Confirmation, as the case may be, are received by the Exchange Agent within five business days after the Expiration Date.

Upon request of the Exchange Agent, a Notice of Guaranteed Delivery will be sent to Holders who wish to tender their Initial Notes according to the guaranteed delivery procedures set forth above. Any Holder who wishes to tender Initial Notes pursuant to the guaranteed delivery procedures described above must ensure that the Exchange Agent receives the Notice of Guaranteed Delivery relating to such Initial Notes prior to the Expiration Date. Failure to complete the guaranteed delivery procedures outlined above will not, of itself, affect the validity or effect a revocation of any Letter of Transmittal form properly completed and executed by a Holder who attempted to use the guaranteed delivery procedures.

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3. PARTIAL TENDERS (NOT APPLICABLE TO HOLDERS WHO TENDER BY BOOK-ENTRY TRANSFER); WITHDRAWALS.

If less than all of the Initial Notes evidenced by a submitted certificate are to be tendered, the tendering holder(s) should fill in the aggregate principal amount at maturity of Initial Notes to be tendered in the column entitled "Principal Amount Tendered" of the box above entitled "Description of Initial Notes Tendered Hereby." A reissued certificate representing the balance of untendered Initial Notes will be sent to such tendering holder, unless otherwise provided in the appropriate box on this Letter of Transmittal, promptly after the Expiration Date. All of the Initial Notes delivered to the Exchange Agent will be deemed to have been tendered unless otherwise indicated.

Initial Notes tendered pursuant to the Exchange Offer may be withdrawn at any time prior to the Expiration Date as described in the Prospectus, after which tenders of Initial Notes are irrevocable.

4. SIGNATURE ON THIS LETTER OF TRANSMITTAL, WRITTEN INSTRUMENTS AND ENDORSEMENTS; GUARANTEE OF SIGNATURES.

If this Letter of Transmittal is signed by the registered Holder(s) of the Initial Notes tendered hereby, the signature must correspond exactly with the name(s) as written on the face of the certificates without alternation or enlargement or any change whatsoever. If this Letter of Transmittal is signed by a participant in the Depository, the signature must correspond with the name as it appears on the security position listing as the owner of the Initial Notes.

If any of the Initial Notes tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If a number of Initial Notes registered in different names are tendered, it will be necessary to complete, sign and submit as many separate copies of this Letter of Transmittal as there are different registrations of Initial Notes.

Signatures on this Letter of Transmittal or a notice of withdrawal, as the case may be, must be guaranteed by an Eligible Institution unless the Initial Notes tendered hereby are tendered (i) by a registered Holder (which term, for the purposes described herein, shall include a participant in the Depository whose name appears on a security listing as the owner of the Initial Notes) who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on this Letter of Transmittal or (ii) for the account of an Eligible Institution.

When this Letter of Transmittal is signed by the registered holder or holders of the Initial Notes specified herein and tendered hereby, no endorsements of certificates or separate bond powers are required. If, however, the Exchange Notes are to be issued, or any untendered Initial Notes are to be reissued, to a person other than the registered holder, then endorsements of any certificates transmitted hereby or separate bond powers are required. Signatures on such certificate(s) must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder or holders of any certificate(s) specified herein, such certificate(s) must be endorsed or accompanied by appropriate bond powers, in either case signed exactly as the name or names of the registered holder or holders appear(s) on the certificate(s) and signatures on such certificate(s) must be guaranteed by an Eligible Institution.

If this Letter of Transmittal, any certificates or separate written instruments of transfer or exchange are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless waived by the Company, proper evidence satisfactory to the Company of their authority so to act must be submitted. Please contact the Company if there are any questions regarding what constitutes proper evidence.

Endorsements on certificates for Initial Notes or signatures on bond powers required by this Instruction 4 must be guaranteed by a firm which is a member of a registered national securities exchange or a member of the National Association of Securities Dealers, Inc. or by a commercial bank or trust company having an office or correspondent

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in the United States or by such other Eligible Institution within the meaning of Rule 17(A)(d)-15 under the Securities Exchange Act of 1934, as amended (each an "Eligible Institution").

5. SPECIAL ISSUANCE AND DELIVERY INSTRUCTIONS.

Tendering Holders should indicate, in the applicable box, the name and address (or account at the Depository) in which the Exchange Notes issued pursuant to the Exchange Offer and/or substitute certificates evidencing Initial Notes not exchanged are to be issued (or deposited), if different from the names and addresses or accounts of the person signing this Letter of Transmittal. In the case of issuance in a different name, the employer identification number or social security number of the person named must also be indicated and the tendering Holder should complete the applicable box. Holders tendering Initial Notes by book-entry transfer may request that Initial Notes not exchanged be credited to such account maintained at DTC as such holder may designate hereon. If no such instructions are given, such Initial Notes not exchanged will be returned to the name and address of the person signing this Letter of Transmittal.

6. TRANSFER TAXES.

The Company shall pay all transfer taxes, if any, applicable to the transfer and exchange of Initial Notes to it or its order pursuant to the Exchange Offer. If, however, Exchange Notes and/or substitute Initial Notes not exchanged are to be delivered to, or are to be registered or issued in the name of, any person other than the registered holder of the Initial Notes tendered hereby, or if tendered Initial Notes are registered in the name of any person other than the person signing this Letter of Transmittal, or if a transfer tax is imposed for any reason other than the transfer of Initial Notes to the Company or its order pursuant to the Exchange Offer, the amount of any such transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted herewith, the amount of such transfer taxes will be collected from the tendering Holder by the Exchange Agent.

Except as provided in this Instruction 6, it will not be necessary for transfer stamps to be affixed to the Initial Notes listed in this Letter of Transmittal.

7. WAIVER OF CONDITIONS.

The Company reserves the right, in its reasonable judgment, to waive, in whole or in part, any of the conditions to the Exchange Offer set forth in the Prospectus.

8. NO CONDITIONAL TENDERS.

No alternative, conditional, irregular or contingent tenders will be accepted. All tendering holders of Initial Notes, by execution of this Letter of Transmittal, shall waive any right to reserve notice of the acceptance of their Initial Notes for exchange.

Neither the Company, the Exchange Agent nor any other person is obligated to give notice of any defect or irregularity with respect to any tender of Initial Notes nor shall any of them incur any liability for failure to give any such notice.

9. MUTILATED, LOST, STOLEN OR DESTROYED INITIAL NOTES.

Any Holder whose Initial Notes have been mutilated, lost, stolen or destroyed should contact the Exchange Agent at the address indicated above for further instructions.

10. REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES.

Questions relating to the procedure for tendering as well as requests for additional copies of the Prospectus and this Letter of Transmittal, may be directed to the Exchange Agent at the address and telephone number(s) set forth above.

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11. VALIDITY AND FORM.

All questions as to the validity, form, eligibility (including time of receipt), acceptance of tendered Initial Notes and withdrawal of tendered Initial Notes will be determined by the Company in its sole discretion, which determination will be final and binding. The Company reserves the absolute right to reject any and all Initial Notes not properly tendered or any Initial Notes the Company's acceptance of which would, in the opinion of counsel for the Company, be unlawful. The Company also reserves the right, in its reasonable judgment, to waive any defects, irregularities or conditions of tender as to particular Initial Notes. The Company's interpretation of the terms and conditions of the Exchange Offer (including the instructions in this Letter of Transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of Initial Notes must be cured within such time as the Company shall determine. Although the Company intends to notify Holders of defects or irregularities with respect to tenders of Initial Notes, neither the Company, the Exchange Agent nor any other person shall incur any liability for failure to give such notification. Tenders of Initial Notes will not be deemed to have been made until such defects or irregularities have been cured or waived. Any Initial Notes received by the Exchange Agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the Exchange Agent to the tendering Holder as soon as practicable following the Expiration Date.

IMPORTANT TAX INFORMATION

Under federal income tax law, a Holder tendering Initial Notes is required to provide the Exchange Agent with such Holder's correct Taxpayer Identification Number ("TIN") on Substitute Form W-9 above. If such Holder is an individual, the TIN is generally the Holder's social security number. The Certificate of Awaiting Taxpayer Identification Number should be completed if the tendering Holder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future. If the Exchange Agent is not provided with the correct TIN, the Holder may be subject to a \$50 penalty imposed by the Internal Revenue Service. In addition, payments that are made to such Holder with respect to tendered Initial Notes may be subject to backup withholding.

Certain Holders (including, among others, all domestic corporations and certain foreign individuals and foreign entities) are not subject to these backup withholding and reporting requirements. Such a Holder, who satisfies one or more of the conditions set forth in Part 2 of the Substitute Form W-9 should execute the certification following such Part 2. In order for a non-resident alien Holder or a foreign entity Holder to qualify as an exempt recipient, that Holder must submit to the Exchange Agent a properly completed Internal Revenue Service Form W-8 (certificate of foreign status), signed under penalties of perjury, attesting to that Holder's exempt status. Such forms can be obtained from the Exchange Agent.

If backup withholding applies, the Exchange Agent is required to withhold 31% of any amounts otherwise payable to the Holder. Backup withholding is not an

additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

PURPOSE OF SUBSTITUTE FORM W-9

To prevent backup withholding on payments that are made to a Holder with respect to Initial Notes tendered for exchange, the Holder is required to notify the Exchange Agent of his or her correct TIN by completing the form herein certifying that the TIN provided on Substitute Form W-9 is correct (or that such Holder is awaiting a TIN) and that (i) each Holder is exempt, (ii) such Holder has not been notified by the Internal Revenue Service that he or she is subject to backup withholding as a result of failure to report all interest or dividends or (iii) the Internal Revenue Service has notified such Holder that he or she is no longer subject to backup withholding.

WHAT NUMBER TO GIVE THE EXCHANGE AGENT

Each Holder is required to give the Exchange Agent the social security number or employer identification number of the record Holder(s) of the Initial Notes. If Initial Notes are in more than one name or are not in the name

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of the actual Holder, consult the instructions on Internal Revenue Service Form W-9, which may be obtained from the Exchange Agent, for additional guidance on which number to report.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

If the tendering Holder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future, write "Applied For" in the space for the TIN on Substitute Form W-9, sign and date the form and the Certificate of Awaiting Taxpayer Identification Number and return them to the Exchange Agent. If such certificate is completed and the Exchange Agent is not provided with the TIN within 60 days, the Exchange Agent will withhold 31% of all payments made thereafter until a TIN is provided to the Exchange Agent.

IMPORTANT: THIS LETTER OF TRANSMITTAL OR A FACSIMILE THEREOF (TOGETHER WITH INITIAL NOTES OR CONFIRMATION OF BOOK-ENTRY TRANSFER AND ALL OTHER REQUIRED DOCUMENTS) OR A NOTICE OF GUARANTEED DELIVERY MUST BE RECEIVED BY THE EXCHANGE AGENT PRIOR TO 5:00 P.M., NEW YORK CITY TIME, ON THE EXPIRATION DATE.

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FORM OF
 NOTICE OF GUARANTEED DELIVERY
 FOR
 13% SENIOR NOTES DUE 2007
 OF
 EQUINIX, INC.

As set forth in the Prospectus dated _____, 2000 (the "Prospectus") of Equinix, Inc. (the "Company") and in the accompanying Letter of Transmittal and instructions thereto (the "Letter of Transmittal"), this form or one substantially equivalent hereto must be used to accept the Company's exchange offer (the "Exchange Offer") to purchase all of its outstanding 13% Senior Notes due 2007 (the "Initial Notes") in exchange for the Company's 13% Senior Notes due 2007, if (i) certificates representing the Initial Notes to be tendered for purchase and payment are not lost but are not immediately available, (ii) time will not permit the Letter of Transmittal, certificates representing such Initial Notes or other required documents to reach State Street Bank and Trust Company of California, N.A. (the "Exchange Agent") on or prior to 5:00 p.m., New York City time, on the Expiration Date or (iii) the procedures for delivery of the Initial Notes through book-entry transfer into the Exchange Agent's account at The Depository Trust Company ("DTC") in accordance with DTC's Automated Tender Offer Program cannot be completed on a timely basis. This form may be delivered by an Eligible Institution by mail or hand delivery or transmitted, via facsimile (receipt confirmed by telephone) to the Exchange Agent as set forth below. All capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Prospectus.

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON _____, 2000 UNLESS THE OFFER IS EXTENDED (THE "EXPIRATION DATE").
 TENDERS OF INITIAL NOTES MAY BE WITHDRAWN UNDER THE PROCEDURES DESCRIBED IN THE PROSPECTUS AT ANY TIME PRIOR TO 5:00 P.M. ON THE EXPIRATION DATE.

<p><TABLE> <CAPTION> BY MAIL, HAND OR OVERNIGHT CARRIER: ----- --- <S> State Street Bank and Trust Company of California, N.A. c/o State Street Bank and Trust Company 2 Avenue de Lafayette Corporate Trust Window, LCC5 Boston, MA 02111-1724 Attn: Ralph Jones</p>	<p>THE EXCHANGE AGENT ----- <C> The Exchange Agent State Street Bank and Trust Company of California, N.A. BY FACSIMILE: (For Eligible Institutions Only) (617) 662-1452 CONFIRM BY TELEPHONE: (617) 662-1548 Attn: Ralph Jones</p>
---	--

DELIVERY OF THIS INSTRUMENT TO AN ADDRESS, OR TRANSMISSION VIA FACSIMILE, OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

This form is not to be used to guarantee signatures. If a signature on the Letter of Transmittal is required to be guaranteed by an "Eligible Institution" under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

Ladies and Gentlemen:

The undersigned hereby tender(s) to the Company, upon the terms and subject to the conditions set forth in the Exchange Offer (as described in the Prospectus) and the Letter of Transmittal, receipt of which is hereby acknowledged, the aggregate principal amount of Initial Notes set forth below pursuant to the guaranteed delivery procedures set forth in the Prospectus under the caption "The Exchange Offer -- Guaranteed Delivery Procedure."

The undersigned understands that tenders of Initial Notes will be accepted only in principal amounts equal to \$1,000 or integral multiples thereof. The undersigned understands that tenders of Initial Notes pursuant to the Exchange Offer may not be withdrawn after 5:00 p.m., New York City time, on the Expiration Date. Tenders of Initial Notes may be withdrawn if the Exchange Offer is terminated without any such Initial Notes being purchased thereunder or as otherwise provided in the Prospectus under the caption "The Exchange Offer --

Withdrawal of Tenders."

All authority herein conferred or agreed to be conferred by this Notice of Guaranteed Delivery shall survive the death or incapacity of the undersigned, and every obligation of the undersigned under this Notice of Guaranteed Delivery shall be binding upon the heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and other legal representatives of the undersigned.

PLEASE COMPLETE AND SIGN

<TABLE>
<CAPTION>

Signature(s) of Registered Holders) or Authorized Signatory: _____ Name(s) of Registered Holders(s)
<S> _____ <C>

Address:

Principal Amount of Initial Notes Tendered:

Area Code and Telephone No.:

Certificate No(s) . of Initial Notes (if available):

If Initial Notes will be delivered by book-entry transfer at The Depository Trust Company, insert Depository Account No.:

Date:

</TABLE>

This Notice of Guaranteed Delivery must be signed by the registered holder(s) of Initial Notes exactly as its (their) name(s) appear on certificates for Initial Notes or on a security position listing as the owner of Initial Notes, or by person(s) authorized to become registered holder(s) by endorsements and documents transmitted with this Notice of Guaranteed Delivery. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must provide the following information.

Please print name(s) and address(es)

Name (s) : _____
Capacity: _____
Address (es) : _____

Do not send Initial Notes with this form. Initial Notes should be sent to the Exchange Agent together with a properly completed and duly executed Letter of Transmittal.

The undersigned, a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or a correspondent in the United States, hereby (a) represents that each holder of Initial Notes on whose behalf this tender is being made "own(s)" the Initial Notes covered hereby within the meaning of Rule 14e-4 under the Securities Exchange Act of 1934, as amended, (b) represents that such tender of Initial Notes complies with such Rule 14e-4, and (c) guarantees that, within five business days from the date of this Notice of Guaranteed Delivery, a properly completed and duly executed Letter of Transmittal (or a facsimile thereof), together with certificates representing the Initial Notes covered hereby in proper form for transfer (or confirmation of the book-entry transfer of such Initial Notes into the Exchange Agent's account at The Depository Trust Company, pursuant to the procedure for book-entry transfer set forth in the Prospectus) and required documents will be deposited by the undersigned with the Exchange Agent.

The undersigned acknowledges that it must deliver the Letter of Transmittal and Initial Notes tendered hereby to the Exchange Agent within the time period

set forth above and that failure to do so could result in financial loss to the undersigned.

Name of Firm: _____

Authorized Signature: _____

Address: _____

Area Code and Telephone No.: _____

Authorized Signature: _____

Name: _____

(Please Type or Print)

Title: _____

Date: _____