

Briarcliff Exhibit No.: 2
Witness: Nathaniel Hagedorn
Type of Exhibit: Rebuttal Testimony
Issues: Continued Receipt of the Frozen All-Electric Rate
Sponsoring Party: Briarcliff Development Company
Case No.: EC-2011-0383

Filed
February 28, 2012
Data Center
Missouri Public
Service Commission

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY DIVISION

BRIARCLIFF DEVELOPMENT COMPANY

CASE NO. EC-2011-0383

REBUTTAL TESTIMONY OF

NATHANIEL HAGEDORN

October 7, 2011

Briarcliff Exhibit No. 2
Date 1/24/12 Reporter JL
File No. EC-2011-0383

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

BRIARCLIFF DEVELOPMENT COMPANY,
A Missouri Corporation,

COMPLAINANT

v.

Case No. EC-2011-0383

KANSAS CITY POWER AND LIGHT
COMPANY,

RESPONDENT

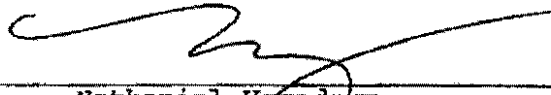
AFFIDAVIT OF NATHANIEL HAGEDORN

STATE OF MISSOURI)

COUNTY OF CLAY)

ss

Nathaniel Hagedorn, of lawful age, on his oath states:
That he has reviewed the attached written testimony in question
and answer form, all to be presented in the above case, that the
answers in the attached written testimony were given by him; that
he has knowledge of the matters set forth in such answers; that
such matters are true to the best of his knowledge, information
and belief.

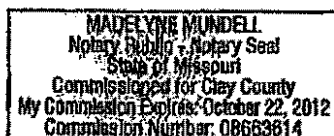

Nathaniel Hagedorn

Subscribed and sworn to before me this 7 day of October,
2011


Notary Public

[SEAL]

My Commission expires: October 22, 2012



BRIARCLIFF DEVELOPMENT COMPANY

EC-2011-0383

REBUTTAL TESTIMONY OF NATHANIEL HAGEDORN

1Q. PLEASE STATE YOUR NAME AND ADDRESS.

2A. My name is Nathaniel Hagedorn. My business address is
3 Briarcliff Development Company, 4151 N. Mulberry Street,
4 Kansas City, MO 64116.

5

6Q: ARE YOU THE NATHANIEL HAGEDORN WHO PROVIDED DIRECT TESTIMONY
7 IN THIS CASE?

8A: Yes.

9

10Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

11A: While it appears that the Staff Witness, Michael S.
12 Scheperle, and I agree on most of the facts in this case, my
13 major issue with his testimony is his failure to reach the
14 determination that Briarcliff was a Customer of KCPL under
15 KCPL's own tariffs even though it is clear that Briarcliff
16 Development was receiving and using electricity at the
17 Briarcliff One building continuously since it opened in 1999

1 for use within the premise occupied by Briarcliff
2 Development and its tenants and that, therefore, Briarcliff
3 Development as a customer of KCPL at the Briarcliff One
4 office building continuously qualified for the frozen all-
5 electric rate that it was receiving from KCPL prior to the
6 time Briarcliff Development terminated its outside property
7 manager and began managing Briarcliff One and its other
8 office buildings in-house commencing on August 5, 2009.
9 We do not agree that the clear language of the freeze tariff
10 applied to an existing customer who terminated its property
11 manager and requested a change in the name on the billing
12 from its former agent, the property manager, to the owner,
13 when the customer was and continues to remain the owner of
14 the all-electric building and the only change is
15 substituting the owner's name for the name of the customer's
16 former agent. While I am not an attorney, I am familiar
17 with agency in a business sense. In the ordinary business
18 world, it is understood that an agent is one who acts for,
19 or in the place of, another, by authority from him; one
20 entrusted with the business of another. He is not the owner
21 nor is he the customer for the electricity used in the
22 owner's building. The owner is the customer.
23 A review of the language of the freeze tariff discloses that
24 there is nothing in it saying that "if the customer name

1 changes on an account served by these tariffs, the account
2 must be changed to a standard electric tariff." The freeze
3 merely restricts the all-electric rate to those qualifying
4 customers' commercial and industrial physical locations
5 being served under such all-electric tariffs as of January
6 1, 2008 for so long as they continuously remain on that all-
7 electric rate schedule. Under such language, Briarcliff
8 Development clearly qualifies for the continuation of the
9 all-electric rate. And, but for KCPL's unreasonable and
10 arbitrary action in changing the rate Briarcliff One was
11 served under Briarcliff One would still be on that all-
12 electric rate.

13

14Q. **OTHER THAN THE CHANGE FROM AN OUTSIDE PROPERTY MANAGER TO**
15 **BRIARCLIFF DEVELOPMENT MANAGING THE PROPERTY IN HOUSE, HAS**
16 **THERE BEEN ANY OTHER CHANGE IN OPERATIONS?**

17A. No. In the case of Briarcliff One, there has been no change
18 in the physical location of the Briarcliff One building
19 being served under the all-electric rate. Nor has there
20 been a change in the qualifying customer. Briarcliff
21 Development continues to own and operate Briarcliff One and
22 is continuing to lease space therein as landlord to its
23 tenants as it has done since 1999 and Briarcliff One has
24 continuously been supplied with electricity by KCPL since

1 1999. The only changes are that Briarcliff Development now
2 manages the property in-house rather than with an outside
3 property manager and on August 5, 2009 KCPL commenced
4 billing for service at the building at the standard electric
5 rate instead of the all-electric rate it had been served
6 under since January 25, 2001. Had KCPL not changed the
7 billing rate on its own, the building would have been
8 continuously served on the all-electric rate schedule to
9 this date, since Briarcliff Development definitely did not
10 want the change in rate and would not have requested a
11 change in rates.

12

13 Q. IN THE STAFF REPORT THERE IS A DEFINITION FROM KCPL'S
14 TARIFFS OF RESPONSIBLE PARTY. HAS BRIARCLIFF DEVELOPMENT
15 BEEN A RESPONSIBLE PARTY ON BRIARCLIFF ONE SINCE DAY ONE?

16 A. Yes. Briarcliff Development has been a responsible party on
17 the Briarcliff One office building from its inception. A
18 Responsible party is defined in KCPL's Rule 1.21 as:

19

20 1.21 **RESPONSIBLE PARTY:** Any adult, landlord, property
21 management company, or owner applying for agreeing to
22 take, and or receiving substantial use and benefit of
23 electric service at a given premise.
24

25 Not only has Briarcliff One been a Customer of KCPL since
26 1999 at Briarcliff One, it has always been a responsible
27 party during all that time. It is also not only the owner

1 but also the building's landlord all that time. The
2 landlord has been Briarcliff Development, not Winbury
3 Realty, which had no connection to the building other than
4 having its name on the electric bill, nor the Winbury Group,
5 who was the property manager but not the landlord or owner,
6 merely the owner's agent. I am enclosing as Schedules **NH-10**
7 and **NH-11** representative copies of pertinent portions of
8 some of the lease amendments between Briarcliff Development
9 and its respective long-term tenants at the Briarcliff One
10 office building (with the tenant names redacted for privacy
11 concerns) showing that Briarcliff Development is and was the
12 Landlord (not The Winbury Group or Winbury Realty) during
13 the period before and after August 5, 2009 when KCPL stopped
14 providing it electricity at the all-electric rate.

15 Since Briarcliff Development, as a landlord and owner, was
16 receiving substantial use and benefit of electric service at
17 the Briarcliff One building it was and is a responsible
18 party ever since it began receiving such substantial use of
19 electric service from KCPL in 1999 and through today.

20 Equally obvious, Briarcliff One was also a Customer of KCPL
21 as defined in KCPL Rule 1.04 during the entire period in
22 that it was receiving and using electric service at the
23 Briarcliff One building continuously since 1999, a building
24 it owned, occupied and leased space to other parties also
25 occupying the premises owned by Briarcliff Development.

1 Rule 1.04 states as follows:

2 "1.04 CUSTOMER: Any person applying for, receiving,
3 using, or agreeing to take a class of electric service
4 supplied by the Company under one rate schedule at a
5 single point of delivery at and for use within the
6 premise either (a) occupied by such persons, or (b) as
7 may, with the consent of the Company, be designated in
8 the service application or by other means acceptable to
9 the Company." [Emphasis Added.]
10
11

12 Q. IN STAFF'S REPORT IT IS STATED THAT A MISS DIANNE PAINTER
13 CALLED TO HAVE SERVICE SET UP IN THE NAME OF WINBURY REALTY
14 FOR BRIARCLIFF I. WAS SHE AUTHORIZED BY BRIARCLIFF
15 DEVELOPMENT TO DO SO?

16 A. No. Ms. Painter, whoever she is, was not authorized to do
17 so by Briarcliff Development. In fact, the Management
18 Agreement between Briarcliff Development and The Winbury
19 Group specifically provided that the property manager enter
20 into or renew contracts **in the name of the Owner for**
21 **electricity**, other utility services and all other services.
22 Whoever she was and whomever she worked for, she was not
23 authorized to put the electric account with KCPL in the name
24 of Winbury Realty nor the name of The Winbury Group. Why
25 KCPL did as she allegedly asked in a telephone call is
26 beyond me. While it did not matter at the time she did so
27 in 1999, nor for many years thereafter until August 5, 2009
28 when after The Winbury Group was let go and the management
29 duties taken in house, it certainly made a difference at

1 that time because of the action KCPL took to change the rate
2 solely because the name on the billing account was changed
3 to the name of the Owner and Landlord of the building, who
4 had been such since 1999.

5
6Q. **WHAT RELIEF ARE YOU ASKING THE COMMISSION TO PROVIDE?**

7A. We are asking the Commission to see through the charade and
8 recognize that Briarcliff Development was a customer and
9 responsible party as defined in KCPL's rules since 1999 and
10 was such on August 5, 2009 when KCPL arbitrarily determined
11 that it was not entitled to continue on the 1LGAE rate
12 because the name on the account at such date was Winbury
13 Realty, a corporation that was not even involved in the
14 matter. Further, that even if KCPL had listed the customer
15 as The Winbury Group, the property manager, we are asking
16 the Commission to recognize that The Winbury Group was
17 merely an agent of the owner, Briarcliff Development, and
18 that the change in the name of the account from an owner's
19 agent to the owner's name did not violate the letter or the
20 spirit of the Commission's freeze order nor the Availability
21 provision in the frozen 1LGAE tariff so that Briarcliff One
22 was entitled to have been continuously served under the all-
23 electric tariff even after the change in property manager.
24 Finally, we are asking that the Commission order KCPL to
25 reinstate the all-electric rate for Briarcliff Development

1 retroactively to August 5, 2009 and to order KCPL to rebill
2 Briarcliff Development at the 1LGAE rate effective August 5,
3 2009 to date and to refund the overpayment with interest due
4 to unlawfully and unreasonably placing Briarcliff One on the
5 1LGSE rate instead of keeping it on the 1LGAE rate like it
6 did with the Briarcliff Two and Briarcliff Three office
7 buildings.

8

9Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

10A. Yes it does.

AMENDED AND RESTATED
FOURTH AMENDMENT OF LEASE

This FOURTH AMENDMENT OF LEASE (this "Amended Fourth Amendment") is made as of March 31, 2011, between BRIARCLIFF DEVELOPMENT COMPANY, a Missouri corporation ("Landlord"), and ~~XXXXXXXXXX, INC.~~, a Missouri corporation ("Tenant").

RECITALS:

A. Reference is made to that certain Lease Agreement dated December 31, 1998 (the "Original Lease") and as modified by Lease Commencement Date confirmation letter dated July 7, 1999, the First Amendment to Office Lease dated September 10, 1999, by another amendment captioned "First Amendment" dated May 2, 2001, Second Amendment to Lease dated May 10, 2001, an amendment captioned "Agreement dated December 1, 2008, and Third Amendment to Lease dated July 31, 2009 (collectively, the "Lease"), between Landlord (originally between Landlord's predecessor, Briarcliff West Realty Company) and Tenant, and relating to the office space (referred to in the Lease as the "Premises") in the Building (as defined in the Lease) commonly known as Briarcliff One Office Building, with an address of 4100 North Mulberry Drive, in Kansas City, Missouri, 64116.

B. Landlord and Tenant have previously entered into that certain Fourth Amendment of Lease, dated as of March 31, 2011 (the "Original Fourth Amendment").

C. Landlord and Tenant desire to modify and amend the Original Fourth Amendment as set forth herein, with the intent that from and after the execution of this Amended Fourth Amendment, the Original Fourth Amendment shall be null and void and of no further force and effect.

NOW, THEREFORE, in consideration of the premises and the promises hereinafter set forth, the parties hereto agree as follows.

AGREEMENTS:

1. **Defined Terms.** Capitalized terms used but not otherwise defined herein shall have the meaning given to them in the Original Lease. All references herein or in the Original Lease shall mean and refer to the Original Lease as modified by this Amended Fourth Amendment. In the event of any conflict or inconsistency between the terms of the Original Lease and the terms of this Amended Fourth Amendment, the terms of this Amended Fourth Amendment shall control. Upon the execution and delivery of this Amended Fourth Amendment, the Original Fourth Amendment shall be null and void and of no further force and effect.

2. **Conditioned Upon Settlement Agreement.** This Amended Fourth Amendment shall only be effective upon the Landlord and Tenant concurrently entering into a separate Settlement Agreement with respect to disputes concerning the Lease, the terms of such settlement to be evidenced in a separate written Settlement Agreement between Landlord and Tenant (the "Settlement Agreement"). Landlord and Tenant hereby agree and acknowledge that

they have entered into the Settlement Agreement following the execution of the Original Fourth Amendment and that this condition has now been satisfied.

3. **Notice and Payment Address:** The address for notices to Landlord and payment of Rent (as set out in section 1 of the Original Lease) to Landlord is changed to: Briarcliff Development Company, 4151 North Mulberry Drive, #205, Kansas City, Missouri 64116.

4. **Term of Lease.** Landlord and Tenant agree the Term of this Lease expires June 30, 2019.

5. **Expansion Premises.** Tenant agrees to lease from Landlord and Landlord agrees to lease to Tenant approximately 10,954 rentable square feet on the first floor of the Building, commonly known as Suite 100, 105 and 109, all as depicted on Exhibit A and hereinafter referred to as the "Expansion Premises". The Lease of the Expansion Premises shall commence as follows:

a. Suites 105 and 109: the later of (a) the first (1st) day of the month following the date that is sixty (60) days following delivery of possession of both Suites 105 and 109 to Tenant or (b) June 1, 2011 (the "Suites 105 and 109 Commencement Date"); and

b. Suite 100: the first (1st) day of the month following the date that is sixty (60) days following the delivery of possession of Suite 100 to Tenant (the "Suite 100 Commencement Date");

and shall continue for the remaining Term of the Lease as set out above in Section 4. The Base Rent for the Expansion Premises shall be equal to \$24.00 per rentable square foot (the "Expansion Premises Base Rent") for the remainder of the term of the Lease. There is no CPI increase with respect to the Expansion Premises. The Expansion Premises Base Rent shall be due for Suites 105 and 109 on the Suites 105 and 109 Commencement Date, and the Expansion Premises Base Rent shall be due for Suite 100 on the Suite 100 Commencement Date. Landlord and Tenant agree to enter into one or more letter agreements designating the Suites 105 and 109 Commencement Date and the Suite 100 Commencement Date and designating the date on which Expansion Premises Base Rent begins to accrue. Expansion Premises Base Rent for any period that is less than one month shall be prorated on a per diem basis. The Expansion Premises Base Rent and any Additional Rent due from Tenant under the Lease with respect to the Expansion Premises is hereby sometimes collectively referred to as the "Expansion Premises Rent" or "Rent". Landlord hereby agrees to use good faith efforts to obtain and deliver possession of the Expansion Premises as soon as possible and Landlord hereby agrees to deliver possession of Suites 105 and 109 not later than June 1, 2011, and Landlord hereby agrees to deliver possession of Suite 100 not later than January 1, 2012; provided, however, that in the event of delays from causes beyond Landlord's control, Landlord and Tenant agree that the time for delivery can be extended by Landlord, but in no event will delivery of possession of Suite 100 occur later than March 31, 2012. Except as provided otherwise herein, the terms of the Original Lease as amended shall apply to the Expansion Premises as if originally included within the original definition of Premises in the Original Lease. Landlord and Tenant agree that Landlord does not anticipate delivering Suite 100 to Tenant until after December 31, 2011. As Landlord proceeds

with the necessary activities to relocate the existing tenant from Suite 100, Landlord agrees to keep Tenant informed on its progress with the relocation and the anticipated time for delivery of possession of Suite 100 to Tenant.

6. **Tenant's Share of Building.** Section 1.7 A of the Original Lease is amended to reflect that with the addition of the square foot area of Expansion Premises to the square foot area of the Premises previously leased by tenant pursuant to the Original Lease as amended prior to this Amended Fourth Amendment, the Tenant's Share of the Building (a) from and after the Suites 105 and 109 Commencement Date, will be Fifty-One and 53/100ths Percent (51.53%), and (b) from and after the Suite 100 Commencement Date, will be Fifty-Eight and 22/100ths Percent (58.22%).

7. **Condition of Expansion Premises.** Landlord shall provide Tenant a Tenant Improvement Allowance of \$10.00 per Net Rentable Square Foot within the Expansion Premises. Other than providing the Tenant Improvement Allowance, Landlord shall have no obligation to perform any work or construction to the Expansion Premises and Tenant acknowledges that in agreeing to take occupancy of the Expansion Premises, Tenant is leasing the Expansion Premises in its "as is, where is" condition; provided, however, that notwithstanding the foregoing Landlord represents that on the date of delivery of possession of each of Suites 100, 105 and 109, each such suite shall comply with all legal requirements applicable to such suite. The Tenant Improvement Allowance may be used by Tenant for any and all hard or soft costs incurred by Tenant in the modification, alteration, remodeling or improvement of the Premises. Tenant shall use a general contractor reasonably acceptable to Landlord for remodeling, altering or renovating the Premises (the "Improvements") as described in the Plans (hereinafter defined). All work done by Tenant shall be deemed Tenant's Work pursuant to the Lease and any approvals required under the Lease with respect to Tenant alterations to or remodeling of the Premises shall be required to be obtained by Tenant. Any amount requested by Tenant from the Tenant Improvement Allowance shall be set forth in a written invoice from Tenant. Landlord reserves the right to monitor said construction to insure that the workmanship meets all requirements as outlined in the Plans. As some or all of the work is completed, Landlord shall pay such portion of the Tenant Improvement Allowance directly to Tenant (or at Landlord's option by joint check to Tenant and its general contractor), within 30 days of receipt of an invoice from Tenant, for the sums then due by Tenant to its general contractor as reflected in the invoice. Along with such invoice, Tenant shall provide such mechanic's lien waivers as Landlord may reasonably request in connection with any request for payment of the Tenant Improvement Allowance from Landlord. Building inspection reports from the City of Kansas City and new or updated certificates of occupancy shall be provided to Landlord as and when each becomes available with respect to all or a portion of the Expansion Premises. Tenant will deliver to Landlord copies of all plans and specifications for any proposed improvements, modifications or alterations to the Premises (the "Plans"). All such improvements, modifications or alterations contracted for by Tenant or constructed by Tenant shall be made in a good and workmanlike manner and in a manner that does not disturb other tenants in the Building. Nothing contained in this Lease shall authorize or empower Tenant to do any act which shall in any way encumber Landlord's title to the Building or the Expansion Premises, nor in any way subject Landlord's title to any claims by way of lien or encumbrance whether claimed by operation of law or by virtue of any expressed or implied contract of Tenant, and any claim to a lien upon the Building or the Expansion Premises arising from any act or

omission of Tenant shall attach only against Tenant's interest and shall in all respects be subordinate to Landlord's title to the Building and the Expansion Premises. Tenant shall upon request deliver to Landlord copies of all lien waivers obtained by Tenant for work paid for by Tenant and not using the Tenant Improvement Allowance. If Tenant has not removed any such lien or encumbrance or (provided that Tenant is contesting such lien or encumbrance) delivered to Landlord a title indemnity, bond or other security reasonably satisfactory to Landlord, within fifteen (15) days after written notice to Tenant by Landlord, Landlord may pay the amount necessary to remove such lien or encumbrance, without being responsible for making any investigation as to the validity thereof, and the amount so paid shall be deemed Additional Rent reserved under this Lease due and payable forthwith. Any improvements or modifications to the Premises that exceed the Tenant Improvement Allowance shall be at Tenant's sole cost and expense.

8. **Additional Payment.** On each of December 15, 2011, December 15, 2012 and December 15, 2013, Landlord shall pay to Tenant the sum of One Hundred Thirty-Three Thousand Three Hundred and 33/100 Dollars (\$133,333.33).

9. **Base Year.** The Base Year for the Expansion Premises is Landlord's Calendar Year ending December 31, 2011 for purposes of calculating the Tenant's payment of its share of Additional Expenses and Additional Taxes pursuant to the Lease.

10. **Landlord Services.** Tenant and Landlord agree that Landlord shall once again provide services as previously provided to the Tenant by Landlord prior to the Third Amendment and without additional charges for such services, and in the same manner and fashion as are provided to other tenants in the Briarcliff office park. Without limiting the generality of the foregoing:

a. The first sentence of Section 8.1 of the Original Lease is hereby deleted and the following inserted in lieu thereof:

Landlord shall maintain the parking facilities, the Building and the Common Areas in good order, condition and repair, including any lobbies, stairs, elevators, corridors and restrooms (whether such restrooms are within or without the Premises), together with the Building exterior weather walls, roofs, foundations, structure, windows, window frames, doors (including doors within the Premises), all parts and components of the plumbing and electrical systems in the Building which (i) serve the Premises, or (ii) serve the Building or the premises of other tenants, wherever located, gutters, storm water collection, detention, diversion or retention systems, walks, drives, parking areas, trees, shrubs, landscaping, and the mechanical, plumbing and electrical equipment servicing the Building (including equipment and systems for Building standard heating, ventilation and air conditioning equipment provided by Landlord under this Article);

and

b. The first sentence of Section 8.6 of the Original Lease is hereby deleted.

Landlord and Tenant agree that any and all outstanding invoices for services from Landlord to Tenant since the date of the Third Amendment shall be withdrawn by Landlord and Tenant shall not have the obligation to pay the same.

Landlord and Tenant agree that Tenant's current electrical usage (including without limitation personal computers, standard office equipment, printers and copiers, and the servers, phone switches, mainframe computer and other equipment in the computer room and the supplemental cooling for the computer room) falls within normal office standards and there shall be no additional charge for the Tenant's current level of electrical usage or future use consistent with current use and normal office standards.

11. **Brokerage Fees:** Landlord and Tenant hereby indemnify and hold each other harmless against any loss, claim, expense or liability with respect to any commissions or brokerage fees claimed on account of the execution and/or renewal of this Lease due to any action of the indemnifying party, other than those commissions set forth herein. Colliers International/The Winbury Group is acting as agent of the Tenant and Landlord shall pay any commissions due the Tenant's agent pursuant to separate agreement between Landlord and Tenant's agent. Landlord represents that it is not represented by any agent to whom a commission would be due in connection with this Amended Fourth Amendment.

12. **Binding Effect.** This Amended Fourth Amendment and the Lease (as modified hereby) shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns.

13. **No Defaults.** Tenant acknowledges and agrees that Landlord is not in default under the terms of the Lease and that, to Tenant's knowledge, Tenant has no claims against Landlord for offset, abatement, damages or rent or otherwise as a result of Landlord's acts or omissions prior to this date or if Tenant has had such claims, all such claims have been resolved pursuant to this Amended Fourth Amendment and the Settlement Agreement. Landlord acknowledges and agrees that Tenant is not in default under the terms of the Lease and that, to Landlord's knowledge, Landlord has no claims against Tenant for offset, abatement, damages or rent or otherwise as a result of Tenant's acts or omissions prior to this date or if Landlord has had such claims, all such claims have been resolved pursuant to this Amended Fourth Amendment and the Settlement Agreement. Tenant and Landlord agree that Tenant has waived all audit rights under the Lease with respect to Tenant's share of Additional Expenses and Additional Taxes for all years prior to calendar year 2010.

14. **Counterpart.** This Amended Fourth Amendment may be executed by the parties on any number of separate counterparts, and all such counterparts so executed constitute one agreement binding on all the parties notwithstanding that all the parties are not signatories to the same counterpart

15. **Effect of Amended Fourth Amendment.** Except as herein amended, the Lease shall continue in force unaffected and, as herein amended, the Lease is in all respects ratified, approved and confirmed.

IN WITNESS WHEREOF, the parties hereto have executed this Amended and Restated Fourth Amendment of Lease as of the day and year first written above.

BRIARCLIFF DEVELOPMENT COMPANY,
a Missouri corporation

By: 

James Dorman, President

LANDLORD


a Missouri corporation

By: 

, CEO

TENANT

THIRD AMENDMENT TO LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE (this "Third Amendment"), made and entered into this _____ day of May, 2006, amends that certain Lease Agreement (the "Agreement"), dated May 18, 2000, and further amended on May 17, 2001 and May 18, 2001 by and between BRIARCLIFF DEVELOPMENT COMPANY, LLC ("Landlord"), and _____ ("Tenant").

RECITALS

WHEREAS, pursuant to the Agreement, Tenant leased from Landlord approximately 4,607 square feet of space, Suite 100 (the "Premises"), in the building commonly known as Briarcliff One Office Building, Kansas City MO 64116 (the "Building"); and

WHEREAS, Tenant is desirous of extending the Lease for the Premises and Landlord is agreeable to such renewal:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency which is hereby acknowledged, Landlord and Tenant mutually covenant and agree as follows:

1. Effective November 11, 2006, ARTICLE I, paragraph C. Base Rental shall be adjusted to reflect the following:

Months 1 and 2, an amount of \$00.00 per month,
Months 3 through 24, an amount of \$9,214.00 per month
Month 25, an amount of \$00.00 per month, and
Months 26 through 60, an amount of \$9,214.00 per month of the Renewal Term.

2. Effective November 11, 2006, ARTICLE I, paragraph D. Commencement Date shall be adjusted to reflect a five year renewal term ("Renewal Term") commencing on November 11, 2006 and the Renewal Term shall expire on November 10, 2011 ("Expiration Date").

3. Effective November 11, 2006, ARTICLE I, paragraph E. Lease Term shall be adjusted to sixty (60) months after November 11, 2006.

4. Effective November 11, 2006, ARTICLE 6, paragraph A. Expense Stop shall be to increased to an expense stop of \$8.50 per year. ARTICLE 6, paragraph B. shall be deleted. For the period up to November 10, 2006, the \$7.00 expense stop will be in effect.

5. Tenant Improvements. Tenant will accept the Premises in an "as is" condition.

6. Except for the matters specifically addressed herein, the Premises shall be governed by the terms, covenants and conditions of the Lease Agreement. All other terms, covenants and conditions of the Lease Agreement not modified herein shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this ~~First~~ ^{Third} AMENDMENT TO LEASE which shall be binding upon and inure to the benefit of the parties, their respective successor and assigns, as of the day and year first above written.

TENANT:

By: _____
Name: _____
Title: President
Dated: 6/13/06

LANDLORD:

BRIARCLIFF DEVELOPMENT
COMPANY

By: _____
Name: Charles A. Garner
Title: CEO
Dated: 6-15-06

Schedule
NH-11