

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

STANFORD INTERNATIONAL BANK, LTD., ET AL.,

Defendants.

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Case No.: 3-09-CV-0298-N

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**APPENDIX IN SUPPORT OF  
RECEIVER'S MOTION FOR ORDER CONFIRMING  
SALE OF REAL AND PERSONAL PROPERTY IN HOUSTON, TEXAS**

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Dated: July 2, 2010

Respectfully submitted,

**BAKER BOTTS L.L.P.**

By: /s/ Kevin M. Sadler

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**ATTORNEYS FOR RECEIVER RALPH S. JANVEY**

**CERTIFICATE OF SERVICE**

On July 2, 2010, I electronically submitted the foregoing document with the clerk of the court of the U.S. District Court, Northern District of Texas, using the electronic case filing system of the Court. I hereby certify that I will serve all counsel of record electronically or by other means authorized by the Court or the Federal Rules of Civil Procedure.

/s/ Kevin M. Sadler  
Kevin M. Sadler

# **EXHIBIT 1**

May 18, 2010

***1.5620 acres of land in the William White 1/3 League,  
Abstract No. 836, Harris County, Texas***

A FIELD NOTE DESCRIPTION of 1.5620 acres (68,041 square feet) of land in the William White 1/3 League, Abstract No. 836, Harris County, Texas; said 1.5620 acre tract of land being out of Lot 6 of the McCue Partition of Lot 2, Block "B", of the R.B. Gaut Subdivision according to the map or plat recorded in Volume 1, Page 29 of the Harris County Map Records, being that same land as recorded under Harris County Clerk's File No. R900829 and being more particularly described by metes and bounds as follows with the bearings being based on the northerly right-of-way line of Westheimer Road as recorded under Film Code No. 361149 of the Harris County Map Records, the bearing being South 84° 20' 03" West:

BEGINNING at a cut "x" found in the northerly right-of-way line of Westheimer Road (120 feet wide) as recorded in Volume 2609, Page 137 and Volume 2651, Page 384 of the Harris County Deed Records for the most southerly southwesterly corner of Post Oak Centre as recorded under Film Code No. 361149 of the Harris County Map Records and for the southeasterly corner of this tract;

THENCE, South 84° 20' 03" West - 279.51 feet with the northerly right-of-way line of said Westheimer Road to a cut "x" set for the point of intersection of the northerly right-of-way line of said Westheimer Road with the easterly right-of-way line of McCue Street (60 feet wide) as recorded in Volume 1035, Page 586 of the Harris County Deed Records and for the southwesterly corner of this tract;

THENCE, North 02° 22' 56" West - 250.61 feet with the easterly right-of-way line of said McCue Street to a 5/8-inch iron rod found with cap stamped "TEAM" set for the northwesterly corner of this tract;

THENCE, North 87° 17' 45" East - 280.10 feet with the southerly line of Country Squire Condominiums according to the map or plat thereof, recorded in Volume 55, Page 114 of the Harris County Condominium Records to a 1/2-inch iron rod found for the northeasterly corner of this tract;

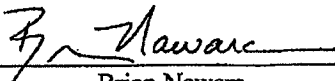
THENCE, South 02° 07' 44" East - 236.17 feet with a westerly line of said Post Oak Centre to the POINT OF BEGINNING and containing 1.5620 acres (68,041 square feet) of land.

Note: This metes and bounds description was written in conjunction with a survey performed on even date herewith.

COMPILED BY:

TEXAS ENGINEERING AND MAPPING  
Civil Engineers - Land Surveyors  
Stafford, Texas  
Job No. 099-3



  
Brian Nawara  
Registered Professional Land Surveyor  
State of Texas No. 6060

# **EXHIBIT 2**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

STANFORD INTERNATIONAL BANK, LTD., ET AL.,

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Case No.: 3-09-CV-0298-N

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**DECLARATION OF KIMBERLY EPSTEIN SCHLANGER**

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STATE OF TEXAS

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§

COUNTY OF HARRIS

1. "My name is Kimberly Epstein Schlanger. I am legally competent to make this declaration. I have personal knowledge and am familiar with the matters stated in this declaration, and all of the facts and statements contained herein are true and correct.

2. I am an associate with the law firm of Baker Botts L.L.P. and am one of the lawyers for the Receiver, Ralph S. Janvey, in the above-styled matter.

3. As counsel for the Receiver, I am familiar with the procedures approved by the district court for the sale of real property owned by the corporate defendants. In accordance with those procedures, and pursuant to the Receiver's Motion for Order Confirming Sale of Real and Personal Property in Houston, Texas filed concurrently herewith, the Receiver seeks to sell certain real property located at 5050 Westheimer, Houston, Texas (the "Real Property") and those items of personal property listed in Schedule 1.1B(1) of the Purchase and Sale Agreement described below (the "Personal Property" and, together with the Real Property, the "Property") to Dirk D. Laukien (the "Purchaser"), free and clear of all liens, claims and encumbrances.

4. The Stanford Financial Group Building, Inc., by and through the Receiver, entered into a purchase and sale agreement dated May 18, 2010 (the "Purchase and Sale Agreement"), with the Purchaser for the sale of the Property for \$12.2 million, subject to higher and better offers.

5. The Receiver posted a notice of the proposed sale on the Receivership website at <http://www.stanfordfinancialreceivership.com>. Notice of the proposed sale was also given by publication in the *Houston Chronicle*, a newspaper of general circulation in the county where the Property is situated, once a week for four weeks prior to the proposed sale. The Receivership also contacted all of the persons and entities that CB Richard Ellis identified as potentially interested in acquiring the Property.

6. A lien against the Property is held by Wells Fargo Bank, N.A., successor by merger to Wells Fargo Bank Minnesota, N.A., in its capacity as Trustee for the Registered Holders of Banc of America Commercial Mortgage, Inc., Commercial Mortgage Pass-Through Certificates, Series 2000-2, by and through its Special Servicer, LNR Partners, Inc. (the "Lienholder"). The Receiver has given notice of the proposed sale to the Lienholder.

7. No Qualifying Bid (as such term is defined in the order approving the procedures for real property sales (the "Order")) was received, and so the public auction scheduled for June 24, 2010 at 10:00 a.m. at the offices of Baker Botts, L.L.P. was cancelled.

8. A true and correct copy of the Purchase and Sale Agreement with the Purchaser is attached hereto as Exhibit A.

9. Assuming the closing of the sale occurs on August 4, 2010, the Receiver anticipates that the estate would receive net sales proceeds of \$3,150,983, after payment of the



Lienholder, broker's commission, and property taxes. If the closing does not occur by August 4, 2010, the estate will incur costs of \$244,467 per month.

10. Upon entry of an order confirming the sale of the Property, the title company is to act as escrow agent and distribute the proceeds from the sale in accordance with the escrow instruction letter and the closing statement, which will reflect the amounts owed to the Lienholder as set forth in its payoff letter.

11. I declare under penalty of perjury that the foregoing is true and correct.”

EXECUTED this 1st day of July, 2010.

  
Kimberly Epstein Schlanger

# **Exhibit A**

PURCHASE AND SALE AGREEMENT

by

THE STANFORD FINANCIAL GROUP BUILDING, INC.,  
Seller

and

DIRK D. LAUKIEN,  
Purchaser

for

5050 WESTHEIMER

HOUSTON, HARRIS COUNTY, TEXAS

May 18, 2010

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- Exhibit B — Bidding Procedures Order
- Exhibit C — Permitted Encumbrances
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- Exhibit K — Form of Assignment of Intangible Personal Property
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PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") dated as of the 18<sup>th</sup> day of May, 2010 (the "Execution Date"), is made by and among Dirk D. Laukien, an individual ("Purchaser") and The Stanford Financial Group Building, Inc., a Texas corporation ("Seller"), represented by Ralph S. Janvey ("Receiver"), as the Court appointed Receiver in the matter entitled "Securities and Exchange Commission v. Stanford International Bank, Ltd., et al", bearing case number 3-09-CV-00298-N (the "Receivership") on the docket of the United States District Court for the Northern District of Texas, Dallas Division (the "Court"). (Purchaser and Seller are individually referred to herein as a "Party" and collectively as the "Parties")

RECITALS:

WHEREAS, Seller is the owner of that certain parcel of improved land located at 5050 Westheimer, in Houston, Harris County, Texas and more specifically described in Exhibit A attached hereto (together with all rights associated with such parcel, and additional rights attaching to or becoming appurtenant to such parcel in the future, the "Land"), and the improvements thereon;

WHEREAS, Seller is a defendant or an entity owned or controlled by a defendant in the Receivership; and

WHEREAS, Seller has agreed to sell all its right, title and interest in and to the Land and improvements thereon to Purchaser, and Purchaser has agreed to purchase such property, subject to the terms and conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing, of the covenants, promises and undertakings set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**1. THE PROPERTY.**

1.1 Description. Subject to the terms and conditions of this Agreement, and for the consideration herein set forth, Purchaser agrees to purchase and acquire, as such shall exist on the Closing Date (as herein defined), and Seller agrees to sell and transfer all of its right, title and interest in and to the Land, and to cause its affiliate, Stanford Financial Group Company, a Florida corporation ("SFGC") to sell and transfer all of its right, title and interest in and to the Personal Property (as defined below), together with the following:

(a) The multi-story office building (the "Building") located on the Land, and all other structures, buildings, fixtures and other improvements constituting real property located on the Land (collectively, the "Improvements").

(b) Those items of personal property specifically described on Schedule 1.1b(1) hereto (collectively, the "Personal Property"). The Personal Property to be conveyed is subject to depletions, replacements and additions in the ordinary course of business, and shall not include any items except those expressly referenced in the immediately preceding sentence.

Without limiting the generality of the foregoing, the Personal Property shall not include the items of personal property specifically described on Schedule 1.1b(2).

(c) All easements, hereditaments, and appurtenances belonging to or inuring to the benefit of Seller and pertaining to the Land, including, but not limited to, any and all development rights, land use entitlements, air rights, water rights, and parking rights and agreements related thereto.

(d) All intangible personal property used or useful in connection with the Land, Improvements or Personal Property, certificates of occupancy and any other certificates of operation, floor plans, booklets and manuals relating to the operation of the Improvements or the Personal Property, rights to utility deposits, licenses and permits with respect to the Land or Improvements including, without limitation, consents, authorizations, variances or waivers, licenses, permits and approvals from any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality with respect to the Land or Improvements (collectively, the "Intangible Personal Property"), to the extent such Intangible Personal Property may be lawfully assignable without the consent of another party.

(e) In accordance with Section 3.3, the Assumed Contracts.

(f) All assignable warranties and guaranties issued in connection with the Improvements or Personal Property.

The Land, together with all the property described in subparagraphs (a) through (f) above, is herein referred to collectively as the "Property".

1.2 "As-Is" Purchase. THE PROPERTY IS BEING SOLD IN AN "AS IS" CONDITION AND "WITH ALL FAULTS" AS OF THE DATE OF THIS AGREEMENT AND AS OF THE CLOSING DATE. NO REPRESENTATIONS OR WARRANTIES HAVE BEEN MADE OR ARE MADE AND NO RESPONSIBILITY HAS BEEN OR IS ASSUMED BY SELLER OR BY ANY DIRECTOR, OFFICER, PERSON, FIRM, AGENT OR REPRESENTATIVE ACTING OR PURPORTING TO ACT ON BEHALF OF SELLER, AS TO THE CONDITION, OWNERSHIP OR REPAIR OF THE PROPERTY OR THE VALUE, EXPENSE OF OPERATION, OR INCOME POTENTIAL THEREOF OR AS TO ANY OTHER FACT OR CONDITION WHICH HAS OR MIGHT AFFECT THE PROPERTY OR THE CONDITION, REPAIR, VALUE, EXPENSE OF OPERATION OR INCOME POTENTIAL OF THE PROPERTY OR ANY PORTION THEREOF, INCLUDING, WITHOUT LIMITATION, (I) MATTERS OF TITLE OR ENCUMBRANCES THERETO, (II) ENVIRONMENTAL MATTERS RELATING TO THE PROPERTY OR ANY PORTION THEREOF, (III) GEOLOGICAL CONDITIONS, INCLUDING, WITHOUT LIMITATION, SUBSURFACE CONDITIONS, (IV) DRAINAGE, (V) SOIL CONDITIONS, INCLUDING THE EXISTENCE OF INSTABILITY, PAST SOIL REPAIRS, SOIL ADDITIONS OR CONDITIONS OF SOIL FILL, OR THE SUFFICIENCY OF ANY UNDERSHORE, (VI) THE AVAILABILITY OF ANY UTILITIES TO THE PROPERTY OR ANY PORTION THEREOF INCLUDING, WITHOUT LIMITATION, WATER, SEWAGE, GAS AND ELECTRICITY, (VII) USAGES OF ADJOINING PROPERTY, (VIII) ACCESS TO THE PROPERTY OR ANY PORTION THEREOF, (IX) THE VALUE, COMPLIANCE WITH THE



PLANS AND SPECIFICATIONS, SIZE, LOCATION, AGE, USE, DESIGN, QUALITY, DESCRIPTION, SUITABILITY, STRUCTURAL INTEGRITY, OPERATION, TITLE TO, OR PHYSICAL OR FINANCIAL CONDITION OF THE PROPERTY OR ANY PORTION THEREOF, (X) THE EXISTENCE OR NON-EXISTENCE OF UNDERGROUND STORAGE TANKS, (XI) TAX CONSEQUENCES OR (XII) THE MERCHANTABILITY OF THE PROPERTY OR FITNESS OF THE PROPERTY FOR ANY PARTICULAR PURPOSE. PURCHASER AGREES THAT ALL UNDERSTANDINGS AND AGREEMENTS HERETOFORE MADE BETWEEN PURCHASER AND SELLER, OR THEIR RESPECTIVE AGENTS OR REPRESENTATIVES, ARE MERGED IN THIS AGREEMENT, OTHER THAN AS EXPRESSLY SET FORTH HEREIN THE EXHIBITS ATTACHED HERETO, AND ANY DOCUMENT EXECUTED BY SELLER AND DELIVERED TO PURCHASER AT THE CLOSING, WHICH ALONE FULLY AND COMPLETELY EXPRESS THEIR AGREEMENT. PURCHASER FURTHER AGREES THAT THIS AGREEMENT HAS BEEN ENTERED INTO AFTER FULL INVESTIGATION, OR WITH ITS SATISFACTION WITH THE OPPORTUNITY AFFORDED FOR INVESTIGATION, PURCHASER NOT RELYING UPON ANY STATEMENT OR REPRESENTATION BY SELLER, UNLESS SUCH STATEMENT OR REPRESENTATION IS SPECIFICALLY EMBODIED IN THIS AGREEMENT OR THE EXHIBITS ATTACHED HERETO, OR ANY DOCUMENT EXECUTED BY SELLER AND DELIVERED TO PURCHASER AT THE CLOSING. SELLER DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES AS TO WHETHER THE PROPERTY CONTAINS ASBESTOS OR HARMFUL OR TOXIC SUBSTANCES OR PERTAINING TO THE EXTENT, LOCATION OR NATURE OF SAME. FURTHER, TO THE EXTENT THAT SELLER HAS PROVIDED OR HEREAFTER MAY PROVIDE TO PURCHASER INFORMATION FROM ANY INSPECTION, ENGINEERING OR ENVIRONMENTAL REPORTS CONCERNING ASBESTOS OR HARMFUL OR TOXIC SUBSTANCES, SELLER DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS, METHODOLOGY OF PREPARATION OR OTHERWISE CONCERNING THE CONTENTS OF SUCH REPORTS. PURCHASER ACKNOWLEDGES THAT SELLER HAS AFFORDED PURCHASER THE RIGHT TO INSPECT FULLY THE PROPERTY AND INVESTIGATE ALL MATTERS RELEVANT THERETO AND, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE EXHIBITS ATTACHED HERETO AND ANY DOCUMENT EXECUTED BY SELLER AND DELIVERED TO PURCHASER AT THE CLOSING, TO RELY SOLELY UPON THE RESULTS OF PURCHASER'S OWN INSPECTIONS OR OTHER INFORMATION OBTAINED OR OTHERWISE AVAILABLE TO PURCHASER, RATHER THAN ANY INFORMATION THAT MAY HAVE BEEN PROVIDED BY SELLER TO PURCHASER. THE RISK THAT ADVERSE PHYSICAL, TITLE AND ENVIRONMENTAL CONDITIONS MAY NOT HAVE BEEN REVEALED OR DISCOVERED AND MAY NOT BE DISCOVERABLE BY SUCH INVESTIGATIONS SHALL BE UPON AND WITH PURCHASER. PURCHASER HEREBY WAIVES AND RELEASES SELLER FROM ANY PRESENT OR FUTURE CLAIMS ARISING FROM OR RELATING TO THE PRESENCE OR ALLEGED PRESENCE OF ASBESTOS OR HARMFUL OR TOXIC SUBSTANCES IN, ON, UNDER OR ABOUT THE PROPERTY INCLUDING, WITHOUT LIMITATION, ANY CLAIMS UNDER OR ON ACCOUNT OF (I) ANY FEDERAL, STATE OR LOCAL STATUTE, LAW, RULE, REGULATION, ORDINANCE, CODE, GUIDE, WRITTEN POLICY, DIRECTIVE AND RULE OF

COMMON LAW IN EFFECT APPLICABLE TO THE PROPERTY AND IN EACH CASE AS AMENDED, AND ANY JUDICIAL OR ADMINISTRATIVE ORDER, CONSENT DECREE OR JUDGMENT, RELATING TO (X) THE ENVIRONMENT OR NATURAL RESOURCES, (Y) ANY PETROLEUM OR PETROLEUM PRODUCTS, RADIOACTIVE MATERIALS, ASBESTOS IN ANY FORM, POLYCHLORINATED BIPHENYLS, AND, TO THE EXTENT ONLY IT EXISTS AT LEVELS CONSIDERED HAZARDOUS TO HUMAN HEALTH, RADON GAS OR (Z) ANY CHEMICALS, MATERIALS OR SUBSTANCES DEFINED AS OR INCLUDED IN THE DEFINITION OF "HAZARDOUS SUBSTANCES", "HAZARDOUS WASTE", "HAZARDOUS MATERIALS", "EXTREMELY HAZARDOUS SUBSTANCES", "TOXIC SUBSTANCES", "TOXIC POLLUTANTS", "CONTAMINANTS" OR "POLLUTANTS" UNDER ANY APPLICABLE ENVIRONMENTAL LAWS INCLUDING, WITHOUT LIMITATION, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT, 42 U.S.C. § 9601 ET SEQ.; SOLID WASTE DISPOSAL ACT, 42 U.S.C. § 6901 ET SEQ.; THE FEDERAL WATER POLLUTION CONTROL ACT, 33 U.S.C. § 1251 ET SEQ.; THE TOXIC SUBSTANCES CONTROL ACT, 15 U.S.C. § 2601 ET SEQ.; THE CLEAN AIR ACT, 42 U.S.C. § 7401 ET SEQ.; THE SAFE DRINKING WATER ACT, 42 U.S.C. § 300f ET SEQ.; THE OIL POLLUTION ACT OF 1990, 33 U.S.C. § 2701 ET SEQ.; FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT, 7 U.S.C. § 136 ET SEQ., AND THE REGULATIONS PROMULGATED PURSUANT THERETO AND ANY STATE AND LOCAL COUNTERPARTS OR SUBSTANTIAL EQUIVALENTS THEREOF, (II) THIS AGREEMENT OR (III) THE COMMON LAW. PURCHASER ACKNOWLEDGES THAT THE PURCHASE PRICE (AS HEREIN DEFINED) REFLECTS THE "AS-IS" NATURE OF THIS SALE AND ANY FAULTS, LIABILITIES, DEFECTS OR OTHER ADVERSE MATTERS THAT MAY BE ASSOCIATED WITH THE PROPERTY. PURCHASER HAS FULLY REVIEWED THE DISCLAIMERS AND WAIVERS SET FORTH IN THIS AGREEMENT WITH ITS COUNSEL AND UNDERSTANDS THE SIGNIFICANCE AND EFFECT THEREOF. THE TERMS AND PROVISIONS OF THIS SECTION 1.2 SHALL SURVIVE THE CLOSING OR ANY TERMINATION OF THIS AGREEMENT.

1.3 Agreement to Convey. Subject to the terms and conditions hereof, Seller agrees to convey all of its right, title and interest in and to, and Purchaser agrees to accept such right, title and interest in and to, the Land and Improvements by deed and to cause SFGC to convey all of its right, title and interest in and to the Personal Property by bill of sale, without warranty as provided herein.

## 2. PRICE AND PAYMENT.

2.1 Purchase Price. The purchase price for the Property ("Purchase Price") is Twelve Million Two Hundred Thousand and 00/100 DOLLARS (\$12,200,000.00).

2.2 Payment. Payment of the Purchase Price is to be made as follows:

(a) Contemporaneously with the execution of this Agreement by all Parties, Purchaser shall deposit, by wire transfer of immediately available Federal funds to the account of Charter Title Company, 777 Walker, Suite 2550, Houston, Texas 77002, Attention: Garry L. Carr, or such other title company chosen by Seller and reasonably acceptable to Purchaser (the

"Title Company"), an earnest money deposit (the "Deposit") with the Title Company, in an amount equal to One Million and 00/100 Dollars (\$1,000,000.00). The Deposit will be placed and held in escrow by the Title Company in a segregated interest-bearing account at a banking institution acceptable to all Parties. Any interest earned on the Deposit shall be considered as part of the Deposit. Except as otherwise provided in this Agreement, the Deposit will be applied to the Purchase Price at Closing.

(b) At the Closing (as herein defined), Purchaser shall deliver the balance of the Purchase Price to the Title Company via wire transfer of immediately available Federal funds (the "Balance of the Purchase Price"), and the Title Company shall pay the Purchase Price to Seller, subject to adjustments as provided herein, via wire transfer of immediately available Federal funds to the following bank account: Account No. 1235053071 at Bank of America, Attention: Charter Title Company Escrow (the "Account").

2.3 Closing. Payment of the Purchase Price and the closing hereunder (the "Closing") will take place at the offices of Baker Botts L.L.P. in Houston, Texas at 10:00 a.m. Houston, Texas time on a date mutually acceptable to the Parties that occurs no later than five (5) business days after entry of the confirming order by the Court as set forth in the Bidding Procedures Order (as defined below) (the "Closing Date"). The Closing is anticipated to occur on or about August 17, 2010, but such date is an estimate only and shall not be binding on Seller or Purchaser. If the Purchase Price, subject to adjustments as provided herein, is not received in the Account on or prior to 2:00 p.m. Houston, Texas time, then the Closing shall be deemed to have occurred on the next succeeding business day after the date of receipt.

#### 2.4 Receivership Matters.

(a) This Agreement is being entered into in accordance with the bidding procedures set forth in that Order Approving Procedures for Sales of Real Property by the Receiver; Authorizing the Receiver to Accept CB Richard Ellis's Fee Proposal; And Authorizing the Receiver to Conduct Sales of Real Property by Public Auction Pursuant to the Real Property Sales Procedures entered by the Court, attached hereto as Exhibit B (the "Bidding Procedures Order"). Purchaser's rights under this Agreement are subject to Seller's right to conduct an auction in accordance with and as allowed by the Bidding Procedures Order.

(b) Pursuant to the Bidding Procedures Order, Seller may receive a proposal or offer from another party with respect to a transaction that is substantially equivalent to the transaction contemplated by this Agreement or that otherwise constitutes a competing, substitute or alternative transaction (each a "Competing Bid"); provided, however, Seller may not accept a Competing Bid and terminate this Agreement unless the cash to be paid pursuant to such Competing Bid exceeds the sum of (i) the original Purchase Price to be paid by Purchaser as set forth in this Agreement and (ii) the Break-Up Fee (defined below), by the lesser of 10% of such sum or \$150,000.

(c) If a Competing Bid submitted in accordance with the Bidding Procedures Order is approved by Seller as the winning bid in accordance with such procedures and Purchaser is not in breach of this Agreement, Purchaser shall receive (i) prompt return of the Deposit (A) within thirty (30) days after the date of closing of the sale with the Successful

Bidder (as defined in the Bidding Procedures Order); or (B) in accordance with Section 10.2 in the event there is no closing due to a Seller Default, subject to the applicable notice and cure periods; and (ii) a termination fee (inclusive of Purchaser's attorneys' fees and costs) equal to One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) (the "Break-Up Fee"). The Break-Up Fee shall be payable within thirty (30) days after the date of closing of the sale to a third party.

(d) Following the entry by the Court of a confirming order (the "Sale Order") approving the sale of the Property to the Successful Bidder (as defined in the Bidding Procedures Order), if such Successful Bidder fails to consummate an approved sale because of a breach or failure to perform on the part of such Successful Bidder and within fifteen (15) days after the issuance of the Sale Order, the Purchaser, if it submitted the next highest or otherwise next best Qualifying Bid (as defined in the Bidding Procedures Order), shall purchase the Property on the terms and conditions set forth in the Agreement, and at the final Purchase Price set forth herein (or, if higher, the Purchase Price bid by the Purchaser at the auction), without requiring further approval by the Court.

### 3. INSPECTIONS AND APPROVALS.

#### 3.1 Inspections.

(a) Purchaser acknowledges that Seller has allowed Purchaser or Purchaser's Representatives (as herein defined) reasonable access to the Property for purposes of conducting physical inspections of the Property. For the purposes hereof, Purchaser's "Representatives" shall mean and refer to its agents, engineers, consultants, architects, employees, attorneys, lenders, representatives, contractors and subcontractors. Purchaser also acknowledges and agrees that it has been afforded by Seller, prior to the Execution Date, the right to review equipment leases, licenses, contracts, permits, plans and other information pertaining to the ownership, management, operation, construction of Improvements on, and condition of the Property (collectively, the "Information") and, by Purchaser's execution of this Agreement, Purchaser acknowledges that Purchaser shall not have any right to terminate this Agreement by reason of any matter disclosed by such inspections or in the Information. Subject to the foregoing, Purchaser shall have the right to continue to review the Information and inspect the Property between the Execution Date and Closing upon reasonable notice in advance to Seller.

(b) Seller does not make any representations or warranties as to the truth, accuracy or completeness of the Information (e.g., that the Information is complete, accurate or the final version thereof, or that all similar Information is in the possession of the Seller). It is the Parties' express understanding and agreement that the Information is provided only for Purchaser's convenience in making its own examination and determination as to whether it wishes to purchase the Property, and, in doing so, Purchaser has relied exclusively on its own independent investigation and evaluation of every aspect of the Property and not on any materials supplied by Seller. Purchaser expressly disclaims any intent to rely on the Information in connection with its inspection and agrees that it shall rely solely on its own independently developed or verified information.

3.2 Title and Survey. Prior to the execution of this Agreement, Seller has made available to Purchaser (a) a commitment for title insurance ("Title Commitment") for a Texas standard owner's title insurance policy covering the Land and Improvements, together with copies of all items shown as exceptions to title therein, issued by the Title Company on May 17, 2010 and identified as GF No. 1033003223, pursuant to which the Title Company or such other title companies as may be designated by Seller will issue to Purchaser at Closing one or more owner's policies of title insurance in an aggregate amount equal to the Purchase Price (the "Title Policy") and (b) a survey of the Land prepared by Texas Engineering and Mapping, originally dated March 3, 2010 (the "Survey"). By its execution of this Agreement, Purchaser acknowledges and agrees that all matters shown on Schedule B of the Title Commitment or on the Survey are satisfactory to Purchaser, and Purchaser shall take title to the Property subject to such matters. For the purposes of this Agreement, the term "Permitted Encumbrances" shall mean and refer only to the matters referenced on Exhibit C attached hereto; provided, that in no event shall any matters shown on Schedule B of the Title Commitment but not referenced on Exhibit C attached hereto constitute Permitted Encumbrances hereunder. Additionally, notwithstanding anything in this Agreement to the contrary, in no event shall any matters shown on Schedule C of the Title Commitment (i) constitute Permitted Encumbrances hereunder or (ii) be included as exceptions to the Title Policy.

3.3 Environmental and Property Condition Reports. Prior to the execution of this Agreement, Seller has made available to Purchaser a Phase I environmental assessment for the Property (the "Environmental Report") and a property condition report (the "Property Condition Report"), and collectively with the Environmental Report, the "Third Party Reports"). Purchaser acknowledges and agrees that the information in such Third Party Reports has been compiled by persons and entities other than Seller, and Seller makes no representations or warranties concerning, and shall not otherwise be responsible for, the truthfulness, accuracy or completeness of the information or conclusions therein. Purchaser acknowledges that it has the right to conduct, at Purchaser's sole expense, its own investigations to satisfy itself of the environmental condition and physical condition of the Property.

3.4 Contracts. Each of the contracts listed on Exhibit D attached hereto (collectively, the "Assumed Contracts" and singularly an "Assumed Contract"), shall be assigned to and assumed by Purchaser as of the Closing Date. Purchaser acknowledges that no other service, maintenance or supply contracts or property agreements will be assigned to Purchaser. The provisions of this Section 3.4 shall survive the Closing. Seller covenants that, as of the Closing Date, Seller shall have performed all its material payment obligations with respect to the Assumed Contracts that accrue on or before the Closing Date. All service and maintenance contracts (other than the Assumed Contracts) will be terminated, or modified to exclude the Property, by Seller effective as of the Closing.

3.5 Confidentiality. Any and all reports or other documentation either generated as a result of Purchaser's inspection or investigation or provided by Seller to Purchaser, including, without limitation, the Information, shall be considered by all parties a confidential document subject to the obligations set forth herein, and except as specifically provided in this Agreement, shall not be given or discussed with any third party without prior written consent of all parties; provided, however, that it is understood and agreed that Purchaser may disclose such data and information solely to the employees, consultants, accountants, lenders, and attorneys of

Purchaser involved in the transaction contemplated by this Agreement if such persons agree in writing to treat such data and information confidentially. In the event this Agreement is terminated or Purchaser fails to perform hereunder, Purchaser shall promptly return to Seller any statements, documents, reports, books, records, schedules, exhibits or other written information obtained from Seller in connection with this Agreement or the transaction contemplated herein. It is understood and agreed that, with respect to any provision of this Agreement which refers to the termination of this Agreement and the return of the Deposit to Purchaser, such Deposit shall not be returned to Purchaser unless and until Purchaser has fulfilled its obligation to return to Seller the materials described in the preceding sentence. In the event of a breach or threatened breach by Purchaser or its agents or representatives of this Section 3.5, Seller shall be entitled to an injunction restraining Purchaser or its agents or representatives from disclosing, in whole or in part, any such confidential information. Furthermore, Purchaser warrants and represents that it shall not disclose any such confidential information to anyone other than as specifically permitted herein. In the event Purchaser discloses any such confidential information in violation of this Section, such disclosure shall constitute a default under the terms of this Agreement. Purchaser and Seller acknowledge and agree that Seller will incur damages from such disclosure and the actual amount of such damages to Seller would be difficult if not impossible to quantify. Purchaser and Seller agree that Purchaser shall pay Seller Fifty Thousand and 00/100 Dollars (\$50,000.00) as liquidated damages for any disclosure of such confidential information except as specifically permitted herein. Nothing herein shall be construed as prohibiting Seller from pursuing any other available remedy at law or in equity for such breach or threatened breach.

#### 4. PRIOR TO CLOSING.

Seller covenants and agrees with Purchaser as follows:

4.1 New Contracts. Seller shall not enter into any third party contracts pertaining to the Property after the Execution Date, excepting only those which shall be cancelable on not more than thirty (30) days' written notice without premium or penalty; provided, that if Seller enters into any such contract, it shall promptly provide written notice thereof to Purchaser and unless Purchaser, within seven (7) days thereafter, notifies Seller in writing of its intention to assume such contract, such contract shall not be assumed by Purchaser.

4.2 New Leases. Seller shall not execute any new space leases or licenses or approve any space subleases that do not terminate on or before the Closing Date without the prior consent of Purchaser, which consent may be withheld in Purchaser's sole discretion. Failure of Purchaser to consent or expressly withhold its consent within five (5) business days after written request for such consent shall be deemed to constitute Purchaser's withholding of such consent.

4.3 New Encumbrances. Seller shall not grant, amend or consent to any easement, restriction, lien, assessment, or other encumbrance affecting the Property or pursue any land use approvals relative to the Property without the prior consent of Purchaser, which consent may be withheld in Purchaser's sole discretion, but Seller may seek and obtain the release of any mechanics' or materialmen's liens affecting the Property without Purchaser's consent.

**5. REPRESENTATIONS AND WARRANTIES; BROKERAGE; CONDITIONS PRECEDENT.**

5.1 By Seller. Seller represents and warrants to Purchaser that:

(a) Authority. Except as provided in Section 2.4 and in Exhibit B, Seller is authorized to enter into this Agreement and this Agreement is binding and enforceable against Seller in accordance with its terms. The Receiver is authorized and empowered to enter into this Agreement.

5.2 By Purchaser. Purchaser represents and warrants to the Seller that:

(a) Authorization. Purchaser is an individual, has duly authorized the execution and performance of this Agreement, and such execution and performance will not violate any material term of any agreement by which Purchaser is bound, nor contravene any judgment, decree, writ or injunction, or any provision of any existing law or regulation.

(b) Bankruptcy. No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under Federal or State bankruptcy laws is pending against or contemplated by Purchaser.

(c) No Reliance. Except as expressly provided in this Section 5, neither Seller nor any of its employees, agents or attorneys have made any verbal or written representations, warranties, promises or guaranties whatsoever to Purchaser, whether express or implied, and, in particular, no such representations, warranties, promises or guaranties have been made with respect to the physical condition or operation of Property, the actual or projected revenue and expenses of the Property, the laws, regulations and rules applicable to the Property or the compliance of the Property therewith, the quantity, quality or condition of the articles of personal property and fixtures included in the transactions contemplated hereby, the use or occupancy of the Property or any part thereof or any other matter or things affecting or related to the Property or the transactions contemplated hereby, except as, and solely to the extent, herein specifically set forth. Purchaser has not relied upon any representations, warranties, promises or guaranties or upon any statements with respect to the Property (other than the representations and warranties contained in Section 5.1) and has entered into this Agreement after having made and relied solely on its own independent investigation, inspection, analysis, appraisal, examination and evaluation of the facts and circumstances in relation to (but not limited to) the extent to which the Property complies with applicable building, environmental, health and safety and all other laws, codes and regulations.

(d) Validity and Enforceability. This Agreement constitutes, and all documents executed by Purchaser hereunder or in connection herewith will each constitute, the legal, valid and binding obligations of Purchaser, enforceable in accordance with their respective terms, covenants and conditions, subject to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditor's rights generally, and except as may be limited by applicable laws, general equitable principles or judicial decisions which may qualify, limit or preclude certain rights, remedies or provisions contained in this Agreement or any documents executed by Purchaser hereunder.

(e) Consents and Approvals. No consent, approval, authorization, license or order of, registration or filing with, or notice to, any governmental entity or any other person is necessary to be obtained, made or given by Purchaser in connection with the execution and delivery of this Agreement, the performance by Purchaser of its obligations hereunder or the consummation by Purchaser of the transactions contemplated hereby.

(f) Legal Proceedings. Except as may be specifically disclosed herein, there is no action, suit, claim, proceeding or other investigation pending, or to the actual knowledge of Purchaser, threatened against Purchaser that would affect the ability of Purchaser to perform its obligations under this Agreement, before any court, other governmental entity or arbitrator.

(g) Sophistication of Purchaser. Purchaser has knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of the transactions contemplated by this Agreement.

(h) Acceptance of Deed. The acceptance of the deed herein described from Seller by Purchaser shall be deemed an acknowledgment by Purchaser that Seller has fully performed, discharged and complied with all of its obligations, representations, warranties, covenants and agreements hereunder, that Seller is discharged from all of its obligations, representations, warranties, covenants and agreements hereunder, if any, and that Seller shall have no further liability with respect to its obligations, representations, warranties, covenants and agreements hereunder, if any, except for (i) the post-closing adjustments, if any required by Section 6.3 hereof and (ii) those, if any, which are herein specifically stated to survive the Closing.

All of the representations, warranties and agreements of Purchaser set forth in this Agreement will survive the Closing.

5.3 Brokerage. The Parties represent to each other that they have had no dealings, negotiations, or consultations with any broker, finder, representative, agent or other intermediary other than CB Richard Ellis ("CBRE"), as engaged by Seller, in connection with this Agreement or the sale of the Property. Purchaser shall not be liable for any fee, brokerage commission or other compensation due to CBRE pursuant to the engagement agreement entered into by CBRE and Seller. The provisions of this Section 5.3 shall survive the termination of this Agreement or the Closing.

5.4 Conditions Precedent to Obligations of Seller. The obligations of Seller hereunder are subject to the satisfaction of the following conditions precedent, which may be waived in whole or in part only in writing signed by Seller:

(a) Purchaser shall have delivered the Purchase Price, subject to adjustments as provided herein, to the Title Company.

(b) Purchaser shall have delivered to or for the benefit of the Seller, on or before the Closing Date, all of the documents and items required of Purchaser pursuant to Section 9.2 hereof, and Purchaser, subject to the notice and cure provisions set forth in Section 11.6, shall have performed in all material respects the material covenants and obligations required to be performed by Purchaser under this Agreement through the Closing Date.



(c) All of Purchaser's representations and warranties made in this Agreement shall be true and correct in all material respects as of the date hereof and as of the Closing Date as if then made (except where such representations and warranties were meant to be true as of an earlier date).

(d) Seller shall have conducted the sale contemplated by the Bidding Procedures Order and Purchaser shall be the selected bidder at such sale.

(e) If Purchaser is not the Successful Bidder, the Purchase Price to be paid by the Successful Bidder shall exceed the sum of (i) the original Purchase Price to be paid by Purchaser as set forth in this Agreement and (ii) the Break-Up Fee, by the lesser of 10% of such sum or \$150,000.

(f) Seller shall file a motion seeking a Sale Order from the Court as soon as practicable and no later than fifteen (15) days after the Successful Bidder is selected following the public auction.

(g) The final seller's settlement statement shall have been approved in writing by Seller.

5.5 Conditions Precedent to Purchaser's Obligations. Purchaser's obligations hereunder are subject to the satisfaction of the following conditions precedent which may be waived in whole or in part by Purchaser:

(a) Seller shall have delivered or, with respect to the Bill of Sale, caused SFGC to deliver to or for the benefit of Purchaser, on or before the Closing Date, all of the documents and items required of Seller pursuant to Section 9.1, and Seller, subject to the notice and cure provisions set forth in Section 11.6, shall have performed in all material respects the material covenants and obligations required to be performed by them under this Agreement through the Closing Date.

(b) All of the representations and warranties of Seller made in this Agreement shall be true and correct in all material respects as of the date hereof and as of the Closing Date as if then made (except where such representations and warranties were meant to be true as of an earlier date).

(c) The Sale Order shall have been entered on the docket by the Clerk of the Court as soon as practicable and no later than thirty (30) days after Seller files a motion moving the Court for an order approving the sale by auction of the Property to the Successful Bidder.

(d) The Title Company shall be prepared to issue the Title Policy (upon payment of the premium therefor) with no exception for mechanics' liens or other liens or encumbrances, other than the Permitted Encumbrances.

(e) Seller shall have caused all parties holding liens, security interests, assignments, or other interests referenced in Schedule C of the Title Commitment to execute and deliver to Title Company instruments ("Lien Releases") in form and content satisfactory to Title Company for the full release and termination of all liens, security interests, assignments, and

other interests referenced in Schedule C of the Title Commitment so that such matters will not be exceptions to the Title Policy.

(f) Seller shall have caused all party's holding security interests on Personal Property referenced in (i) the Search Results for Uniform Commercial Code, Texas, performed by Ms. Jill Lantz on May 17, 2010, or (ii) the Search Results for Uniform Commercial Code, Florida, performed by Jill Lantz on May 17, 2010, each of such Search Reports being attached as Exhibit L (the "UCC Reports"), to execute and deliver to Title Company UCC-3 Financing Statement Amendments for the full release and termination of all security interests affecting the Personal Property referenced in the UCC Reports (the "UCC Termination Statements"). For the avoidance of doubt, Seller shall have no obligation to cause the release and termination of any security interests referenced in the UCC Reports that affect any property other than the Personal Property.

## 6. COSTS AND PRORATIONS.

6.1 Purchaser's Costs. Purchaser will pay the following costs of closing this transaction:

(a) the fees and disbursements of Purchaser's counsel, inspecting architect, engineer, and environmental consultant, and all other consultants retained by Purchaser, if any, and all other closing costs, expenses, charges and fees incurred by Purchaser (except to the extent, if any, that any such closing costs, expenses, charges and fees are expressly Seller's responsibility under Section 6.2);

(b) any sales or use taxes relating to the transfer of personal property to Purchaser;

(c) the cost of the Title Policy, and any mortgagee's title insurance policy issued in connection with this transaction, whether pursuant to the Title Commitment or otherwise, including any additional premium charges for endorsements or deletions of exception items;

(d) the cost of the Survey delivered to Purchaser pursuant to Section 3.2 and the costs of any survey work or changes or additions to the Survey requested by Purchaser to the extent the survey work or the Survey made available by the Seller is not acceptable to Purchaser, and the costs of any additional survey desired by Purchaser;

(e) the cost of the Environmental Report and any structural or other property condition report obtained by Seller pursuant to Section 3.3 and all costs for any updates of such reports (including reimbursement to Seller for all such costs paid by Seller), with the understanding that Seller has no obligation to obtain or update any such reports, delivered to Purchaser pursuant to Section 3.3;

(f) any recording fees (except as provided in Section 6.2(c));

(g) any other expense(s) incurred by Purchaser or its Representatives in inspecting or evaluating the Property or closing this transaction; and

(h) any escrow fee charged by the Title Company for conducting the Closing.

6.2 Seller's Costs. Seller will pay the following costs of closing this transaction:

(a) the fees and disbursements of counsel to Seller, and all other closing costs, expenses, charges and fees incurred by Seller (except to the extent, if any, that any such closing costs, expenses, charges and fees are expressly Purchaser's responsibility under Section 6.1);

(b) recording fees for lien release documents; and

(c) brokerage fees and commissions due to CBRE.

6.3 Apportionments.

(a) All income and expenses of the Property shall be apportioned between Seller and Purchaser as of 12:01 a.m. Houston, Texas time on the day of Closing, as if Purchaser were vested with title to the Property during the entire day upon which Closing occurs. Such prorated items shall include without limitation the following:

(i) property taxes (including personal property taxes on the Personal Property), and special taxes and assessments levied against the Property for the year 2010, subject to the provisions of Section 6.3(b);

(ii) water rates and charges subject to the provisions of Section 6.3(b);

(iii) sewer taxes and rents subject to the provisions of Section 6.3(b);

(iv) charges and payments under the Assumed Contracts;

(v) annual permit, license and inspection fees, if any, on the basis of the fiscal year for which levied, if rights thereunder with respect thereto are transferable to Purchaser;

(vi) electricity, fuel, steam and all other utilities (with credit to Seller by Purchaser for the amount of any assignable deposits), such charges to be apportioned at Closing on the basis of meter reading occurring on the date of Closing or, if un-metered, on the basis of a current bill for each such utility; and

(vii) all other items pertaining to the Property customarily apportioned in connection with sales of similar properties similarly located.

(b) If the Closing Date shall occur before the real property taxes, water rates and charges and sewer taxes and rents are finally fixed, the apportionments thereof made at Closing shall be upon the basis of the tax or water rates and charges and sewer taxes and rents for the preceding year applied to the latest assessed valuation, but after the real property taxes, water rates and charges and sewer taxes and rents are finally fixed, Seller and Purchaser shall promptly make a recalculation of the apportionment of same, and Seller or Purchaser, as the case

may be, shall thereafter promptly make an appropriate payment to (or at the direction of) the other based on such recalculation.

(c) If water meters are located on the Property, Seller shall furnish readings as of the Closing Date, and the unfixed water rates and charges, sewer taxes and rent, if any, shall be apportioned on the basis of such readings.

(d) Seller shall arrange for a final reading of all master utility meters (including steam, gas, oil, electricity and water and any derivative sewer charges based on meters) in order to facilitate the apportionment described in Section 6.3(a)(vi). Purchaser shall execute a notice to each of such utility companies substantially in the form of Exhibit E attached hereto (the "Utility Notices"), advising such utility companies of the termination of Seller's responsibility for such charges for utilities furnished to the Property from and after the Closing Date. If a bill relating solely to a period prior to the Closing Date is obtained from any of such utility companies before the Closing Date, Seller shall cause such bill to be paid on or before the Closing. If such bill shall not have been obtained before the Closing, Seller shall cause all such utility, water and sewer charges which relate solely to the period prior to the Closing Date to be paid and Purchaser shall pay all such utility, water and sewer charges which relate solely to the period on or after the Closing Date. Any bill which shall be rendered after the Closing and covers a period both before and after the Closing Date shall be apportioned between Purchaser and Seller as of the Closing Date as herein provided, but such bill shall be paid by Purchaser. Seller shall be entitled to the return of any non-assignable deposit(s) posted with any utility company, and to a credit by Purchaser for the amount of any assignable deposits.

(e) Property taxes (including personal property taxes on the Personal Property) levied against the Property for the year 2010 shall be paid at Closing.

(f) The parties hereto agree that any errors or omissions in computing apportionments at Closing shall be corrected promptly after their discovery. The provisions of this Section 6.3 shall survive the Closing.

6.4 In General. Any other costs or charges of closing this transaction not specifically mentioned in this Agreement shall be paid and adjusted in accordance with local custom in the jurisdiction where the Property is located.

6.5 Purpose and Intent. Except as expressly provided herein, the purpose and intent as to the provisions of this Agreement relating to prorations, adjustments and apportionments is that the Seller shall bear all expenses of ownership and operation of the Property and Seller shall receive all income therefrom accruing through midnight at the end of the day preceding the Closing, and Purchaser shall bear all such expenses and receive all such income accruing thereafter.

## 7. DAMAGE, DESTRUCTION OR CONDEMNATION.

(a) In the event of loss or damage to the Property or any portion thereof which is not Major (as herein defined), this Agreement shall remain in full force and effect provided that Seller shall, at its option, either (a) perform any necessary repairs, or (b) assign to Purchaser all of its right, title and interest in and to any claims and proceeds they may have with respect to

any casualty insurance policies or condemnation awards relating to the premises in question. In the event that Seller elects to perform repairs upon the Property, Seller shall use reasonable efforts to complete such repairs promptly and the Closing Date shall be extended a reasonable time in order to allow for the completion of such repairs. If Seller elects to assign a casualty claim to Purchaser, the Purchase Price shall be reduced by an amount equal to the lesser of the deductible amount under their insurance policy or the cost of such repairs as estimated by a recognized and experienced construction consultant selected by Seller (the "Consultant"). Upon Closing, full risk of loss with respect to the Property shall pass to Purchaser.

(b) In the event of a Major loss or damage to the Property, either Seller or Purchaser may terminate this Agreement by written notice to the other party, in which event the Deposit shall be returned to Purchaser. If neither Seller nor Purchaser elects to terminate this Agreement within ten (10) days after Seller sends Purchaser written notice of the occurrence of such Major loss or damage (which notice shall state the cost of repair or restoration thereof as estimated by the Consultant), then the Parties shall be deemed to have elected to proceed with Closing, in which event Seller shall, at its option, either (a) perform any necessary repairs, or (b) assign to Purchaser all of the right, title and interest of the Seller in and to any claims and proceeds Seller may have with respect to any casualty insurance policies or condemnation awards relating to the premises in question. In the event that Seller elects to perform repairs upon the Property, Seller shall use reasonable efforts to complete such repairs promptly and the date of Closing shall be extended a reasonable time in order to allow for the completion of such repairs. If Seller elects to assign a casualty claim to Purchaser, the Purchase Price shall be reduced by an amount equal to the lesser of the deductible amount under the insurance policy of Seller or the cost of such repairs as estimated by the Consultant. Upon Closing, full risk of loss with respect to the Property shall pass to Purchaser.

(c) For purposes of Sections 7(a) and 7(b), "Major" loss or damage refers to the following: (a) loss or damage to the Property hereof such that the cost of repairing or restoring the premises in question to substantially the same condition which existed prior to the event of damage would be, in the reasonable opinion of the Consultant, equal to or greater than ten percent (10%) of the Purchase Price, and (b) any loss due to a condemnation which permanently and materially impairs the current use of the Property.

8. **NOTICES.** Any notice required or permitted to be given hereunder shall be addressed to the Parties at their respective addresses referenced below (or, in each case, to such other address as a Party may from time to time designate by giving notice in writing to the other Parties, and shall be deemed to be given (a) when hand delivered; or (b) one (1) business day after pickup by Federal Express, or similar overnight express service, with proof of delivery; or (c) when delivered by facsimile transmission with written acknowledgment of receipt, provided an original of the facsimile is also sent to the intended addressee by means described in (a) or (b) above:

If to Seller:

The Stanford Financial Group Building, Inc.  
c/o Ralph S. Janvey, Receiver  
Krage & Janvey, L.L.P.  
2100 Ross Avenue, Suite 2600  
Dallas, Texas 75201

Attention: Ralph S. Janvey  
Fax: 214-220-0230

and with a copy to:

Robert P. Wright  
Baker Botts L.L.P.  
900 Louisiana, Suite 3106  
Houston, Texas 77002-4995  
Fax: (713) 229-7737

If to Purchaser:

Dirk D. Laukien  
2630 North Crescent Ridge Drive  
The Woodlands, Texas 77381  
Fax: (281) 292-2474

with a copy to:

Black Forest Ventures LLC  
2630 North Crescent Ridge Drive  
The Woodlands, Texas 77381  
Attention: Mr. Sean Quinn  
Fax: (281) 292-5055

and with a copy to:

Brett Beaty  
Law Office of Brett Beaty  
1400 Woodloch Forest Drive, Suite 575  
The Woodlands, Texas 77380  
Fax: (281) 367-3705

If to Title Company:

Charter Title Company  
777 Walker, Suite 2550  
Houston, Texas 77002  
Attention: Garry L. Carr  
Fax: 713-222-7213

(or address of other title company chosen in  
accordance with Section 2.2(a))

or, in each case, to such other address as a Party may from time to time designate by giving notice in writing to the other Parties. Effective notice will be deemed given only as provided above.

## 9. CLOSING MATTERS.

9.1 Seller's Deliveries. Seller shall deliver, or with respect to the Bill of Sale shall cause SFGC to deliver, either at Closing or by making available at the Property, as appropriate, the following original documents, each executed and acknowledged, if required:

- (a) a deed substantially in the form attached hereto as Exhibit F (the "Deed");

(b) a bill of sale substantially in the form attached hereto as Exhibit G (the "Bill of Sale");

(c) to the extent in possession of Seller, copies of Assumed Contracts; an assignment to Purchaser of all Assumed Contracts to which Seller is a party, substantially in the form attached hereto as Exhibit H; and notices to the counterparties under such Assumed Contracts, with respect to the assumption by Purchaser of all obligations thereunder (the "Assignment of Contract Rights");

(d) an assignment of all assignable warranties and guaranties held by Seller and then in effect, if any, with respect to the Improvements located on the Property or any repairs or renovations to such Improvements and Personal Property being conveyed hereunder, which assignment shall be substantially in the form attached hereto as Exhibit I (the "Assignment of Warranties");

(e) current unpaid real estate tax, water and sewer bills;

(f) all plans and specifications relating to the Property, as available;

(g) an affidavit pursuant to the Foreign Investment and Real Property Tax Act substantially in the form attached hereto as Exhibit J ("Non-Foreign Affidavit");

(h) to the extent in possession of Seller, all Intangible Personal Property, together with an assignment of Seller's beneficial title thereto and assumption thereof substantially in the form of Exhibit K attached hereto (the "Assignment of Intangible Personal Property");

(i) evidence of authority and good standing as the Title Company shall reasonably require in order to issue the Title Policy hereunder;

(j) the Utility Notices;

(k) all keys in the possession of Seller to all entrance doors to, and any equipment and utility rooms located in, the Building;

(l) a reliance letter in respect of each Third Party Report, properly executed by an authorized representative of such Third Party Report's author, pursuant to which Purchaser shall be entitled to rely on such Third Party Report in respect of the Property;

(m) the Lien Releases and UCC Termination Statements, each executed and acknowledged by the applicable parties;

(n) a document, executed and acknowledged by Seller, in form and content sufficient to cause Title Company not to include Exception 10(a) (Rights of parties in possession) in Schedule B of the Title Commitment or Exception 10(e) (Rights of tenants in possession under unrecorded leases or rental agreements) in Schedule B of the Title Commitment as exceptions to the Title Policy; and

(o) such other documents as may reasonably be requested by Purchaser or Title Company for the proper consummation of the transactions contemplated by this Agreement (provided, however, no such additional document shall expand any obligation, covenant, representation or warranty of Seller or result in any new or additional obligation, covenant, representation or warranty of Seller under this Agreement beyond those expressly set forth in this Agreement).

9.2 Purchaser's Deliveries. Purchaser shall deliver at Closing the following original documents, each executed and, if required, acknowledged:

(a) the Deed, the Bill of Sale, the Assignment of Contract Rights, the Assignment of Warranties, the Assignment of Intangible Personal Property, and all other assignments and assumptions of contracts, assets or intangibles assigned to Purchaser hereunder;

(b) copies of any notices to utility companies, counterparties, contractors and the Title Company required pursuant to this Agreement;

(c) evidence reasonably satisfactory to Seller and Title Company respecting the due authorization of the transactions contemplated by this Agreement, as well as any other evidence of Purchaser's authority and good standing as the Title Company shall reasonably require in order to issue the Title Policy hereunder;

(d) such other documents as may reasonably be requested by Seller or Title Company for the proper consummation of the transactions contemplated by this Agreement (provided, however, no such additional document shall expand any obligation, covenant, representation or warranty of Purchaser or result in any new or additional obligation, covenant, representation or warranty of Purchaser under this Agreement beyond those expressly set forth in this Agreement).

9.3 Possession. Purchaser shall be entitled to possession of the Property upon conclusion of the Closing, subject only to the Permitted Encumbrances.

9.4 Insurance. Seller shall terminate its policies of insurance as of the conclusion of the Closing and Purchaser shall be responsible for obtaining its own insurance thereafter.

## 10. **DEFAULT; DEFECTS.**

10.1 Purchaser Default. If Purchaser shall become in material breach of or default under this Agreement and the breach or default continues beyond the expiration of the cure period, if any, provided in Section 11.6 hereof, then Seller may (i) seek specific performance of Purchaser's obligations under this Agreement, (ii) terminate this Agreement and receive the Deposit (by wire transfer of immediately available Federal funds to the Account) as liquidated damages, in which case the Parties shall be relieved of and released from any further liability hereunder except for any obligation of Purchaser which is expressly provided in this Agreement to survive any termination of this Agreement, or (iii) seek any other remedy available to it at law or in equity. The Parties agree that, in the event of a termination of this Agreement pursuant to the terms hereunder, the Deposit will be a fair and reasonable amount to be retained by Seller as



agreed and liquidated damages in light of the removal of the Property from the market and the costs incurred by Seller, and shall not constitute a penalty or a forfeiture.

10.2 Seller Default. If (a) Seller shall become in material breach of or material default under this Agreement and the breach or default continues beyond the expiration of the notice and cure period provided in Section 11.6 hereof; or (b) Seller shall refuse or fail to convey the Property as herein provided for any reason other than (i) a default by Purchaser and the expiration of the cure period, if any, provided under Section 11.6 hereof, (ii) the existence of a Pending Default (as defined in and contemplated by Section 11.6), or (iii) any other provision of this Agreement which permits Seller to terminate this Agreement or otherwise relieves Seller of the obligation to convey the Property, Purchaser may, as its sole and exclusive remedies, either (y) terminate this Agreement by written notice delivered to Seller at or prior to Closing, in which event Purchaser may recover the Deposit, or (z) seek specific performance of Seller's obligations under this Agreement. Purchaser hereby expressly waives, relinquishes and releases all other rights or remedies available to it at law, in equity or otherwise (including, without limitation, the right to seek damages) in such event.

10.3 Title Defects. If, prior to the Closing, Seller discloses to Purchaser or Purchaser discovers that (a) title to the Property is subject to defects, limitations or encumbrances other than Permitted Encumbrances that are not required to be released or otherwise removed at or prior to Closing pursuant to the terms herein, or (b) any representation or warranty of Seller contained in this Agreement is or, as of the Closing Date, will be materially untrue, then Purchaser shall promptly give written notice to Seller of its objection thereto. In such event, Seller may elect to postpone the Closing for thirty (30) days and attempt to cure such objection, provided that Purchaser may not object to the state of title of the Property on the basis of any Permitted Encumbrances. The Parties acknowledge and agree that Seller shall not have any obligation to cure any objection. If Purchaser fails to waive the objection within ten (10) days after notice from Seller that the objection will not be cured, or after expiration of the thirty (30) day cure period if such objection is not cured, this Agreement will terminate automatically and Seller shall promptly direct the Title Company to return the Deposit to Purchaser, provided that Purchaser shall not be in default hereunder beyond the expiration of the notice and cure period set forth in Section 11.6, and neither Party shall have any liability to the other except for the surviving obligations set forth in this Agreement. For the purposes of this Agreement, any title defect, limitation or encumbrance other than a Permitted Encumbrance shall be deemed cured if Title Company or another title company reasonably acceptable to Purchaser and authorized to do business in the jurisdiction where the Property is located, will agree to issue the Title Policy to Purchaser for the Purchase Price, which Policy takes no exception for such defect, limitation or encumbrance or provides affirmative or express coverage therefor, and (x) is issued for no additional premium upon the Closing or (y) if an additional premium is required to provide such affirmative or express coverage, Seller agrees to pay such premium.

10.4 Representations of Seller. Notwithstanding anything in this Agreement to the contrary, Purchaser acknowledges that any inconsistency between (a) any representation, affidavit or certificate delivered by Seller in connection herewith and (b) the Information available for review by Purchaser or its representatives prior to the Closing, shall be controlled by the terms of such Information and that any inconsistency shall not constitute an objection to

title or a breach by Seller of any representation or warranty made by Seller in such affidavit or certificate.

10.5 Effect of Title Insurance. The issuance of the Title Policy shall be in lieu of any express or implied warranty of Seller concerning title to the Property, whether made herein or in the Deed or in any other document delivered at or in connection with the Closing. Purchaser acknowledges and agrees that, from and after the Closing, its only remedy for damages incurred by reason of any defect in title to the Property shall be against the issuer of the Title Policy. The provisions of this Section 10.5 shall survive the Closing.

## 11. MISCELLANEOUS.

11.1 Entire Agreement. This Agreement, together with the Exhibits attached hereto, all of which are incorporated by reference, is the entire agreement between the parties with respect to the subject matter thereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by the Parties.

11.2 Severability. If any provision of this Agreement or application to any Party or circumstance shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstance, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

11.3 Applicable Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Texas (excluding its conflicts-of-law provisions).

11.4 Assignability. Purchaser may not assign this Agreement without first obtaining the written consent of Seller, which Seller may grant or withhold in its sole discretion. Any assignment in contravention of this provision shall be void. Notwithstanding the foregoing, Purchaser shall have the right to assign this Agreement to an entity which controls, is controlled by, or is under common control with Purchaser, without the consent of Seller, so long as such assignee expressly assumes the duties and obligations of Purchaser hereunder and delivers to Seller a copy of the signed assignment/assumption agreement at or before Closing ("control" in this context meaning the right, directly or indirectly, to exercise in excess of fifty percent (50%) of the voting or governing power of an entity); provided however no assignment, whether or not permitted, shall release Purchaser herein named from any obligation or liability under this Agreement. Purchaser herein named and any permitted assignee shall be jointly and severally liable for all such obligations and liabilities. Any permitted assignee shall be deemed to have made any and all representations and warranties made by Purchaser hereunder, as if the assignee were the original signatory hereto. If Purchaser requests Seller's written consent to any assignment, Purchaser shall (i) notify Seller in writing of the proposed assignment; (ii) provide Seller with the name and address of the proposed assignee; (iii) provide Seller with financial information including financial statements of the proposed assignee; and (iv) provide Seller with a copy of the proposed assignment instrument.

11.5 Successors Bound. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns (or, in the case of Purchaser, permitted assigns to the extent required in Section 11.4).

11.6 Notice and Cure Rights. Should any Party be in breach of or default under or otherwise fail to comply with any of the terms of this Agreement, except as otherwise provided in this Agreement, before exercising any remedies afforded to them hereunder, the complying Party shall provide ten (10) days' written notice to the defaulting Party of the alleged breach or default. The non-defaulting Party shall promptly notify the defaulting Party in writing of any alleged default upon obtaining knowledge thereof. To the extent necessary, the Closing Date shall be extended to afford the defaulting Party the full ten (10) day period within which to cure such default; provided, however, that the failure or refusal by a Party to perform on the scheduled Closing Date (except in respect of a Pending Default by another Party) shall be deemed to be an immediate default without the necessity of notice; and provided further, that if the Closing Date shall have been once extended as a result of default by a Party, such Party shall not be entitled to any further notice or cure rights with respect to that or any other default. For purposes of this Section 11.6, a "Pending Default" shall be a default for which (i) written notice was given by the non-defaulting Party, and (ii) the cure period extends beyond the scheduled Closing Date.

11.7 Waiver. The failure of a Party to insist in any one or more instance upon the strict performance of any one or more of the obligations under this Agreement, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Agreement or of the right to exercise such election, but the same shall continue and remain in full force and effect with respect to any subsequent breach or omission.

11.8 No Public Disclosure. Purchaser shall make no public disclosure of the terms of this transaction without the prior written consent of Seller, which consent may be withheld in its sole discretion. Purchaser shall obtain a binding agreement from any broker used by Purchaser not to issue any press release, advertisement or other public communication with respect to this transaction, without obtaining the prior written consent of Seller, which consent may be withheld in its sole discretion.

11.9 Captions. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions.

11.10 Attorneys' Fees. In the event of any litigation arising out of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees, disbursements and court costs.

11.11 No Partnership. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between the Parties or their successors in interest.

11.12 Time of Essence. Time is of the essence for all purposes of this Agreement.

11.13 Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

11.14 Recordation. Purchaser agrees not to record this Agreement or any memorandum hereof. Purchaser hereby waives, to the extent permitted by law, any right to file a *lis pendens* or other form of attachment against the Property in connection with this Agreement or the transactions contemplated thereby. To the extent that such filing is made in violation of this Agreement, Purchaser shall indemnify Seller against any damages incurred by such parties in connection therewith. The provisions of this Section 11.14 shall survive the termination of this Agreement.

11.15 Proper Execution. The submission of this Agreement to Purchaser in unsigned form shall be deemed to be a submission solely for Purchaser's consideration and not for acceptance and execution. Such submission shall have no binding force and effect, shall not constitute an option, and shall not confer any rights upon Purchaser or impose any obligations upon Seller irrespective of any reliance thereon, change of position or partial performance. The submission of this Agreement for execution by Purchaser and the actual execution and delivery thereof by Purchaser shall similarly have no binding force and effect on Seller unless and until Seller shall have executed this Agreement, the Deposit shall have been received by the Title Company, and a counterpart thereof shall have been delivered to Purchaser.

11.16 Indemnities.

(a) Each indemnity by Purchaser provided for under this Agreement or under any agreement attached as an exhibit hereto shall be subject to the following provisions:

- (i) The indemnity shall cover the costs and expenses of the indemnitee including, without limitation, reasonable attorneys' fees, disbursements and court costs, related to any actions, suits or judgments incident to any of the matters covered by such indemnity.
- (ii) The indemnitee shall notify the indemnitor of any Claim (herein defined) against the indemnitee covered by the indemnity within forty-five (45) days after it has notice of such Claim, but failure to notify the indemnitor shall in no case prejudice the rights of the indemnitee under this Agreement unless the indemnitor shall be prejudiced by such failure and then only to the extent the indemnitor shall be prejudiced by such failure. Should the indemnitor fail to discharge or undertake to defend the indemnitee against such liability upon learning of the same, then the indemnitee may settle such liability, and the liability of the indemnitor hereunder shall be conclusively established by such settlement, the amount of such liability to include both the settlement consideration and the reasonable costs and expenses, including attorneys' fees, disbursements and court costs, incurred by the indemnitee in effecting such settlement. For purposes of this Agreement, "Claim" shall mean any obligation, liability, claim (including, but not limited to, any claim for damage to

property or injury to or death of any persons), lien or encumbrance, loss, damage, cost or expense.

(b) Except as expressly provided herein, the obligations of Purchaser under this Section 11.16 shall survive the Closing and remain binding upon Purchaser hereto until fully observed, kept or performed.

11.17 Survival and Limitation. Except and to the extent specifically set forth in this Agreement, no representation, warranty, covenant or other obligation under this Agreement shall survive the Closing or earlier termination of this Agreement.

11.18 Limited Liability. Notwithstanding anything to the contrary contained in this Agreement, no shareholders, officers, directors, members, agents, attorneys or employees of Seller shall have any liability whatsoever under this Agreement. In no event shall Seller be liable for damages in the event of its breach of this Agreement.

11.19 JURISDICTION. THE PARTIES AGREE THAT THE COURT SHALL HAVE EXCLUSIVE JURISDICTION OVER ALL DISPUTES AND OTHER MATTERS RELATING TO (i) THE INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT OR ANY ANCILLARY DOCUMENT EXECUTED PURSUANT HERETO, (ii) THE PROPERTY, (iii) ASSUMED LIABILITIES, AND (iv) ANY OBLIGATIONS OF A PARTY THAT MAY SURVIVE CLOSING, AND PURCHASER EXPRESSLY CONSENTS TO AND AGREES NOT TO CONTEST SUCH EXCLUSIVE JURISDICTION.

11.20 Restricted Payments. Purchaser is not (i) engaged in any money laundering in violation of the AML Laws (as hereinafter defined), including the Patriot Act (as hereinafter defined) or (ii) a Prohibited Person (as hereinafter defined).

For the purposes of this Section:

“AML Laws” shall mean money laundering and anti-terrorist laws, rules, regulations and executive orders of the United States, including the Patriot Act and those issued by the U.S. Office of Foreign Asset Control and the U.S. Department of Treasury, all as amended from time to time.

“Patriot Act” shall mean Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended from time to time.

“Prohibited Person” shall mean any Person identified in the “Alphabetical Listing of Blocked Persons, Specially Designated Nationals, Specially Designated Terrorists, Foreign Terrorist Organizations and Specially Designated Narcotics Traffickers” in Appendix A to 31 C.F.R. Chapter V, as amended and in effect from time to time and maintained by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”).

**12. ESCROW PROVISIONS.** The Deposit shall be held in escrow by Title Company upon the following terms:

(a) The Deposit shall be deposited in a special segregated interest-bearing account at a commercial bank reasonably acceptable to the Parties or, at the request of Purchaser, may be invested by Title Company in (i) money market funds in a financial institution reasonably acceptable to the Parties, (ii) treasury bills or other short-term U.S. governmental obligations, repurchase contracts for the same or (iii) any other investment approved by the Parties. All interest earned on the Deposit shall be considered a part of the Deposit and shall be the property of the party ultimately receiving payment of the Deposit and shall be paid to such party at the earlier to occur of (x) the Closing or (y) the date upon which the Deposit is paid to Seller or to Purchaser, as the case may be, in accordance with the terms of this Agreement. Notwithstanding anything to the contrary in this Agreement, in the event the transactions contemplated by this Agreement are consummated, the Deposit shall be applied to the Purchase Price hereunder.

(b) Title Company shall deliver the Deposit (including interest earned thereon) as provided in this Agreement and in the following provisions of this Section 12(b):

(i) Title Company shall deliver the Deposit (including interest earned thereon) to Seller at Closing;

(ii) Title Company shall deliver the Deposit (including interest earned thereon) to Seller, upon receipt of demand therefor signed by Seller stating that Purchaser has defaulted in the performance of its obligations under this Agreement; provided, however, that Title Company shall not honor such demand until at least fifteen (15) days after the date on which Title Company shall have sent to Purchaser a copy of such demand, nor thereafter following such fifteen (15) day period if Title Company shall have received a notice of objection, within such fifteen (15) day period, from Purchaser given in accordance with the provisions of Sections 12(c) and (d) hereof;

(iii) Title Company shall deliver the Deposit (including interest earned thereon) to Purchaser, upon receipt of demand therefor signed by Purchaser stating that Seller has defaulted in the performance of its obligations under this Agreement or that Purchaser is otherwise entitled to the refund of the Deposit pursuant to the terms of this Agreement; provided, however, that Title Company shall not honor such demand until at least fifteen (15) days after the date on which Title Company shall have sent to Seller a copy of such demand, nor thereafter following such fifteen (15) day period if Title Company shall have received a notice of objection, within such fifteen (15) day period, from Seller given in accordance with the provisions of Sections 12(c) and (d) hereof.

(c) Any notice to or demand upon Title Company shall be in writing and shall be sufficient only if received by Title Company within the applicable time periods set forth

herein, if any. Notices to or demands upon Title Company shall be (i) sent by overnight courier (with receipt requested), to Title Company at the address set forth in Section 8 hereof or at such other address as Title Company shall have last designated by notice to the Parties, or (ii) served personally upon Title Company with receipt acknowledged in writing by Title Company. Notices from Title Company to any Party shall be (1) sent by overnight courier (with receipt requested) to their respective addresses set forth in Section 8 hereof or at such other address as the party in question shall have last designated by notice to Title Company, or (2) served personally with receipt acknowledged in writing by the addressee.

(d) Upon receipt of a demand for the Deposit made by Seller or Purchaser pursuant to Section 12(b)(ii) or (iii), Title Company shall promptly send a copy thereof to the other Party. Such other Party shall have the right to object to the delivery of the Deposit by sending to Title Company notice of objection within fifteen (15) days after the date on which Title Company shall have sent such copy to such Party, but not thereafter. Upon receipt of such notice of objection, Title Company shall promptly send a copy thereof to the Party who made the written demand.

(e) If (i) Title Company shall have received a notice of objection as provided for in Section 12(d) hereof within the time therefor prescribed or (ii) any other disagreement or dispute shall arise between the Parties or any other persons resulting in adverse claims and demands being made for the Deposit, whether or not litigation has been instituted, then and in any such event Title Company shall refuse to comply with any claims or demands on it, and shall continue to hold the Deposit until Title Company receives either (x) a written notice signed by the Parties hereto directing the disbursement of the Deposit or (y) a final order of a court of competent jurisdiction, entered in an action, suit or proceeding to which the Parties are parties, directing the disbursement of the Deposit, in either of which events Title Company shall then disburse the Deposit in accordance with such direction. Title Company shall not be or become liable in any way or to any person for its refusal to comply with any such claims and demands unless and until it has received such direction. Upon compliance with such direction, Title Company is shall be absolved of and released from any and all liability hereunder.

(f) Notwithstanding the foregoing, Title Company may at any time, on notice to the Parties, deposit the Deposit (together with any interest earned or accrued thereon) with a court of competent jurisdiction and, if desired by Title Company, commence an impleader action against any Party hereto not theretofore before such court or an interpleader action against all Parties hereto. Upon the taking by Title Company of any action described in this Section 12(f), Title Company shall be absolved of and released from any and all liability hereunder.

(g) Title Company is acting hereunder as a depository only and is not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of any instrument deposited with it or any notice or demand given to it or for the form or execution of any such instrument, notice or demand, or for the identification, authority or rights of any person executing, depositing or giving the same or for the terms and conditions of any instrument pursuant to which the parties may act.

(h) Title Company is acting solely as a stakeholder with respect to the Deposit. Title Company shall not have any duties or responsibilities, except those set forth in

this Section 12, and shall not incur any liability (i) in acting upon any signature, notice, demand, request, waiver, consent, receipt or other paper or document believed by Title Company to be genuine and Title Company may assume that any person purporting to give it any notice on behalf of any Party in accordance with the provisions hereof has been duly authorized to do so or (ii) in otherwise acting or failing to act under this Section 12 except in the case of Title Company's bad faith, willful misconduct or negligence.

(i) Purchaser will be treated as the owner of the Deposit in escrow for purposes of income taxation. The Title Company must report the income of the escrow on Form 1099 in accordance with the information reporting requirements of the Internal Revenue Code and the Treasury Regulations promulgated pursuant thereto.

(j) Upon satisfaction of the closing conditions set forth in Sections 5.4 and 5.5 above, the Title Company shall disburse the Purchase Price, subject to adjustments as provided herein, to Seller.

(k) Title Company has executed this Agreement for the sole purpose of confirming its agreements contained in this Section 12.

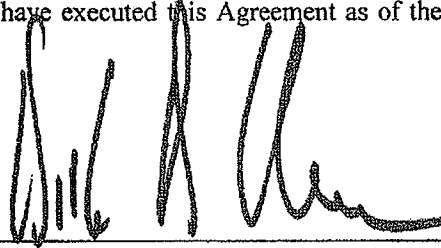
(l) The provisions of this Section 12 shall survive the Closing or the termination of this Agreement.

*[Remainder of page intentionally left blank.]*



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth above.

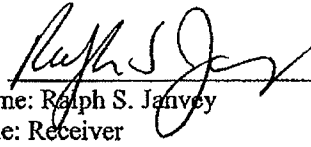
PURCHASER:



Dirk D. Laukien

SELLER:

THE STANFORD FINANCIAL GROUP  
BUILDING, INC.

By:   
Name: Ralph S. Janvey  
Title: Receiver

JOINDER

An original, fully executed copy of this Agreement, together with the Deposit, has been received by the Title Company this 18<sup>th</sup> day of May, 2010 and by execution hereof the Title Company hereby covenants and agrees to be bound by the terms of Section 12 of this Agreement.

CHARTER TITLE COMPANY

By: [Signature]  
Name: Till Lantz  
Title: Escrow Officer

**SCHEDULE 1.1B (1)**

**PERSONAL PROPERTY TO BE TRANSFERRED**

See attached list.

2010

Stanford Receivership

5050 Westheimer Furniture Inventory

5050 Westheimer - General Furniture	Apr-10
Executive double pedestal desk	57
Executive knee space credenza	56
Executive desk with lap drawer(s) only	6
Executive knee space credenza with hutch	7
Admin "L" desk - right return	6
Admin "L" desk - left return	12
Admin desk - "U" - right return	30
Admin desk - "U" - left return	36
Admin desk - "U" - right return with hutch	1
Admin desk with 3 right drawers only	3
Admin desk with 3 left drawers only	3
Tufted chairs with casters - leather	24
Task chairs with casters - all steel #19's	37
Task chairs with casters - other	161
Guest chairs - fabric	5
Guest chairs - leather	8
Guest chairs - leather tufted	105
Guest chairs barrel back- leather	83
Conference chairs - leather	14
Conference chairs - leather tufted	14
Conference chairs - leather 2 cushion	13
Credenza - 4 drawers	124
Credenza - 4 drawers w/hutch & glass	19
Credenza - 4 drawers w/hutch & open shelves	5
Credenza - 6 drawers (extended length)	1
Credenza - 6 drawers & 2 doors	2
<b>Conference tables:</b>	
36" round	4
42" round	2
48" round	12
54" round	1
42" x 96" rectangle	2
45" x 95" rectangle	1
48" x 120" rectangle	6
54" x 120" rectangle	1
Computer/printer tables - wood	10
Occasional/End tables	30
Decorative tables - round & square	14
Console tables	8

HOU01:1154178.1

2010

Stanford Receivership

5050 Westheimer Furniture Inventory

Coctail/Coffee tables	5
Breakfront cabinets	5
Wood bookcases with 2 shelves	2
Wood bookcases with 4 shelves	1
Wood bookcases with 5 shelves	9
Wood bookcase with 3 shelves & 2 shelves with doors	1
Shelving racks - metal	15
Cabinet with 6 shelves - metal	1
2 Drawer file cabinets - wood	7
3 Drawer file cabinet - metal	1
<b>4 Drawer File Cabinets:</b>	
Metal	19
Fireproof	24
Wood	54
5 Drawer file cabinets - metal	7
<b>Lobby/lounge areas:</b>	
Sofas- fabric	1
Sofas - leather tufted	4
Lounge chairs - fabric	19
lounge chairs - leather tufted	1
Corner "L" decorative 3 shelves - wood	1
Break room tables	6
Break room stackable chairs	34
White refrigerators	7
Stainless steel refrigerators	1
Side-by-side refrigerators	1
<b>Executive Dining Area:</b>	
Round dining room tables - wood	2
Square dining room tables - wood	6
Dining room chairs with wood and/or fabric	48
Butler cart with 3 shelves - wood	1
Framed Artwork	265
Tapestries	9
Rugs	9
Lamps	23
Mirrors with gold color moldings	2
Pedestals with sculptures/artwork	5
34" Tall decorative planter - wood	1
46" Tall decorative planter - metal	1
Folding partitions /dividers - wood/glass and/or canvas	3

HOU01:1154178.1



5050 Westheimer - Parking Garage Storage, Bldg Ops Office, Security Office	Apr-10
Executive double pedestal desk	2
Executive knee space credenza	1
Admin "L" desk - left return	1
Task chairs with casters - other	19
Guest chairs - leather tufted	3
Guest chairs barrel back- leather	5
<b>Conference tables:</b>	
36" round	1
48" round	1
Decorative tables - round & square	5
Coffee tables	1
Wood bookcases with 5 shelves	1
2 Drawer file cabinets - wood	2
3 Drawer file cabinet - metal	1
4 Drawer File Cabinets - metal	2
Sofas - leather	1
Sofas - leather tufted	2
Lounge chairs - fabric	2
Break room tables	1
Break room stackable chairs	2
Brown stackable chairs - wood	14
White refrigerators	1
Artwork	11
Lamps	1

SCHEDULE 1.1B (2)

EXCLUDED PERSONAL PROPERTY

The items of personal property specified in the list entitled "Excluded Inventory-Stanford Receivership Operations" attached to this Schedule 1.1B(2), plus the following:

1. All china, crystal and silver
2. Books
3. Wine collection
4. All IT/AV equipment except the equipment located in the executive suite on the ground floor and in the theater



2010

Stanford Receivership

Furniture Excluded  
Potentially Available

Excluded Inventory - Stanford Receivership Operations	Apr-10
<b>EXECUTIVE OFFICE SUITE - 1ST FLOOR</b>	
Executive desk with lap drawer(s) only	1
Task chairs with casters - other	1
Guest chairs barrel back- leather	1
Conference chairs - leather 2 cushion	10
Conference table 59" X 143" rectangle	1
Decorative tables - round & square	6
Cocktail (sofa) tables	1
Coffee tables	2
Sofas- fabric	1
Lounge chairs - fabric	5
Lounge chairs - leather	2
Lounge chairs - leather tufted	2
3 Drawer decorative chest	2
Rugs	3
Lamps	5
Mirrors with gold color moldings	2
<b>r SC&amp;B Area) --- Receivership may move this furniture if necessary to new space</b>	
Executive double pedestal desk	2
Executive knee space credenza	3
Executive knee space credenza with hutch	1
Admin "L" desk - right return	3
Admin "L" desk - left return	4
Admin desk - "U" - right return	2
Admin desk - "U" - left return with hutch	2
Built-in cubicle "L" desk with right returns	1
Built-in cubicle "L" desk with left returns	6
Credenza - 4 drawers	8
Credenza - 4 drawers w/hutch & glass	4
Credenza - 4 drawers w/hutch & shelves	1
Conference chairs - leather tufted	8
Conference table 42" round	1
Conference table 50" x 120" rectangle	1
Occasional tables	3
Decorative tables - round & square	4

2010

Stanford Receivership

Furniture Excluded  
Potentially Available

<b>4 Drawer File Cabinets:</b>	
Metal	10
Fireproof	15