

TW NY PROPERTIES LLC
STANDARD SERVICES AGREEMENT
COVER PAGE

The attached documents describe the relationship between TW NY Properties LLC ("Time Warner") and the company identified below ("Company") (each of Time Warner and Company, a "Party" and, collectively, the "Parties"). The documents attached to this cover page include the "Standard Terms and Conditions" (the "Master Terms"), which describe and set forth the general legal terms governing the relationship, and one (1) or more Schedules setting forth the services and scope of work to be performed by Company, fees and other information specific to the relationship. This cover page, together with the Master Terms and all Schedules collectively constitute the agreement between the Parties and all references to the "Agreement" shall mean this cover page, the Master Terms and all Schedules.

This Agreement will become effective when this cover page is executed by an authorized representative of each Party (the "Effective Date").

CONSULTANT INFORMATION:

Company Name:

Address: 250 West 39th Street, New York, NY 10018

Principal Contact Person: Arthur Metzler

Title: Managing Principal

Phone: 212-944-7722

Fax: 212-944-2363

Email Address: ametzler@amapc.com

The Parties have caused their duly authorized representatives to execute this Agreement as of the dates set forth below.

AMA CONSULTING ENGINEERS PC

By (Signature): 

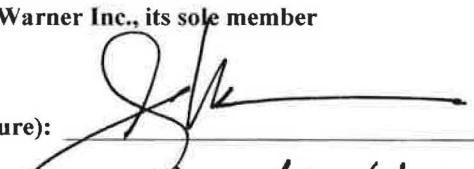
Name (Printed): Arthur Metzler

Title: Managing Principal

Date: September 30, 2014

TW NY PROPERTIES LLC

By: Time Warner Inc., its sole member

By (Signature): 

Name (Printed): Joel Blenner

Title: Vice President

Date: 80/2/14

STANDARD TERMS AND CONDITIONS

1. Services.

- a)** Company shall provide the services described in the project scope attached hereto as Schedule 1 relating to MEP services relating to the Company's interest in a new building at development project located in the Hudson Yards section of New York City (the "Services"). The project scope shall include, among other information, project goals, steps, milestones and estimated completion date.
- b)** Company covenants with Time Warner to diligently and expeditiously use its skills and judgment in accordance with generally prevailing MEP professional standards as set forth in Article 8 with respect to the performance of the Services and any other services rendered by Company to Time Warner.
- c)** No additional compensation shall be payable to Company if existing drawings for the Premises are not available for review. Company shall timely recommend to Time Warner any investigations, surveys, tests, analyses and reports necessary for the proper execution of the Services by Company. Company shall ascertain the requirements for the Project and shall confirm such requirements Time Warner's architect for the Project, as well as with any other consultants working on the Project whose work may be effected by the Services. Company shall review alternative systems with Time Warner and its architect, attend necessary conferences, prepare necessary analyses, drawings and other documents, be available for general consultation, and make recommendations regarding basic systems for the Project. When necessary, Company shall consult with public agencies and other organizations concerning utility services and requirements. Company shall prepare drawings and specifications in such format as Time Warner and/or its architect may reasonably require. Company shall assist Time Warner's architect as necessary in connection with filing the documents concerning the project required for the approval of governmental authorities having jurisdiction over the project.
- d)** Additional meetings after completion of construction and to help resolve problems are not compensable as a supplemental service if the problems were caused in whole or in part by Company's error or omission. Changes in the instructions or approvals given by Time Warner that necessitate revisions to the drawings and specifications prior to the completion of the design phase of the Services shall not be compensable as a supplemental service.
- e)** Company shall be a non-exclusive provider of the Services.

f) Company shall provide the Services in a manner that meets or exceeds the highest prevailing industry standards, and is in all respects to the satisfaction of Time Warner. In this regard, Company shall promptly make any and all changes in its performance as Time Warner may reasonably request from time to time.

g) Company shall possess all authorizations, approvals, consents, licenses, permits, certificates or other rights and permissions necessary to perform the Services including, without limitation, any copyright, trademark rights or other third party intellectual property or proprietary rights. Company shall provide the services described in the statement of work attached hereto as Schedule 1. The statement of work shall include, among other information, project goals, steps, milestones and estimated completion date.

h) Time Warner shall have the right to share all or any part of this Agreement, and all associated documents and amendments, with its parent or any of its or their subsidiaries and affiliates (each an “Affiliate”). Any Time Warner Affiliate will have the right, at any time during the Term and upon execution of a scope of work, order form, purchase order or other agreed document, as agreed to by the parties thereto, to obtain the Services under the same terms and conditions, as set forth in this Agreement. An Affiliate ordering Services hereunder shall, for the purposes of such Services only, have all the rights and obligations that Time Warner has under the Agreement and references to “Time Warner” in the Agreement shall be read as references to such Affiliate (and Company shall agree to such other changes as are reasonably necessary due to the identity of any such Affiliate). In no event shall Time Warner be liable for obligations of its Affiliates obtaining Services from Company. Similarly, an Affiliate shall be liable only for its obligations under this Agreement and shall not be liable for the obligations of Time Warner or any other Affiliate. Any breach of this Agreement by Time Warner or any Affiliate shall not affect this Agreement with respect to any other Affiliate (or Time Warner in the case of breach by an Affiliate).

2. Fees. Upon performance of the Services in accordance with the terms of this Agreement, Time Warner shall pay Company the fees (the “**Fees**”) as set forth in Schedule 2.

3. Payment Terms.

a) Company will invoice Time Warner for Fees in accordance with the payment schedule set forth in Schedule 2, but, in any event, no more frequently than monthly. All invoices must be submitted to Time Warner on or before the first (1st) day of each month. Company’s invoices shall: (i) accurately reflect the percentage of services provided based on predetermined milestones, (ii) identify any Expenses authorized in accordance with Section 4 below, (iii) be accompanied by supporting documentation and other detail consistent with Time Warner’s reimbursement guidelines, and (iv) if applicable, certify that all service levels, milestones, goals and deadlines set

forth in Schedule 1 have been achieved. Time Warner may reject any invoice if Time Warner determines that the documentation provided by Company is not sufficient to support the amount invoiced by Company.

b) Time Warner will pay any undisputed amount due Company within thirty (30) days after the date of receipt of each invoice and all documentation required under Section 3(a) above. If any amount claimed by Company in any invoice is disputed by Time Warner, the Parties will negotiate in good faith to resolve the dispute. Company's acceptance of payment will constitute a waiver of any claims of Company for payment for Services covered by the disputed invoice.

c) Company shall provide to Time Warner all information and documentation as may be reasonably requested from time to time by Time Warner in order to verify amounts reflected in invoices. Time Warner shall have the right to audit Company's records related to any invoice in accordance with Section 13 hereof.

d) Company will have sole responsibility for the payment of all employee taxes, compensation, wages, benefits, contributions, insurance, and like expenses, if any, of its employees. Company will indemnify and hold harmless Time Warner, its parent, affiliates, subsidiaries, shareholders, officers, directors and employees from and against any and all liability, loss, cost and expense (including, without limitation, reasonable attorneys' fees and disbursements) in connection with, and will assume responsibility for payment of, all federal, state and local taxes or contributions imposed as required under employment insurance, social security and income tax laws for Company's employees engaged in the performance of the Services.

e) Prior to receiving payment of Fees, Company shall provide Time Warner with a completed Form W-9, including a federal tax identification number. Company shall be solely responsible for any income, self-employment or payroll taxes, interest, assessments and penalties, if any, that are or will become due and payable in connection with the performance of the Services; provided, however, that Time Warner shall be entitled to deduct and withhold from the Fees such amounts as may be required to be deducted or withheld therefrom under Applicable Laws (as defined below). To the extent such amounts are so deducted or withheld, they shall be treated for all purposes as having been paid to Company. Time Warner makes no representations or warranties regarding Company's tax obligations and assumes no liabilities concerning these payments.

4. Extraordinary Expenses. Company shall be responsible for all ordinary overhead expenses which it may incur during the term of the Agreement. Time Warner shall reimburse Company, on a dollar-for-dollar basis, for any extraordinary expenses (such as travel) incurred in direct connection with Company's provision of the Services (the "*Expenses*"), provided that expenses are pre-approved in writing by Time Warner and substantiated by itemized invoices, receipts and/or payment documentation. Any travel shall be in accordance with Time Warner's travel policies and guidelines attached hereto as Appendix 1.

5. Term; Termination.

a) The Term of this Agreement shall commence upon the Effective Date and shall continue in full force and effect until _____. The Agreement shall govern all work performed by Company prior to the Effective Date. The Agreement may be extended by mutual agreement of the Parties.

Time Warner may terminate this Agreement for any reason or no reason at any time upon thirty (30) days' prior written notice to Company. In the event of termination of this Agreement under this Section 5(a), Time Warner shall pay Company for the Services rendered through the effective date of termination (i.e., a percentage of the total Fees based upon how far the Services are toward completion at the time of termination), within sixty (60) days of receipt of a final invoice. In addition, Time Warner shall continue to pay Company any contingency fees pursuant to and in accordance with the fee schedule set forth in Schedule 2 for those savings which were identified prior to the termination. If Time Warner sells or divests an Affiliate (a "Divested Entity"), Time Warner shall inform the Company of the divestiture transaction. The Company agrees to provide the Services at the same terms and condition as stated herein until the end of the then-current term or twelve (12) months from divestiture, whichever is later (the "Transition Period"); provided, that the Divested Entity executes and delivers, in form and substance agreeable to Time Warner and the Company, a document in which Divested Entity agrees to be bound by the terms and conditions of this Agreement. At any time during the Transition Period, the Divested Entity and the Company may enter into a separate agreement under which Company provides services to the Divested Entity. The parties agree that a Divestiture shall not operate to modify any of the terms and conditions of this Agreement other than to modify the Services and fees.

b) In the event (each, a "Default Event") of (i) a material breach by Company of any term or condition of this Agreement, (ii) a violation by Company of any Applicable Laws (as defined below) pertaining to or arising from Company's performance of the Services under this Agreement, (iii) a change of control of Company or (iv) (A) Company makes an assignment for the benefit of creditors or admits in writing its inability to pay debts as they mature, (B) a trustee or receiver is appointed for a substantial part of Company's assets or (C) to the extent termination is enforceable under the U.S. Bankruptcy Code, a proceeding in bankruptcy is instituted by or against Company, which is not dismissed within thirty (30) days, or which results in an adjudication of bankruptcy, Time Warner may, in its discretion, terminate this Agreement immediately, without notice. In the event of termination of this Agreement under this Section 5(c), Time Warner shall only be obligated to pay Company the Fees associated with Services rendered up to the date and time of the occurrence of a Default Event (i.e., a percentage of the total Fees based upon how far the Services are toward completion at the time of the Default Event), offset by any damages Time Warner incurs as a result of such Default Event (as more particularly described in Paragraph 14, below); such amounts shall be paid within sixty (60) days of receipt of a final invoice.

c) Upon termination of this Agreement under this Section 5, each Party shall be released from all obligations and liabilities to the other occurring or arising after the date of such termination except that Sections 10 (including the terms of the NDA incorporated herein by reference), 11, 12, 14, 16, 17, and 18 of this Agreement shall survive the termination of this Agreement.

6. Representatives.

a) Time Warner's authorized representative for the project is:
_____ or such other person(s) as Time Warner may designate by giving written notice to Company.

b) Company's authorized representatives for the project is/are:
_____.

c) Prior to commencement of the Services, and subsequently as personnel are added, Company will deliver to Time Warner a list of personnel performing the Services for approval by Time Warner. Time Warner may, at any time, request the removal of Company's personnel from performing Services under this Agreement, with or without cause. Company will replace such personnel within five (5) business days after Time Warner's request therefor.

7. Force Majeure. Company will not be responsible for delays or failures of performance of the Services resulting from unforeseeable acts beyond Company's reasonable control, including disruption or outage of communications (including the third-party internet providers or other networked environments of third parties), power or other utility. In the event that Company knows of an occurrence of an event described in this Section 7, Company shall provide prompt written notice of such occurrence to Time Warner. Services not provided by reason of this Section 7 shall be resumed upon the elimination of the force majeure event. Company agrees to use all reasonable efforts to restore such suspended or reduced Services as soon as practicable. During any period in which Services to Time Warner are reduced, suspended or terminated by Company pursuant to this Section 7, Time Warner shall not be obligated to make payment of Fees with respect to the unfulfilled, suspended or terminated portion of Services. If a force majeure event prevents or delays performance of the Services (in whole or in part) for more than three (3) consecutive days, Time Warner may procure the affected Services from an alternative source during the period in which any Services are suspended or reduced and Time Warner shall be relieved from paying Company under this Agreement for any such Services.

8. Compliance.

a) Company represents and warrants that it is knowledgeable of all applicable codes, laws, rules and regulations and that it will perform the Services and any other obligations under this Agreement in strict compliance with all applicable local, state, and federal laws, executive orders, rules, regulations, codes, orders, and decrees, including, without limitation, all safety, environmental and health laws and regulations of the United States Environmental Protection Agency, the United States Department of Transportation and the United States Occupational Safety and Health Administration, or their successor organizations, as amended, modified or supplemented from time to time (collectively, "**Applicable Laws**") of any federal, state, provincial or municipal jurisdiction or authority (each, a "**Governmental Authority**") as they may affect the Services, including, but not limited to Applicable Laws relating to data protection and privacy of personnel or human resources information, and that it holds any necessary permits, licenses or other similar credential issued by a Governmental Authority to perform the Services required hereunder. Company agrees that it has and will have sole responsibility for the health, safety, and welfare of its employees and agents performing Services under this Agreement. Time Warner will not be responsible for monitoring the Company's compliance with any Applicable Laws.

b) Company agrees to make itself available at all reasonable times to consult with representatives of Time Warner concerning any Services performed or to be performed by Company under this Agreement.

c) Company represents and warrants that:

All Services will be performed by Company in a professional manner, consistent with the standard of skill and care exercised by professional MEP engineers on projects of comparable scope and complexity, in a similar location, and in conformance with the requirements of this Agreement;

Company and its professional staff are sufficiently experienced, properly qualified, registered or licensed (if required), equipped, organized, and financed to perform the Services in compliance with the terms of this Agreement; and

Company will devote such time, personnel and resources for the performance of its duties under this Agreement and within the deadlines set by Time Warner.

d) In the event of any breach of any of the warranties set forth above, Company agrees that upon Time Warner's request Company will immediately re-perform the Services to remedy the breach or deficiency, without cost to Time Warner and to Time Warner's satisfaction.

9. Office Space and Support Staff. Company shall supply its own office space but it may perform Services under this Agreement on Time Warner's premises at Time Warner's request or with Time Warner's consent. Company shall be responsible for any damage to Time Warner's premises resulting from the abuse, misuse, neglect or negligence of Company or its Staff (as defined below). Company shall supply its own office support staff, if any, and shall employ or engage a sufficient number of skilled and

qualified employees, consultants, agents or otherwise (collectively, “*Staff*”) to provide the Services. Company shall be solely responsible for all Staff, and shall inform all Staff in writing at the time that such Staff are hired or engaged by Company that such Staff are not employees of Time Warner or any Affiliate and that neither Time Warner nor Affiliate has any present or future obligation to employ such Staff or provide such Staff with any compensation and/or employment benefits of any kind. The Staff shall conduct their activities at Company’s risk, expense and supervision.

10. Confidentiality; Information Security.

d) The Parties acknowledge that they have previously entered into that certain Non-Disclosure Agreement (the “*NDA*”) which is hereby incorporated in its entirety by reference. Company shall cause all Staff to comply with the terms of the NDA. To the extent that provisions of the NDA conflict with provisions of this Agreement, the provisions of the NDA shall govern; provided, however, that, notwithstanding any provision of the NDA to the contrary, Time Warner shall have the right to share all or any part of this Agreement, and all associated documents and amendments, with any Affiliate.

e) Company agrees to keep confidential during the term of this Agreement and thereafter all information about the project, the Services and the results therefrom, costs, methods, products, plans, sales, pricing, personnel, the business affairs of Time Warner and its subsidiaries (collectively, the “Time Warner Companies”) and other information not readily available to the public, and shall not copy or disclose to any third party, without Time Warner’s prior written approval, any information relating to the project or any other information of whatever type (including any information provided to or developed by Company with respect to the Time Warner Companies or any property of the Time Warner Companies, office space or other facility and recommendations and plans with respect thereto) obtained or deduced from information obtained from Time Warner or otherwise. Information heard, obtained from observation or otherwise received while Company (or any of its employees) is at Time Warner’s facilities is considered information obtained from Time Warner for purposes of this paragraph. Company further agrees not to publicly disclose any information with respect to the project or its participation therein, including issuance of any public relations or press releases or other publicity, without the prior written consent of Time Warner, except as required pursuant to applicable law. Company agrees that it shall not use the name or logo of any of the Time Warner Companies or the project in any advertising, publicity, and/or press releases or otherwise without the prior written consent of Time Warner in each instance.

f) Company has developed, implemented and will maintain commercially reasonable information security policies and procedures that include administrative, technical and physical safeguards designed to (i) ensure the security and confidentiality of Confidential Information (as defined in the NDA) provided to Company hereunder,

(ii) protect against anticipated threats or hazards to the security or integrity of such Confidential Information, (iii) protect against unauthorized access to, damage to or use of such Confidential Information, or unauthorized access to, damage to or interference with business premises, and (iv) notwithstanding any provision of the NDA to the contrary, ensure the proper return or disposal (including the proper destruction of physical media) of Confidential Information on the earlier of the date (A) when such information is no longer needed to provide products or services hereunder or (B) that is three years from termination of this Agreement. Company represents and warrants that all Company personnel handling Confidential Information have been appropriately trained with respect to the Company information security policies and procedures. Company agrees to maintain, and regularly audit and review its information security policies and procedures to ensure their continued effectiveness and determine whether adjustments are necessary in light of circumstances including, without limitation, changes in technology or personnel, customer information systems or threats or hazards to Confidential Information. Without limiting the generality of the foregoing, Company shall insure that all back-up tapes made of its systems are encrypted and that no Staff shall download any Confidential Information onto any portable electronic device (such as a laptop or PDA), unless, and only if, such Confidential Information is necessary for the performance of the Services and such device is password protected and encrypted.

g) In the event any Confidential Information has been acquired or is reasonably believed to have been, or is reasonably believed to be at risk of becoming, acquired by unauthorized parties (an “Information Breach”), Company shall notify Time Warner within twenty-four (24) hours (with attention to Time Warner’s General Counsel at (212) 484-8000 and to its Manager of Application Security at (212) 484-6000 and TTS.CSC@turner.com) and take appropriate action to prevent further unauthorized access or disclosure. In the event of an Information Breach, Company shall cooperate with Time Warner to meet any obligations of Time Warner to notify individuals whose personal information has been compromised as a result of an Information Breach; provided that in no event shall Company serve any notice or otherwise publicize an Information Breach without the prior written consent of Time Warner.

11. Ownership of Intellectual Property; Assets.

h) Company hereby acknowledges, certifies and agrees that all Developed Intellectual Property (as defined below) is and shall be deemed to be “works made for hire” for Time Warner within the meaning of the U.S. Copyright Act, and Time Warner shall have all right, title and interest in and to such Developed Intellectual Property. **“Developed Intellectual Property”** means all Intellectual Property created, conceived, reduced to practice, authored or otherwise developed by Company in connection with the Services provided hereunder, including all deliverables (as identified in Schedule 1); provided, however, for purposes of this definition, Developed Intellectual Property shall not include any Company Intellectual Property (as defined below); and **“Intellectual Property”** means (a) rights associated with works of authorship, including exclusive

exploitation rights, copyrights, moral rights, and mask works; (b) trademark and trade name rights and similar rights and associated goodwill; (c) trade secret rights, know-how, design guides, methodologies, developmental tools, techniques, hardware, software, systems, technologies, skills, and processes (including any enhancements, improvements, or modifications thereto); (d) patents and industrial property rights; (e) software, inventions, discoveries, designs, processes, or other proprietary rights in intellectual property of every kind and nature; and (f) rights in or relating to registrations, renewals, extensions, combinations, divisions, and reissues of, and applications for, any of the rights referred to in subsections (a) through (e) of this sentence.

i) To the extent that the Developed Intellectual Property or any portion of the Developed Intellectual Property does not qualify as a “work made for hire” as defined by the U.S. Copyright Act, Company hereby irrevocably assigns and transfers to Time Warner and its successors and assigns, any and all of its right, title and interest in and to the Developed Intellectual Property.

j) Company hereby waives any and all so-called “moral rights” to any similar rights of authors with respect to the Developed Intellectual Property.

k) Company shall execute any documents reasonably required by Time Warner to effectuate its obligations under this Section 11, and agrees that Time Warner shall have the sole and exclusive right to register in its own name rights in the Developed Intellectual Property. In addition or alternatively, Company hereby irrevocably appoints Time Warner as its attorney-in-fact to take such actions and make, sign execute, acknowledge and deliver all such documents after it has had a reasonable opportunity to review and comment upon, as may from time to time be necessary to convey to Time Warner, its successors and assigns, all rights granted herein and Time Warner shall provide copies of any documents which are so signed to Company. Company shall perform its obligations under this Section 11 for no additional consideration.

l) Company shall not at any time, solely by virtue of its performance hereunder, have, nor shall it make any claim to, any right, title or interest in any trade name, trademark, copyright or other similar rights or in any property or other tangible or intangible assets of any type belonging to, used by, created or acquired by Time Warner or any Affiliate or in any other material, matter or asset of any sort prepared for or used in connection with the respective business or promotion of Time Warner or any Affiliate.

m) Company warrants the originality of the Developed Intellectual Property prepared for Time Warner hereunder and its provision to and preparation for Time Warner of such Developed Intellectual Property exclusively, and that no portion of the Developed Intellectual Property prepared for Time Warner under this Agreement (a) is derived from any work owned by another party or (b) will infringe upon the rights of any third party.

n) Company shall retain all right, title and interest in and to the Company Intellectual Property. To the extent that any Company Intellectual Property is included in any Developed Intellectual Property or otherwise required to fully use or otherwise exploit any Developed Intellectual Property or otherwise receive the full benefit of the Services, then Company hereby grants to Time Warner a non-exclusive, royalty-free, perpetual, transferable, worldwide, fully paid up and irrevocable license to use, configure, display, reproduce, modify, perform, enhance and create derivative works and sublicense the use of such Company Intellectual Property for the operation, use, exploitation and/or full enjoyment of all ownership rights of the Developed Intellectual Property and such license shall survive the termination or expiration of this Agreement. “**Company Intellectual Property**” means Intellectual Property (i) acquired, licensed or developed by Company prior to the Effective Date or (ii) which is acquired, licensed or developed by Company on or after the Effective Date independently of this Agreement.

12. Independent Contractor.

o) This Agreement is made with Company as an independent contractor; neither Company nor its Staff shall by virtue of this Agreement become an employee, partner, agent of, or joint venture with Time Warner or any Affiliate for any purpose, including, but not limited to, wages, benefits, rights and privileges afforded to employees under any federal or state statutes, regulations or administrative rulings. Company expressly acknowledges and agrees that the Services rendered pursuant to this Agreement will not form the basis for any rights of eligibility, vesting or participation in any fringe benefits afforded to any employees of Time Warner or an Affiliate, including, but not limited to, vacation and holiday pay, leaves of absence, health and welfare benefits, including coverage for medical, dental, vision, accidental death and disability, long-term or short-term disability, or life insurance, severance benefits, retirement benefits, including pension or thrift plan contributions and/or any other benefits of any kind or nature provided by Time Warner or any Affiliate to their respective employees, whether or not maintained under a qualified ERISA plan, even if the term or other periods of service as a consultant are subsequently reclassified by a third party as a period of employment with Time Warner or an affiliate for any other purpose. Neither Company nor any of its Staff shall, under any circumstances, have any authority to act for or to bind Time Warner or any Affiliate or to sign the name of Time Warner or any Affiliate or to otherwise represent that Time Warner or any Affiliate is in any way responsible for Company’s acts or omissions. Neither Company nor its Staff shall have any authority to create any contract or obligation, express or implied, on behalf of, in the name of, or binding upon Time Warner or any Affiliate. Company acknowledges that the Services to be performed for Time Warner are those that Company generally performs in the independent established profession in which it is customarily engaged. Neither Company nor its Staff shall have any claim against Time Warner or any Affiliate for vacation pay, health or disability benefits, unemployment insurance benefits or employee benefits of any kind.

p) Company agrees that it shall be liable for and shall withhold all federal, state and local income, social security, unemployment, excise, payroll and all other taxes or charges required by law to be withheld from the compensation of all Staff. Company agrees that it shall timely pay such taxes or charges to the appropriate governmental agencies. Company agrees that it shall be liable for all workers' compensation benefits, premiums and other similar charges related to the Staff.

13. Records; Audit Right. Company shall maintain complete and accurate accounting records, in a form in accordance with generally accepted accounting principles, to substantiate Company's Fees hereunder and Company shall retain such records for a period of seven (7) years from the date of final payment under this Agreement. Time Warner shall have, during such seven (7)-year period, the right to examine such records and to obtain, at Time Warner's expense, from Time Warner's independent auditors an audit of the relevant records of Company; provided, however, that should the audit show an overcharge, Company shall immediately refund such overcharge to Time Warner and, if such overcharge is more than ten percent (10%) of the amount billed under the invoice or Service at issue, then Company shall also immediately reimburse Time Warner the cost of such audit. Company shall make its records available for inspection during regular business hours at such place where such records are customarily kept, upon reasonable notice by Time Warner.

14. Indemnity. Company shall defend, indemnify and hold harmless Time Warner and all Affiliates and its or their officers, directors, employees, agents, parent, subsidiaries and other affiliates affected by the Services, from and against any and all liabilities, demands, debts, losses, damages, judgments, costs, expenses, interest, payments and penalties (including reasonable attorneys fees) (collectively, "*Losses*") arising from or in connection with Company's performance of this Agreement. Time Warner shall have the right to offset against any Fees due Company under this Agreement the amount of any Losses to which Time Warner is entitled to be indemnified under this Section 14. In addition, Company acknowledges that any breach of this Agreement may cause Time Warner irreparable harm for which damages would be an insufficient remedy and agrees that Time Warner shall be entitled, in addition to all rights and remedies available to it, to seek equitable remedies, such as an injunction or specific performance.

In light of heightened piracy concerns, Time Warner requires that the Company takes certain security measures to protect "Time Warner Content" from unauthorized access and/or use (for purposes hereof, "Time Warner Content" includes various forms of film, video and/or digital elements containing audio/visual filmed entertainment content from theatrical motion pictures, television shows, games, animation and other programming, as well as marketing and promotional content relating thereto, of Time Warner and/or its affiliates and/or its affiliates' licensees).

In consideration of the Company's engagement under this Agreement, Company agrees to the following obligations:

- (i) Company shall not (and shall not permit or authorize any of its employees, agents, subcontractors or any other third party to) remove, copy, distribute, upload, make available, tamper with, or otherwise allow or enable third party access to, any Time Warner Content.
- (ii) Company shall not touch, remove or modify any burn-in warnings or watermarks included on physical assets containing Time Warner Content.
- (iii) Company shall advise each of its employees, contractors and other individuals under Company's control or supervision of the criminal and civil liability that may arise by reason of the piracy, theft, unauthorized copying, use, or sharing, or unauthorized exhibition, of Time Warner Content. Company shall keep a written record of all employees or contractors who have access to the Time Warner's premises and shall provide such information to Time Warner on request.
- (iv) Company shall establish and employ security procedures sufficient to prevent any theft or unauthorized access, copying, exhibition, transmission or removal of Time Warner Content. Company agrees, in consultation with Time Warner, to implement such additional security measures and policies as Time Warner may require to protect Time Warner Content from time to time. Time Warner shall have the right, during business hours, to conduct a security site survey or otherwise inspect Company's facilities to confirm compliance with the provisions of this section.
- (v) Company shall immediately notify Time Warner by phone and e-mail regarding any loss, theft, injury, unauthorized access, copying, distribution or use of Time Warner Content as soon as Company becomes aware of same. Notwithstanding any other provisions of this Agreement, if such instance occurred in whole or in part due to the actions or inactions of Company or Company's employees, agents, or subcontractors, Company shall be liable for any and all damages arising from such unauthorized activity. Company shall use best efforts, at Company's own cost and expense, to recover all lost or stolen materials.

15. Insurance. During the term of this Agreement Company shall maintain in full force and effect the following insurance coverage: (i) Commercial General Liability insurance with limits of no less than \$2 million per occurrence and \$5 million as an annual aggregate, including but not limited to products and completed operations and advertising liability; (ii) Worker's Compensation Insurance as required by laws in the state of operation for the Contractor's employees, and Employer's Liability Insurance with a limit of no less than \$1,000,000 per occurrence, with a waiver of right of subrogation against the Company and any affiliate; (iii) Business Auto liability insurance with no less than \$2 million combined single limit (iv) Errors and Omissions liability insurance (also referred to as Professional Liability insurance) covering Company's liability for acts, errors or omissions in performing professional services with limits of no less than \$3 million per claim and \$5 million as an annual aggregate; Time Warner (or as

the case may be an Affiliate) and its subsidiaries, affiliates, successors and assigns existing now or hereafter shall be named as additional insured on all such policies, as applicable. All policies shall be primary and non-contributory to any insurance coverage maintained by Time Warner and shall contain waivers of subrogation in form satisfactory to Time Warner. Policies shall be written with a licensed insurance company with a Best's Rating of no less than A-VIII. Company shall provide a certificate of insurance evidencing all such coverage and a renewal certificate fifteen (15) days prior to the renewal of any such policy. Company shall, or shall cause its insurance company(ies) to, provide the additional insured thirty (30) days prior written notice of cancellation and/or any material change in any such policy.

16. Applicable Law; Venue.

a) This Agreement shall be governed by the laws of the State of New York without giving effect to its conflicts of laws principles (except Section 5-1401 of the New York General Obligations Law). Each Party hereto irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the federal and state courts located in the Borough of Manhattan, City of New York for any actions, suits or proceedings arising out of or relating to the Agreement and the discussions contemplated hereby (and each Party agrees not to commence any action, suit or proceeding relating thereto except in such courts). Each Party hereto hereby irrevocably and unconditionally waives any objection to the laying of the venue of any actions, suit or proceeding arising out of the Agreement, in the federal and state courts located in the Borough of Manhattan, City of New York, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. The Company and Time Warner agree that service of process in any action or proceeding brought against the other party may be made by complying with the notice requirements set forth in Section 17 below.

b) Notwithstanding the foregoing, any dispute relating to Services performed for Time Warner's Affiliate, Warner Bros., as provided in Appendix 2, such dispute shall be resolved in accordance with the arbitration provisions set forth in Appendix 2.

c) Each party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this Agreement.

17. Notices. All notices, requests, claims, demands and other communications that are required or may be given pursuant to the terms of this Agreement shall be in the English language, in written form, and shall be deemed to be received by the addressee on the earlier of the date the notice is actually delivered or the next business day after the notice is sent, if the notice is sent by a nationally or internationally recognized carrier guaranteeing next business day delivery. Notices to the respective Parties shall be

delivered at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 17):

if to Time Warner, to
Vice President Real Estate
Time Warner Inc.
One Time Warner Center
New York, NY 10019

with a copy of default notices only to
General Counsel
Time Warner Inc.
One Time Warner Center
New York, NY 10019

and, if to Company, to the address listed on the cover page to this Agreement.

18. Subcontracting. Company shall not subcontract all or any portion of the Services under this Agreement without Time Warner's express written consent. If Company obtains such consent, the Company shall, by appropriate written agreement, require each subconsultant, to the extent of the Services to be performed by the subconsultant, to be bound to the Company by the terms of this Agreement, and to assume toward the Company all the obligations and responsibilities that the Company, by this Agreement, assumes toward Time Warner. Each subconsultant agreement shall preserve and protect the rights of the Time Warner under this Agreement with respect to the Services to be performed by the Company's subconsultant so that subcontracting thereof will not prejudice such rights.

19. Work Product.

a) Time Warner and Company acknowledge that during the course of, and as a result of, the performance of the Services, Company or its subconsultants will create written materials, plans, drawings, specifications, computer files, or other tangible manifestations of Company's efforts under this Agreement, including architectural work, as that term is defined in the Architectural Works Copyright Protection Act of 1990 (hereinafter individually or collectively referred to as "Work Product"). Work Product prepared by Company or its subconsultants pursuant to the Agreement shall be "works for hire," and all rights, title and interest to the Work Product including, but not limited to, any and all copyrights in the Work Product, shall be owned by Time Warner irrespective of any copyright notices or confidentiality legends to the contrary that may have been placed in or on such Work Product by Company or others. Company and its subconsultants waive in whole all the moral rights that may be associated with such Work Product. If for any reason any part of or all of the Work Product is not considered work for hire for Time Warner or if ownership of all right, title and interest in the Work Product shall not otherwise vest in Time Warner, then Company agrees that such

ownership and copyrights in the Work Product, whether or not such Work Product are fully or partially complete, are and shall be automatically assigned from Company to Time Warner, without further consideration, and Time Warner shall thereafter own all right, title and interest in the Work Product, including all copyright interests.

b) All Work Product, including copies thereof, shall be returned to Time Warner upon the termination or expiration of this Agreement, except that Company may, subject to its confidentiality obligations under this Agreement, retain one record set of the Work Product.

c) The Work Product and copies thereof shall not be used by Company or its subconsultants or any other person or entity on any other project without the prior written consent of the Time Warner.

d) The design and all plans, drawings, specifications, written materials and other documents prepared by Company for the Project shall comply with all applicable codes, rules, regulations and ordinance in effect prior to the completion of the Services. Unless otherwise expressly stated in this Agreement, all plans, drawings, specifications, written materials and other documents shall be complete and fully coordinated with those of Time Warner's architect, and if such documents are intended for construction, such documents shall be ready for construction.

e) If Company is required under this Agreement to provide drawings or plans, then Company shall provide to Time Warner computer aided design ("CAD") drawing files in the format required by Time Warner. Time Warner shall have the right to withhold up to five percent (5%) of the total compensation to be paid to Company under this Agreement until it receives the as-built CAD drawing files.

20. Miscellaneous.

a) To the extent that any provisions of the Master Terms conflict with anything contained in any schedule or exhibit attached hereto, the Parties agree that the Master Terms shall govern.

b) This Agreement and its schedules and exhibits and the accompanying NDA constitute the entire agreement between the Parties regarding its subject matter and supersede all prior and contemporaneous negotiations, correspondence, understandings and agreements between the Parties. Any modification thereof shall not be effective unless contained in writing signed by both Parties.

c) In the event any provision of this Agreement is held by a court or other tribunal of competent jurisdiction to be unenforceable as written, that provision shall be reformed so as to give effect to the intentions of the Parties, and the other provisions of this Agreement will remain in full force and effect.

d) No waiver under this Agreement shall be valid or binding unless set forth in writing and duly executed by the Party against whom enforcement of such waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described therein and shall in no way impair the rights of the Party granting such waiver in any other respect or at any other time. Any delay or forbearance by either Party in exercising any right hereunder shall not be deemed a waiver of that right.

e) The captions inserted herein 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 intent of any provisions thereof.

f) Company shall not assign its rights or delegate its duties hereunder without the written consent of Time Warner (including, without limitation, by way of merger, consolidation or sale of all or substantially all of Company's stock or assets).

g) The rights and liabilities of the Parties hereto shall bind and inure to the benefit of their successors and permitted assigns. Except as provided in Section 14 with respect to the indemnified parties, nothing herein shall confer upon any person or entity, other than the Parties, their successors and permitted assigns, any legal or equitable right whatsoever to enforce any provision of this Agreement.

h) This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one Agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic means shall be effective as delivery of a manually executed counterpart of this Agreement.

Schedule 1
Services

SEE ATTACHED SOW DATED _____

The purpose of this section is to outline the general responsibilities, expectations and services required of the MEP/FP Systems Engineer. Time Warner seeks to work with an MEP Engineer that brings expertise and depth of experience providing Engineering services inclusive of, but not limited to, the list below. It must be recognized by the MEP/FP Systems Engineer that it is difficult to delineate each and every specific service and task that will be required of the MEP/FP Systems Engineer. By submitting a proposal response, the MEP/FP Systems Engineer acknowledges that it will provide the necessary ancillary and secondary services necessary to compliment the required Scope of Services outlined herein and will not seek additional compensation to provide Time Warner with robust, full-scope Services. It is also important to note that the design of Time Warner's space should be considered a building within a building in Tower A at the Hudson Yards Development.

4.1) Basic Scope of Services Overview

It is anticipated that the selected MEP/FP Systems Engineer will, depending on final Scope of Services, establish an organizational structure that identifies a team to manage the key areas broken down as follows (see attached EXHIBIT C for breakdown of space):

- Workspace and amenities (approx. 1M rentable square foot)
 - Cafeteria, cinema style screening rooms, conference suite, executive dining, wellness center
- CNN Studios & Support Spaces (approx. 160,000 rentable square feet)
- HBO Studios Support Space (approx. 40,000 rentable square feet)

Total Project = 1,200,000 rentable square feet

It is anticipated that the selected MEP/FP Systems Engineer will produce all of the construction documents, permit and bid set for the full Project, including the technical and studio spaces defined above.

The establishment of a clear organizational structure is critical. It is expected that the primary consultants including the Lead Architect, Studios Architects, MEP FP, technology, and AV consultant will be contracted directly by Time Warner. Approach to coordinating between the multiple design teams as well as other specialty consultants including but not limited to the selected Commissioning agent for all levels of commissioning, should be described as part of the proposal response.

The MEP/FP Systems Engineer shall cooperate with Time Warner's consultants and provide each of them with such information as may reasonably be required to enable them to fulfill their respective obligations.

The MEP/FP Systems Engineer shall cooperate and coordinate with the developers Core and Shell design team regularly to ensure smart efficient design and compatibility with base building design.

It is anticipated that the selected MEP/FP Systems Engineer will participate in weekly design meetings with Time Warner and necessary consultants; including all necessary reporting as agreed to by Time Warner. At the commencement of construction, it is assumed the project meetings will be managed by the selected Construction Manager(s).

The MEP/FP Systems Engineer understands that it will be required to prepare all drawings and specifications in the bid documents to fully describe scope of work and to be coordinated in all respects necessary to permit competitive bidding and fixed-price proposals without conflicts and duplication among the various trades and the potential for generating change orders.

Listed below are key design concepts that Time Warner will be evaluating when selecting the MEP/FP Systems Engineer. Time Warner expects the MEP/FP Systems Engineer to address and implement the following concepts in the design of the Project.

Sustainability: The Project process should include an emphasis on sustainability and conservation of energy.

Healthy Working Environment: The MEP/FP Systems Engineer should focus on design that optimizes real estate and leading edge technology to create an office environment that can

achieve both public and private spaces that are aesthetically pleasing, functional, efficient and healthy for Time Warner employees to work. MEP Engineer shall work in close coordination with Interiors Architect to ensure success. Indoor air quality is a major concern to Time Warner because it can impact the health, comfort, well being, and productivity of the building occupants. The MEP/FP Systems Engineer will be expected to achieve the highest standards of IAQ.

Design for the Future: The design should reflect both the Time Warner brand and the individual divisional brand. It should introduce forward-thinking and cost saving solutions to Time Warner. The design should take into consideration the flexible needs of the business and the associated aspects such as, moves, churns, densifications and expansions. Time Warner is interested in having a space that utilizes the latest in proven building technology and includes a section 25 – Integrated Automation - in the building specifications

Holistic Design: The design should be well integrated both aesthetically and functionally. The MEP/FP Systems Engineer should consider how the space will be maintained and managed by Time Warner's Project Services Team. Before specification, the materials and equipment will need to be evaluated for durability, cleaning instructions, access, availability, repair and replacement.

Web-based Applications

Time Warner has implemented a web-based management tool that provides all parties associated with the project varying levels of access to a shared database for the following items:

- Calendar indicating all daily activities, meeting schedule and events.
- Reports, meeting minutes, historical data, budgets and other Project related information.
- RFI's and contract documents.

Responsibilities by the appointed MEP/FP Systems Engineer to assist with maintaining the web-based management tool will include:

- Training for your project team.
- Posting of all minutes, reports, agendas, etc.
- Posting of documents.

- Posting of all project related correspondence.

Time Warner has chosen to pursue a LEED Commercial Interiors Certification, targeting Gold, directly correlated to the commercial fit out for floors 9 to 34 of the Tower A building.

The Developer of Tower A has incorporated several LEED design and construction components into the base building, also with a target of Gold.

In pursuit to continuously maintain the position as a thought leader, Time Warner. will follow the most up to date and challenging release available of LEED for Commercial Interiors rating system. Version 4 of the rating system was released in late November 2013 and promises to offer increased integration with the LEED for Neighborhood Development certification which Hudson Yards as a whole will also be achieving.

The MEP/FP Systems Engineer's design therefore should include an emphasis on sustainability and conservation of energy and water. The MEP/FP Systems Engineer should select sustainable materials, fixtures and equipment to create an efficient and healthy workplace and work with the LEED consultant to help Time Warner achieve its goal for LEED. Demonstrated experience working on LEED projects and the MEP/FP Systems Engineer' capability to work in an integrative design process to provide innovative design solutions to increase the environmental responsiveness of the project will be favored.

4.2) Programming (Work-stream 1)

Programming Services for the Project shall be limited to the review of all data, spatial requirements and architectural/design elements collected by the Lead Interiors Architect during the programming effort. All major programming efforts shall be completed prior to the onset of the engagement defined by this RFP. MEP/FP Systems Engineer will be expected to immediately become familiar with elements such as, but not limited to, projected heat loads, lighting requirements, mechanical equipment requirements, communications coordination, security coordination criteria, load calculations, and engineering coordination for communications scope items.

4.3) Schematic Design (Work-stream 2)

It is a requirement of Time Warner that the design of any building fit-out must provide flexibility during the life of space. MEP/FP Systems Engineer should therefore ensure that the design meets this requirement by establishing common design standards throughout the building. The standards must make provision for subsequent moves and changes to be carried out in any area of the building quickly and at minimum cost and disruption to existing finishes and services. Upon award, the MEP/FP Systems Engineer will prepare space planning and schematic design studies to reflect a refinement in the design direction and adjustments to satisfy new requirements as applicable to all MEP systems including all systems relative to the scope of work covered by the rfp including UPS, etc. These schematic plans will be the basis of later design development. All Schematic Design documents shall be submitted to Time Warner and Time Warner's representatives for their review and approval. The drawings shall be of sufficient clarity and contain sufficient detail, and the outline of specifications shall describe essential systems, equipment, and materials for the project so that a complete preliminary estimate of the cost of construction can be made and preliminary construction sequences planned. Preliminary estimated duration of this Work-stream is shown in the schedule in EXHIBIT D. This Work-stream will include weekly progress meetings and or presentations, site visits as necessary, information gathering sessions (in addition to the weekly meetings), and is subject to change based on Time Warner requirements and availability.

Activities and deliverables in the Schematic Design Work-stream include, but are not limited to:

- 1 Review program studies with Time Warner for operational fit and design feasibility. This will include the review of design and assumptions established by the Developer's architect, engineers, and other consultants.
- 2 Prepare concept drawings that depict spatial needs for equipment that will support the architectural and engineering programming effort
- 3 Discuss the important aspects of design, including scale, form, materials,, and visual emphasis as well as provide alternate engineering schemes for review and approval as required. The design shall incorporate any sustainable design objectives of the Project.
- 4 Manage and coordinate the design effort with all necessary design consultants (both sub-consultants to the MEP/FP Systems Engineer and directly appointed to Time Warner).
- 5 Assist Time Warner's representatives, with the verification of and, if approved by Time Warner, revisions to the Project budget. Verify compatibility of the design with the then current Project budget.

- 6 Upon approval of the space plan, coordinate engineering design criteria with the Lead Interiors Architect in order to initiate preliminary schematic design plan for review with Time Warner team.
- 7 Participate in weekly design meetings with Time Warner and sub-consultants.
- 8 Develop schematic designs incorporating concept and general recommendations as well as special design gestures and overall plan organization.
- 9 Create One Line Diagrams for review by Time Warner's representatives, and cost estimating and lead time review by the construction manager(s).
- 10 Create schematic design packages based this Work-stream. Schematic designs will be issued in their updated form at every presentation incorporating previously issued Time Warner comments.
- 11 Present monthly progress reports documenting what has been reviewed and approved in Project meetings.
- 12 Prepare accurate drawings on the specified format. As a minimum, the following schematic design documents shall be prepared in accordance with the approved Program and other requirements of Time Warner. They shall include, but may not be limited to the following:
 - a) Main entry lobby
 - b) Elevator lobbies including elevator cabs
 - d) General office floors and special support areas
 - f) Amenity floors (cafeteria/dining, conference center, training facilities, health and wellness center)
 - g) Building interior sections
 - h) Building interior elevations
 - i) Stack layout plans
 - j) Outline specifications
 - k) Structural diagrams (to be provided by others but coordinated by the MEP/FP Systems Engineer into a coordinated design package)
 - l) Vertical transportation review
 - m) Preliminary furniture, fixture, and equipment locations and configurations
 - n) Chilled Water Plant

- o) Power
- p) Lighting
- q) Gas
- r) Fire Protection
- s) BMS
- t) UPS (MEP Engineer will review 100% Design Development Drawings which have been prepared by others. MEP Engineer will assume responsibility over said drawings and will be responsible to ensure that the design is sufficient to support TW's requirements)
- u) Emergency Power Supply
- v) Grounding
- w) Water

13 Maintain and monitor design schedule in conjunction with the Lead Interiors Architect.

14 Assist Time Warner and its representatives with critical design element RFPs.

15 Obtain schematic design approval from Time Warner at the 50% completion point as well as the 100% completion prior to commencing on the subsequent Work-stream. Approval also subject to review by the MEP/FP Peer review consultant.

4.4) Design Development (Work-stream 3)

Upon the review and approval the Schematic Design, the MEP/FP Systems Engineer will develop the mechanical, electrical, plumbing, sprinkler and fire alarm design of the space. The Design Development Work-stream will further develop the design package from the approved Schematic Design Work-stream, and will provide an increased level of detail and include coordination with sub-consultants. This Work-stream will commence upon Schematic Design approval by Time Warner. Preliminary estimated duration of this Work-stream is shown in the schedule in EXHIBIT D. The Design Development Work-stream will include weekly progress meetings and/or presentations, site visits as necessary, working sessions with sub-consultants (in addition to the weekly meetings) information gathering sessions (in addition to the weekly meetings), and is subject to change based on Time Warner requirements and availability.

Activities and deliverables during the Design Development Work-stream include, but are not limited to:

- 16 Synthesize the detailed program data, conceptual layouts, and the schematic design into a final design. Complete any necessary coordination with the base building design. Conduct weekly meetings with Time Warner and sub-consultants.
- 17 Conduct working sessions with all appropriate parties to determine MEP, Fire Protection, Fire Alarm, AV, IT and security requirements.
- 18 Develop floor plans, reflected ceiling plans, MEP, Fire Protection, and Fire Alarm plans suitable for preliminary pricing.
- 19 Develop phasing plans for construction in coordination with Time Warner's representative and Construction manager(s).
- 20 Develop One Line Diagrams for review by Time Warner's representatives, and cost estimating and lead time review by the construction manager(s).
- 21 Create design development packages to be updated and issued at every presentation incorporating previously issued Time Warner comments.
- 22 Issue design development packages for preliminary cost estimate, lead time review and schedule review.
- 23 Present monthly progress reports documenting what has been reviewed and approved in Project meetings.
- 24 Prepare for Time Warner's review a complete design package to graphically illustrate the proposed design treatment for the space including mechanical, electrical, plumbing, fire protection, and fire alarm. The presentations will be requested in the following formats: 3D models, renderings, mock-ups, and presentations boards.
- 25 Review and coordinate the project budget with Time Warner's representatives and the construction manager(s). Provide written comments, to the extent of their expertise, to the adequacy of the budget with respect to the stipulated design and operational objectives.
- 26 Verify the compatibility of the design with the project budget and revise the design documents to comply with Time Warner's approved design standards and budgetary requirements.

- 27 Coordinate design with engineers and other specialty consultants as well as maintain design schedule.
- 28 Obtain design development approval from Time Warner at the 50% completion point as well as the 100% completion prior to commencing on the subsequent Work-stream. Approval also subject to review by the MEP/FP Peer review consultant.

4.5) Construction Documents (Work-stream 4)

The Construction Document Work-stream will commence with approval by Time Warner of the Design Development documents, schedule and preliminary estimate of the cost of the work. Final value engineering of the design will take place during this Work-stream to align the design with the Project budget/estimate. The construction documents or “Working Drawings” will capture all the information provided in the approved design development documents. The MEP/FP Systems Engineer shall be prepared to issue separate “Permit Sets”, “Bid Sets” and “Developer Review Sets” as required. An updated “For Construction” set will be issued prior to start of construction that captures all permit, bid and Developer review comments. Depending on construction schedule phasing additional sets or sets of drawings capturing specific scope of work might be required. Preliminary estimated duration of this Work-stream is shown in the schedule in EXHIBIT D. The Construction Documents Work-stream will include weekly progress meetings and/or presentations as required, site visits as necessary, working sessions with sub-consultants (in addition to the weekly meetings), information gathering sessions (in addition to the weekly meetings), and is subject to change based on Time Warner requirements and availability.

Prior to the commencement of construction documents, the MEP/FP Systems Engineer shall review the Project budget as revised through Design Development Work-stream. If construction documents must be modified to hold the costs of the project to the agreed upon Project Budget, such redesign will not be considered additional services and shall be done at no additional cost. MEP/FP Systems Engineer is responsible for the coordination of all of its drawings with the entire design team and shall incorporate all documents provided by consultants retained by Time Warner in any documents the MEP/FP Systems Engineer prepares.

The MEP/FP Systems Engineer will take the design development packages produced by the Technical /Broadcast Architect and integrate that design into the construction document

packages. The Technical/Broadcast Architect will be retained to the Lead Architect as an advisor during this period.

Activities and deliverables in the Construction Document Work-stream include, but are not limited to:

- 29 Construction Document set to include, but not be limited to: (i) floor plans, elevations, sections, and details as may be necessary to describe all engineering features; (ii) reflected ceiling plans (showing the location of the various types and features of the ceilings, including but not limited to, locations of sprinkler heads, heating equipment, and air conditioning diffusers and registers); (iii) equipment plans and schedules; (iv) large scale plans, elevations and details necessary for special areas requiring a higher level of detail coordination and finishes; (v) plans as required for all security, AV, and telecommunications; (vi) coordinated pull schedules and the cable box (floor power/data) locations plans for Move Management (vii) detailed and coordinated drawings, and specifications to describe the approved mechanical, electrical, plumbing and fire protection systems including sprinklers and fire alarm; and (viii) a document which details the differences between design development documents (which were approved by Time Warner) and the construction documents.
- 30 The construction documents shall fully conform to the intent of the design development documents in all respects and as finally approved by Time Warner and shall be submitted to Time Warner and Time Warner's representatives within the time frame set forth in the Project schedule.
- 31 The working drawings and specifications shall contain sufficient information, including details and dimensions, and shall be of suitable scale so that bidders and subcontractors will be able to reliably determine the nature, quality and quantities of materials and the quality of the workmanship required to construct the Project.
- 32 At any time before Time Warner and Time Warner's representative's acceptance of the construction documents, which acceptance will not be unreasonably withheld, Time Warner or Time Warner's representatives may require MEP/FP Systems Engineer to revise all or any portion of them. To the extent that such revision is not (i) materially different from previous approvals from Time Warner or (ii) necessitated by material changes in the Scope of Work or (iii) are required for compliance with any of the requirements of the regulatory agencies such revisions shall be included as part of MEP/FP Systems Engineer's Services and shall not increase the fee or lengthen the Project schedule.

33 Additionally, the MEP/FP Systems Engineer shall perform the following services:

- a Participate in weekly meetings with Time Warner and sub-consultants as required.
- b Provide revisions to the plans and equipment schedules as required, and present final schedules to Time Warner for final approval.
- c Prepare reports as required by Time Warner to understand engineering concepts and ideas.
- d Produce monthly progress reports documenting what has been reviewed and approved in project meetings/working sessions, and project schedule.
- e Coordinate all drawings and information with other consultants; including but not limited to the Lead Architect, LEED consultant, and other specialty sub-consultants.
- f Verify completeness and accuracy of all documents.
- g Incorporate required changes as directed by Time Warner and/or Time Warner's representatives.
- h Coordinate and prepare details for overall construction.
- i Assist the construction manager(s) in determining the most economic and efficient manner of the division of the work into its component parts for bidding.
- j Provide all other details as required by Time Warner and its representatives.
- k Prepare all construction documents on the latest version of AutoCAD software. Please refer to requirements outlined in the attachment exhibits.
- l Provide Time Warner, Time Warner's representatives and the construction manager(s) with interim copies of the construction documents as frequently as requested.
- m Prepare complete book of specifications for bidding at the subcontract level, including General and Special Requirements and Division One project procedures, which shall be coordinated with Time Warner, Time Warner's representatives and the construction manager(s).
- n Identify and provide specifications for all long lead and early release items.

- o Provide and coordinate complete set of construction documents.
- p Provide all load calculations required by the project scope.
- q Prepare all zoning calculations, analysis and drawings for filing. Verify final code, zoning and RFP compliance for the entire Project.
- r Coordinate all budget and schedule related issues with the construction manager(s) and Time Warner's representatives.
- s Participate in value engineering exercises with Time Warner, Time Warner's representatives and the construction manager(s).
- t Assist with revisions to the construction budget. Verify compatibility of design with Project budget and the base building design, and revise the construction documents as required to comply with Time Warner budgetary requirements or otherwise.
- u Coordinate with all other consultants to maintain Project schedule.
- v Initiate building permit with building department expeditor.
- w Incorporate UPS DD Set prepared by others into Construction Documents.

4.6) Contractor Bidding, Permitting and Developer Review (Work-stream 5)

MEP/FP Systems Engineer shall assist Time Warner, Time Warner's representatives and the construction manager(s) in obtaining negotiated proposals by issuing bid clarifications, answering bid RFIs and shall assist Time Warner and Time Warner's representatives and the construction manager(s) in awarding sub-contracts for construction. If the cost of construction comes in over budget, MEP/FP Systems Engineer shall revise design, specifications, details and drawings as required to bring the cost of the Project back in line with Time Warner budget requirements as part of MEP/FP Systems Engineer Services. Once the contractors are awarded the MEP/FP Systems Engineer shall assist the construction manager(s) in obtaining all necessary and applicable permits as required for construction. MEP/FP Systems Engineer shall assist Time Warner with Developer review process by responding to Developer questions, comments and request for information and revised drawings in a timely fashion.

Additionally, the MEP/FP Systems Engineer shall perform the following services:

- 34 Prepare and issue for bid drawings as required for all relative MEP FP FA systems.
- 35 Time Warner anticipates active involvement by the MEP Engineer during the bidding, negotiations, and award of trade contracts. This involvement will include, but not be limited to:
- a In consultation with Time Warner and Time Warner's representatives, assist the construction manager(s) in the preparation of all bidding information and documents.
 - b Assist Time Warner and Time Warner's representatives and construction manager(s) in an evaluation of those subcontractors qualified to bid the work and in awarding contracts to the recommended bidders.
 - c Clarify and respond to RFI's during the bid process.
 - d Issue addenda and sketches to subcontractors as required.
 - e In consultation with Time Warner's representatives, consult with the construction manager(s) in its review and analysis of all bids, and provide recommendations to Time Warner regarding the same.
 - f Coordinate with other consultants to ensure accurate review and analysis of bids.
 - g Assist Time Warner's representatives with verifying conformity of bids with Project schedule and budget.
 - h Prepare and issue a contract verification package.
 - i Periodically prepare and issue conformance packages that pick up separately issued coordination sketches, construction bulletins, RFI responses and the like.
- 36 Assist Time Warner in finalization of the building permit application process.
- 37 Obtain such approval and prepare sign-offs as are customarily obtained by architects/engineers, and assist Time Warner in its other filing requirements.
- 38 Prepare monthly progress reports documenting what has been reviewed and approved in project meetings/working sessions, and project schedule.

- 39 Prepare pre-purchase bid drawings and specifications as required to support the project schedule.

4.7) Equipment Specification and Coordination Services/Broadcast Integration Period (Work-stream 6)

MEP/FP Systems Engineer shall provide equipment selection and coordination services including development of equipment plans and specifications based on anticipated needs in coordination with Time Warner's Procurement Group or appointed dealers/vendors. The equipment Selection and Coordination Work-stream schedule will be developed along with the Project, but is subject to change based on Time Warner requirements and development of construction manager(s) phasing schedule.

Deliverables for the furniture selection and coordination Work-stream include, but are not limited to:

- 40 Provide equipment layout and plans: scope to include all common areas, private and executive offices, open workstations and support spaces.
- 41 Provide cost estimating.
- 42 Create FF&E Packages based on Work-stream development: to be updated and issued at every Presentation incorporating previously issued Time Warner comments.
- 43 Provide full equipment specifications for pre purchase of long lead items.
- 44 Conduct site visits as necessary during equipment installation, start-up, testing, and commissioning.
- 45 Prepare progress reports documenting what has been reviewed and approved in project meetings/working sessions.
- 46 Prepare punch-lists as required during and after equipment delivery and installation and manage to final completion.

4.8) Construction Administration (Work-stream 7)

MEP/FP Systems Engineer shall visit the construction site weekly to attend construction meetings and walk the space with Time Warner. Walk through objectives are as follows: 1) become familiar with and keep Time Warner informed about the progress and quality of the work; 2) endeavor to guard Time Warner against defects and deficiencies in the work; and 3) determine if the work is being performed in a manner indicating that the work, when fully completed, will be in accordance with the contract documents.

Deliverables during the Construction Administration Work-stream include, but are not limited to:

- 47 Attend and participate in all regularly scheduled construction meetings held at the Project site or elsewhere. At the commencement of construction, the construction manager(s) will assume the responsibility for management and required reporting for project meetings.
- 48 Participate in a substantial number of meetings with Time Warner and Time Warner's representatives and will assist with informing Time Warner of the progress of the construction.
- 49 Visit the Project regularly, and conduct on-site observations of the work so as to determine if the work is being performed in accordance with the intent and detailed requirements of the construction documents, to guard Time Warner against defects and deficiencies in the work and to otherwise assess the quality of the work. MEP/FP Systems Engineer shall keep Time Warner informed in writing, as appropriate, of the results of its observations. Such on-site observations shall be included in MEP/FP Systems Engineer's Services and performed as necessary and as consistent with the scope of the Project.
- 50 Review and approve or take other appropriate action upon submittals such as shop drawings, Requests for Information (RFIs) product data and samples. MEP/FP Systems Engineer shall attend meetings to review and coordinate shop drawings and to facilitate the submission of correct, compliant and complete shop drawings by contractors.
- 51 Resolve conflicts in connection with coordination drawings, caused by lack of proper coordination of the work of the various trades and shall ensure that the appropriate consultants participate in the development of such documents.
- 52 Specify any special inspection or testing of the work necessary or advisable or required (any municipal approval and regulatory authority) for the implementation of the intent of the drawings and specifications. MEP/FP Systems Engineer shall also review all submitted

inspection and test reports, including reports on controlled inspections provided by others or legally required, and, to the extent possible, advise as to their technical sufficiency.

- 53 Review and approval of the contractor's shop drawings, coordinate and integrate all of those specialty requirements of Time Warner.
- 54 Coordinate all changes to the specifications, update documents.
- 55 Prepare punch-lists as required during and after substantial completion. Prepare punch-lists of the space to determine final completion
- 56 Assist in determining the scope and costs associated with any claims or change orders.
- 57 Issue, on a periodic basis, but not less often than once per month, a comprehensive list of all construction documents and their respective issue and revision dates and an updated RFI log.
- 58 Review the monthly payment requests submitted by the construction manager(s) and contractors and certify the accuracy of the percent complete and amounts due for each period.
- 59 Issue statements and execute documents as required by regulatory authorities, and ownership's lender (or other sources of financing or funding). As required, the MEP/FP Systems Engineer shall accompany ownership's lender/financing entity on periodic project reviews/site inspections.
- 60 Review work for substantial completion and issue a certificate of substantial completion in the form agreed to by Time Warner and/or their lender/financing entity. MEP/FP Systems Engineer shall also conduct inspections prior to preparing a "final punch list" of incomplete or defective work and, upon the completion or correction of the items of work identified on such list, shall inspect the same prior to certifying to Time Warner that the Project has reached the stage of final completion.
- 61 Review all claims for extras or change order requests submitted by the construction manager(s) and recommend acceptance or rejection by Time Warner.
- 62 Prepare monthly progress reports documenting what has been reviewed and approved in Project meetings.

4.9) Close out (Work-stream 8)

At the point of substantial completion of the Project or respective Work-streams, the MEP/FP Systems Engineer will be responsible to work with Time Warner, Time Warner's representatives and the construction manager(s) with the following activities.

- 63 Assist Time Warner with all project close-out activities and processes, including preparing and executing the plan for handover of the building at completion of any relevant Work-streams.
- 64 Deliver in a form acceptable to Time Warner and Time Warner's representatives copies of all "as-built" drawings (for which MEP/FP Systems Engineer may be responsible to produce such as "as built" plans) and specifications, engineering calculations, and other work created or used by the MEP/FP Systems Engineer and its consultants in the performance of their obligation under this RFP.
- 65 Assist others in reviewing all warranties, guarantees, and manuals and other instructions as required to be delivered under the construction documents; i.e., assist in the instruction and training of Time Warner's operating, maintenance and facilities management personnel. All documents will be the sole property of Time Warner.
- 66 Issue substantial certificate of completion and final certificate of completion.
- 67 Monitor installation of late delivery items.
- 68 Review for accuracy all as-built drawings or record drawings and acknowledges Time Warner is relying upon the MEP Engineer's review of as-built and/or record drawings to verify that work indicated reasonably reflects the work required by the Construction Documents and is consistent with the MEP Engineer's original observation of actual construction. The MEP Engineer will notify Time Warner and Time Warner's Project Manager of any inconsistencies that have been identified by the MEP Engineer based upon what MEP Engineer has observed during its on-site visits or is otherwise made aware of.
- 69 Prepare "Facilities" drawings. Separate and independent from required as-built drawings, the Time Warner CAD team requires the submission of a "Facilities" drawing. The purpose of this drawing is to track space and occupancy data for Time Warner. As such, the assets, layers and notes that are part of a normal as-built submission are not relevant, and should be stripped from submissions. (Examples: title sheets, construction notes, annotations,

symbols, elevations). The simplified result should be one, composite, bound CAD file containing the core, engineering elements. Specific formats of the CAD files will be determined at a future date in coordination with Time Warner. Final "Facilities" drawings shall be updated by the Interiors Engineering Consultant prior to issuance to include the following;

- all Addenda
 - all Bulletins
 - all Sketches
 - all Field Sketches
-

Below is the timeline for the overall development project:

Activity	Start	Finish
Design, approvals and Bidding		
Programming	May 12, 2014	Dec. 9, 2014
Programming Client approvals	NA	Dec. 9, 2014
Scheme Design	Dec.9, 2015	May 18, 2015
Scheme Design Client approvals	NA	May 18, 2014
Design Development	May 18, 2015	Nov. 30, 2015
Design Development Client approvals	NA	Nov. 30, 2015
Construction Documents	Nov. 30, 2015	Aug. 8, 2016
Construction Documents Client approvals	Apr 14, 2016	Aug. 8, 2016

Activity	Start	Finish
Permit Set	May 12, 2016	Jun 22, 2016
Contractor Bidding	May 12, 2016	Nov 02, 2016
CNN/HBO Technical Design		
CNN Architectural Design for Broadcast Integration –for cable pathways etc	Mar 19, 2015	Sep 30, 2015
CNN Broadcast Integration Design for technical equipment	May 12, 2016	Feb 15, 2017
HBO Technical Design	Apr 21, 2016	Dec 14, 2017
Onsite, Installations and Close Out		
Phase 1 (floors X to X) interior fit out	Mar 29, 2017	Jan 18, 2019
CNN technical/broadcast space interior fit out	Mar 29, 2017	Jan 18, 2019
CNN broadcast equipment installation and integration	Nov 29, 2017	Jan 18, 2019
Phase 2 (floors X to X) interior fit out	Nov 17, 2017	Jan 18, 2019
HBO technical space interior fit out	Nov 17, 2017	Jan 18, 2019
HBO technical equipment installation and integration	Nov 17, 2017	Jan 18, 2019
Permanent Power lower stack		Aug 21, 2017
Permanent Power upper stack		May 08, 2018

Activity	Start	Finish
Emergency Generators Operational		Sep 01, 2017
Emergency Generators Commissioned		Oct 30, 2017
Chilled Water System Operational		Nov 22, 2017
Chilled Water System Commissioned		Dec 20, 2017
UPS Installation	Jul 05, 2017	Oct 09, 2017
UPS Plant Commissioned		Nov 06, 2017
TCO (both core & shell and Time Warner interiors)		Jan 18, 2019
In and Working		TBC Q1 2019 (Assume April 1, 2019)
Close out		TBC Q2 2019 (Assume June 1, 2019)

Engineer agrees that as a material inducement to TW entering into this Agreement that at all times during the Term, the following individuals shall be the individuals primarily responsible for, and be actively engaged on an ongoing basis in, fulfilling the Services: Arthur Metzler, Conrad Chang, Matthew DelPozzo, James Brandt

Schedule 2
Fees

Company's fees shall be determined as follows:

TW to add in the workstream fee amounts based on the AMA proposal document

Work-Stream	Fee Amount
Programming Work-Stream	\$88,732
Schematic Design Work-Stream	\$244,919
Design Development Work-Stream	\$263,772
Construction Documents Work-Stream	\$915,569
Permit Set	\$32,887
Contractor Appointment	\$47,872
Procurement	\$35,904
Construction Administration Work-Stream	\$769,616
Relocation	\$47,235
Project close out	\$54,018
Total Lump Sum Fee	\$2,500,513

REIMBURSABLE EXPENSES

All Reimbursable Expenses are subject to the terms of this Agreement. Further, Engineer acknowledges that it is familiar with Owner's reimbursement policies and will comply with such policies (as the same may be modified from time to time).

3.2. Reimbursable Expenses, which are a not to exceed amount of **\$125,000** are in addition to compensation for Basic and Additional Services and include expenses incurred by MEP Engineer in the interest of the Project

SIGNIFICANT CHANGES IN PROJECT SQUARE FOOTAGE

For an addition to or reduction of space exceeding 8%, the following cost per rsf will form a basis of discussion at the time that such reduction occurs. There will be no credit for work already performed to the date of any reduction. Rework is excluded.

Increase in project size=\$2.08/rsf,					
Adjustment of fee based on reduction of project size					
	100% Programming	0 to 100% of Schematic Design	0 to 100% of Design Development	0 to 100% Construction Documents	Start of Bid, Permit & Construction Admin
Per RSF Credit	N/A	\$ 1.95	\$1.27	\$0.69	No Credit
Per RSF Credit	N/A	\$ 1.27	\$0.69	-	

Send invoices to:

Bill To:
 Time Warner Enterprise Services
 Attn: Rinku Arora
 BU: 7700
 PO Box 4126
 Atlanta, GA 30303-4126

OR

Emailed To:
invoice@timewarner.com

APENDIX 1

TRAVEL POLICIES

Travel Reservations

BCD Travel is the exclusive designated corporate Travel Agency. All travel arrangements must be made through the BCD office located at Time Warner Center. No other agencies should be used for booking travel arrangements.

Travel Information

Tel: 212-484-8008

Company shall book all their business travel through the Travel Desk at Time Warner Center. The Travel Desk arranges airline tickets, hotel, rail, rental car and other ground transportation and can help with passport and visa applications. The Travel Desk is open from 8:30 AM until 5:30 PM Monday-Friday (East Coast time). If travel help is needed after hours for reservations or assistance while travelling, help is available 24 hours, 7 days a week by calling 1-800-882-8739 (executive code AQ7A). Company may also email the office at Traveldesk@timewarner.com.

Air Travel

Approved Companys should inform the Travel Desk of their itineraries as early as possible to ensure the best fares and schedules. The Travel Desk should also be used for emergency changes to ensure that all travel arrangements are within policy.

Time Warner's objective in booking air travel is to arrive at an optimal itinerary for the traveler while minimizing cost. It is the responsibility of the Travel Desk to book the most effective itinerary. This could mean alternative departure times or airlines, non-refundable tickets, etc. In order for Time Warner to obtain discounts on airfare, Companys **must** use the designated airlines specified by the Travel Desk.

The original E-ticket must be submitted with the expense receipts showing cost of airfare. Credit Card statements alone are not acceptable as a receipt. It is the Company's responsibility to notify the Travel Desk when canceling tickets or hotel reservations in order to receive credit via refund to their credit card.

Any partially or totally unused paper tickets should be securely returned to the Travel Desk in a timely manner. Partially or totally unused electronic tickets will be monitored and processed as follows: Fully refundable tickets will be refunded within approximately 14 days of the original trip date. Unused and partially used non-refundable tickets will be reviewed and if residual value exists that can be applied for future travel, this information will be kept in Company's traveler profile and Company will be advised when making future reservations that Company has credit to apply. Partially and totally unused tickets should be listed on Company's invoice for the total value of the ticket. Once a refund is received Company should report a credit on the invoice and submit the refund receipt along with his other expenses on the invoice.

Class of Travel

Economy/Coach class should be used on all domestic trips. Business class can be used for international flights over six hours. Any exceptions require written approval by an Executive Vice President (EVP) or the Controller. Every effort should be made to purchase restricted (nonrefundable) tickets to take advantage of discount fares, and the trip should be booked via the airport that is most cost effective to Time Warner.

Advance Ticket Purchases / E-Tickets

When a restricted airline ticket is purchased prior to the date of travel, the cost of the ticket may be charged on Company's invoice before it is used. A copy of the E-ticket and the confirmation provided by the Travel Desk should be included as documentation. Changes can usually be made on these tickets (with payment of an additional fee) within one year. If the ticket is not used, the Travel Desk should be notified to be held for future use.

Miscellaneous Airline Charges

Ancillary airline charges such as fees for overweight or additional pieces of luggage are reimbursable when incurred for business related travel.

Use of Frequent Flyer Miles

Companies retain frequent flyer award points earned for qualified travel booked with preferred airline vendors through the Travel Desk. However, additional fees, which result

from using frequent flyer miles to upgrade a travel class, are the Company's responsibility and are not reimbursable by Time Warner.

Hotel/Lodging Expenses

Time Warner negotiates preferred rates with high-quality hotels in domestic and international cities. Companies are required to use these hotels because they yield significant savings to Time Warner. All reservations must be made through the Travel Desk, who will book a Time Warner designated hotel with the appropriately priced preferred rates. In the rare instance where negotiated rates are not available in a location, the Travel Desk will recommend other appropriately priced hotels. If they are unable to obtain lodging for a Company within the approved corporate limitations, accommodations in excess of the corporate limit will be allowed with written approval from a SVP.

Room reservations will be guaranteed for late arrival on Company's credit card. If Company's plans change and Company needs to cancel a room reservation, Company shall do so in accordance with the hotel cancellation policy as noted on Company's travel itinerary to avoid a "no show" charge. Cancellations may be made by calling the Travel Desk on the 24-hour hotline. If Company cancels a reservation, Company must request and retain a cancellation number. "No show" charges are not reimbursable and will be considered a personal expense unless approved by an SVP. All lodging costs must be paid using the Company's credit card. Hotel expenditures, including international hotel expenditures, must be supported by the original itemized bill (hotel folio). The hotel bill must be broken down on the invoice to Time Warner by day and category (e.g., room, meals, parking, and miscellaneous). Direct billing of hotel expenditures to Time Warner or any of its affiliates is generally against Time Warner policy.

Car Rental

When necessary, Company should book car rentals when other means of transportation are impractical or are not cost effective. Car rental arrangements should be made for midsized cars or smaller. Company is required to make arrangements through the Travel Desk, and car rentals must be charged to their credit card. The original receipt should be included with Company's invoice as documentation. Car rentals may only be booked with preferred car rental companies. Time Warner has negotiated discount rates with the following companies:

Hertz Discount ID #224005

Enterprise Discount ID # NA03TW3

Whenever possible Company shall refuel rental cars before returning them to the rental company. In most cases refueling outside the rental agency will result in significant savings.

Car Rental Insurance

In the U.S. (48 contiguous states), insurance offered by rental car companies for an additional charge is non-reimbursable and should be declined as Time Warner has insurance in place that automatically covers approved business use of cars rented through our Time Warner contracts with Hertz or Enterprise. Please note that this coverage is not in place for rentals made outside of these contracts, so it is important that all business rentals are made through the preferred contracts.

When renting cars outside the contiguous 48 states Company should accept Collision Damage Waiver for the full value of the vehicle and Liability insurance should be purchased in an amount sufficient to meet local requirements.

Company is responsible for complying with all terms and conditions of the rental car agreements. The insurance described in this section may not be available to the Company or Time Warner if the rental terms and conditions are not followed. In general, Time Warner's agreements with the rental companies will **not** cover insurance on rentals for personal use and Time Warner's insurance does not cover non-business rentals.

If Company elects to purchase additional personal accident insurance coverage, or coverage for their personal property, etc., the cost for such coverage is non-reimbursable and must be paid directly by Company.

In the event Company is involved in an accident in a rental car, Company shall follow the accident reporting procedures provided by the rental company, and report as necessary to local authorities. Please retain a copy of any such reports and provide them to Company's corporate insurance contact for further distribution to Time Warner's insurance company.

Company may direct any questions regarding insurance coverage on rental cars to the Risk Management Department at (212) 484-7570.

Company Owned Cars

Time Warner provides a mileage allowance for business use of personal cars. This allowance is designed to cover the cost of insurance, depreciation, maintenance and gasoline. Travel between home and office is not reimbursable (i.e., reimbursement is limited to the excess of mileage over the normal commuting distance.) Points of travel must be documented on the Company's invoice.

The mileage allowance is based on current IRS allowable limits and is available from Corporate Accounting.

Tolls and Parking

Tolls and parking expenses are reimbursable when incurred using a rental or a Company-owned car while traveling on Time Warner business. Parking tickets and traffic violations are **not** reimbursable.

Business Travel in Town

Taxis taken in the normal course of business will be reimbursed. Yellow cabs should be used when traveling within Manhattan. The date, destination, business purpose and amount for each trip must be given. Normal commuting expenses are not reimbursable.

Other Ground Transportation

Ground transportation to and from airports, railroads and bus stations and local out-of-town transportation can be arranged directly by the Company or through the Travel Desk. These costs must be supported by receipts and be included on the Company's invoice.

Approved car service companies (Town Car and Dial) should generally be used for trips originating from Time Warner Center or from other locations in Manhattan. Use of other reasonably priced local car services will be reimbursed for trips originating from Company's home or other locations outside of Manhattan. Use of luxury car services (e.g., Music Express, BLS, etc.) or any other unapproved car service is not reimbursable.

In general, it is more cost effective to book a separate return trip when using car service, rather than have a car wait for you while attending an event, meeting, etc. These situations should be avoided except in extenuating circumstances.

Rail

Rail transportation should be in economy class, unless approved in writing by an SVP.

All rail reservations are to be made through the Travel Desk.

Other Business Travel Policies

Meal Reimbursement

Companies who are traveling on business are reimbursed for the actual cost of meals. The total combined daily limit for breakfast, lunch and dinner while traveling on business is \$70 per day. A travel meal is defined as a meal just for yourself. All meals must be supported by a receipt. In certain international locations, the cost of meals may exceed the standard limit. Company shall contact Accounts Payable before traveling to confirm the limit for their destination.

Other Reimbursable Travel Expenses

Reasonable telephone and fax expenses necessary to conduct corporate business are reimbursable. When traveling abroad, the use of a local phone card is recommended as an alternative to higher cost Blackberry or personal cell phone service and should be used in moderation. When Company is in a foreign Time Warner office, using the office phone is the most cost effective method of calling.

Reasonable gratuities for restaurants (generally 15-18%) and hotel services are reimbursable

Mini-bars in hotel rooms are reimbursable so long as they are reasonable (e.g., water, soda, juice) and not in excess of \$10 per day. Mini bars may also be used in lieu of a meal as part of the \$70 daily meal reimbursement limit.

Hotel gym costs up to \$15 per day are reimbursable

Personal services such as newspapers, magazines, in-room movies, spa, etc. are not reimbursable

Foreign Travel

Companies who travel to foreign countries on business will be reimbursed for expenses incurred (subject to applicable dollar limits). Exchange rates can be obtained through Corporate Accounting Department for converting expenses that are reimbursed directly to Company. For cash-exchange transactions, a copy of the exchange receipt must be attached to the Company's invoice.

Appendix 2

Warner Bros. Entertainment Inc.

Governing Law and Arbitration

This Agreement, as it applies to Warner Bros. Entertainment Inc., shall be construed and enforced in accordance with the laws of the state where the Services are performed. With respect to the Services to be performed for Warner Bros. Entertainment Inc. any dispute shall be resolved using arbitration as follows:

Dispute Resolution: Any and all controversies, claims or disputes arising out of or related to Work for Warner Bros. Entertainment Inc. pursuant to his agreement or the interpretation, performance or breach thereof, including, but not limited to, alleged violations of state or federal statutory or common law rights or duties, and the determination of the scope or applicability of this agreement to arbitrate ("Dispute"), except as set forth in subparagraphs B and C, below, shall be resolved according to the procedures set forth in subparagraph A, below, which shall constitute the sole dispute resolution mechanism hereunder. The parties further agree that any dispute over the enforceability or validity of this agreement to arbitrate shall be resolved by the arbitrator to the extent permitted by law.

- A. Arbitration: In the event that the Parties are unable to resolve any Dispute informally, then such Dispute shall be submitted to final and binding arbitration pursuant to the substantive and procedural provisions of the Federal Arbitration Act ("FAA"). The arbitration shall be initiated and conducted according to either the JAMS Streamlined (for claims under \$250,000) or the JAMS Comprehensive (for claims over \$250,000) Arbitration Rules and Procedures, except as modified herein, including the Optional Appeal Procedure, at the local office of JAMS where the Dispute arises, or its successor ("JAMS") in effect at the time the request for arbitration is made (the "Arbitration Rules"). The parties agree that the costs of the arbitration will be shared pro rata to the extent permitted by law. The arbitration shall be conducted in the location where the Dispute arises before a single neutral arbitrator appointed in accordance with the Arbitration Rules. The arbitrator shall follow the applicable substantive laws of the jurisdiction where the Dispute arises including and the Federal Rules of Evidence in adjudicating the Dispute. The arbitrator will provide a detailed written statement of decision, which will be part of the arbitration award and admissible in any judicial proceeding to confirm, correct or vacate the award. Unless the Parties agree otherwise, the neutral arbitrator and the members of any appeal panel shall be former or retired judges or justices of the state or federal court in the jurisdiction where the Dispute arises with experience in matters involving Company's industry. If either party refuses to perform any or all of its obligations under the final arbitration award (following appeal, if applicable) within thirty (30) days of such award being rendered, then the other party may enforce the final award in any court of competent jurisdiction in jurisdiction where the Dispute arises. The party seeking enforcement shall be entitled to an award of all costs,

fees and expenses, including attorneys' fees, incurred in enforcing the award, to be paid by the party against whom enforcement is ordered. The parties shall maintain the confidential nature of the arbitration proceeding and the Award, including the arbitration hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an Award or its enforcement, or unless otherwise required by law or judicial decision.

- B. Injunctive Relief: Notwithstanding the foregoing, either party shall be entitled to seek injunctive relief (unless otherwise precluded by any other provision of this Agreement) in the state and federal courts of the jurisdiction where the Dispute arises.
- C. Other Matters: Any Dispute or portion thereof, or any claim for a particular form of relief (not otherwise precluded by any other provision of this Agreement), that may not be arbitrated pursuant to applicable state or federal law may be heard only in a court of competent jurisdiction in the jurisdiction where the Dispute arises.