

Account Number

*Kenneth L. Lay & Linda Lay*  
*JT Ten Comm*

**Investment Management Fee Agreement Discretionary**

The undersigned ("Client") hereby authorizes Morgan Stanley & Co. Incorporated ("Morgan Stanley") to act as Client's agent and attorney-in-fact to manage the Portfolio (as described below) in accordance with the Investment Guidelines attached hereto. Morgan Stanley shall reinvest any income from the Portfolio unless otherwise instructed by Client.

If Morgan Stanley shall serve for less than the whole of any quarter, its fee shall be determined as provided above on the basis of the total asset value of the Portfolio on the termination date and each prior month end (if any) during such quarter, and shall be paid on a *pro rata* basis for the period of the calendar quarter during which it served hereunder. Unless otherwise agreed to between Client and Morgan Stanley, Morgan Stanley shall deduct its fee directly from Client's account.

Morgan Stanley's authority shall include performance of clearance, settlement, custodial or other functions incidental to transactions.

Client is aware that with Client's prior consent, Morgan Stanley may act as principal in certain transactions executed for Client's account. In transactions of this type, Morgan Stanley will typically buy the securities from Client at the prevailing bid price in the market and sell the securities to Client at the prevailing asked price in the market. The difference will be retained by Morgan Stanley, and a portion may be remitted to the Investments Representative. In addition, Client will be responsible for fees associated with foreign exchange transactions or conversions, and transaction fees or charges imposed by regulatory bodies, such as the Securities and Exchange Commission.

**1. The Portfolio.**

The Portfolio shall consist of the assets held in Account # \_\_\_\_\_ as well as any additions, income, receipts, and proceeds (other than funds or securities disbursed). Morgan Stanley will furnish Client a confirmation of any sale or purchase made promptly after completion of any Portfolio transaction. Client will be responsible for notifying Morgan Stanley of any other changes to the Portfolio, such as the addition of assets to the Portfolio or the exclusion of assets from the Portfolio.

Client acknowledges receipt of a copy of Morgan Stanley's Part II of its Form ADV.

Client hereby represents that it has attached hereto a copy of its Investment Guidelines, which are incorporated by reference in this Agreement. Morgan Stanley hereby represents that it has read and understood such guidelines and will exercise limited discretion granted in this Agreement only with respect to trading in securities that meet such investment guidelines. Morgan Stanley shall be permitted conclusively to rely on and shall have no liability and shall be fully protected in relying on any such communication, or lack of such communication, in performing any of its duties hereunder.

Check here if a fee and commission based account, in which case:

Client will be responsible for brokerage commissions, taxes and any other transaction-related and other customary fees, and Client authorizes Morgan Stanley to pay such expenses for its account. Client acknowledges and consents to Morgan Stanley or any of its affiliates acting as broker-dealer for Client's account whenever permitted by applicable law. Client may be able to obtain better executions of securities transactions a broker-dealer other than Morgan Stanley or its affiliates is used to execute Client's transactions.

**2. Compensation.**

As compensation for the services rendered hereunder, Morgan Stanley will charge an annual fee payable quarterly in arrears based upon the average of the total asset value of the Portfolio at the end of each month during the quarter, and computed as follows:

Section 11(a) of the Securities Exchange Act of 1934 ("1934 Act") generally prohibits exchange members from effecting securities transactions on national securities exchanges of which they are members for accounts managed by the member or its associated persons (e.g., institutional discretionary accounts). Section 11(a) of the 1934 Act does not apply to any transaction for the account of a natural person, the estate of a natural person, or a trust created by a natural person for himself or another natural person. In addition, section 11(a)

Total Asset Value of the Portfolio	Fee
Equities First \$10,000,000	1%
Equities Above \$10,000,000	.75%
Fixed Income First \$10,000,000	.40%

F6, F8 (Rev 1/00)

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