



FOI #12967

January 18, 2011

Mrs. Gail Mitchell
Concessions Manager
LaGuardia Airport
Port Authority of NY & NJ
225 Park Ave. S. 9th Floor
New York, NY 10003 USA

Pursuant to state law at NY Pub. Off. Law Sec. 84., I would like to request the following public record(s):

1. A copy of any and all contracts and subsequent amendments thereto pertaining to the Cable News Network's ("CNN") airport network.

If all the requested records cannot be emailed to me, please inform me by email of the portions that can be emailed, and advise me of the cost for reproducing the remainder of the records requested.

If the requested records cannot be emailed to me due to the volume of records identified in response to my request, please advise me of the actual cost of copying all records onto a CD, DVD or USB drive.

If my request is too broad or does not reasonably describe the records, please contact me via email so that I may clarify my request, and when appropriate, indicate the manner in which records are filed, retrieved or generated. If it is necessary to modify my request, I would prefer to be contacted at the following telephone number 1-800-628-6800 x350.

If for any reason any portion of my request is denied, please inform me of the reasons for the denial in writing and kindly provide the name, address, and email address of the person or body to whom an appeal should be directed.

Sincerely,

Alex Hopson
Director, Contracts and Legal Affairs
Clear Channel Airports
1-800-628-6800 x350
alexhopson@clearchannel.com

01-30-12 P02:26 RCVD

THE PORT AUTHORITY OF NY & NJ

Daniel D. Duffy
FOI Administrator

April 16, 2012

Mr. Alex Hopson
Clear Channel Airports
4635 Crackersport Road
Allentown, PA 18104

Re: Freedom of Information Reference No. 12967

Dear Mr. Hopson:

This is a response to your January 18, 2012 request, which has been processed under the Port Authority's Freedom of Information Policy (the "Policy") for copies of contracts and subsequent amendments related to Cable News Network's ("CNN") airport network.

Material responsive to your request and available under the Policy, which consists of 93 pages, will be forwarded to your attention upon receipt of a photocopying fee of \$23.25 (25¢ per page). Payment should be made in cash, certified check, company check or money order payable to "The Port Authority of New York & New Jersey" and should be sent to my attention at 225 Park Avenue South, 17th Floor, New York, NY 10003.

Certain material responsive to your request is exempt from disclosure pursuant to exemption (2) of the Policy.

Please refer to the above FOI reference number in any future correspondence relating to your request.

Sincerely,


Daniel D. Duffy
FOI Administrator

225 Park Avenue South
New York, NY 10003
T: 212 435 3642 F: 212 435 7555

Permit No. AX-801

AGREEMENT

Between

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

And

AC HOLDINGS, INC.

Dated as of January 1, 2006

THIS AGREEMENT (hereinafter called the "Permit"), made as of the 1st day of January, 2006 (the "Effective Date") by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), a body corporate and politic organized and existing under and by virtue of the laws of the States of New York and New Jersey, with the consent of the Congress of the United States, and having an office at 225 Park Avenue South, in the Borough of Manhattan, City, County and State of New York, and AC HOLDINGS, INC (hereinafter called the "Permittee"), a corporation organized and existing under the laws of the State of Georgia, having an office and place of business at One CNN Center SE 07, Atlanta, Georgia, 30303, whose representative is Deborah L. Cooper, its Senior Vice President.

WITNESSETH, That:

WHEREAS, the Port Authority and Permittee have entered into that certain programming service agreement (Permit No. AX-794), dated January 1, 2006 (hereinafter, "Programming Permit") whereby the Port Authority has granted Permittee the non-exclusive right to provide its CNN Airport Network programming service to portions of John F. Kennedy Airport, LaGuardia Airport and Newark Liberty International Airport (hereinafter individually referred to as the "Airport" and collectively as the "Airports"); and

WHEREAS, Permittee desires to provide advertising sales services to the Port Authority for certain advertising time allocated to the Port Authority under the Programming Permit (therein, and hereinafter in this Permit referred to as the "Port Authority Spots") and to maintain and operate the equipment necessary to allow insertion and exhibition of the Port Authority Spots in the programming to be broadcast on CNN Airport Network monitors throughout the Airports (the "Commercial Insertion Equipment"); and

WHEREAS, the Port Authority desires to obtain the aforesaid advertising sales services from the Permittee;

NOW, THEREFORE, the Port Authority and the Permittee, for and in consideration of the fees, covenants and agreements hereinafter contained, mutually agree as follows:

Section 1. Privilege

The Port Authority hereby grants to the Permittee exclusive privileges to sell the Port Authority Spots in the programming to be broadcast on the CNN Airport Network monitors

(the "Sales Service"), at Airports during the effective period of permission of the Programming Permit, including the extension period thereof, if the extension period option is exercised.

Section 2. Term

The privileges granted by this Permit shall take effect on the Effective Date and shall continue in effect throughout the entire term of the Programming Permit, including the extension period, if any, and shall expire upon the expiration of the term of the Programming Permit, unless sooner revoked or terminated pursuant to the terms of this Permit.

Section 3. Fees

(a) Calculation of Fees Payable by Permittee

The Permittee shall pay the Port Authority an annual fee on a quarterly basis equal to the greater of (i) the sum of One Million Two Hundred Thousand Dollars and No Cents (\$1,200,000.00) (the "Local Minimum Annual Guarantee" or "LMAG") or (ii) fifty percent (50%) of the gross advertising revenue generated from the sale of the Port Authority Spots, less any applicable advertising agency commission fees actually paid or payable by CNN Airport Network and less any applicable maintenance and/or operation costs incurred by Permittee with respect to the Commercial Insertion Equipment, as agreed upon by the parties (the "Service Share").

(b) Method of Payment

Within thirty (30) days following the first day of each calendar quarter, the Permittee shall pay to the Port Authority the sum of Three Hundred Thousand Dollars and No Cents (\$300,000.00) as the quarterly installment payment of the LMAG. In addition, each calendar quarter the Permittee shall calculate, in accordance with the provisions of paragraph (d) of Section 4, below, the Service Share payable to the Port Authority for the immediately preceding calendar quarter as soon as practicable. If the Service Share for such prior calendar quarter exceeds the quarterly installment of the LMAG previously paid to the Port Authority for that quarter, the Permittee shall pay the Port Authority the difference (the "Additional Payment") within (30) days of the calendar quarter immediately following the calendar quarter for which the Additional Payment is payable.

(c) Payment Upon Termination or Revocation of Permit

Upon termination or revocation of the period of the permission granted hereunder (even if stated to have the same effect as expiration), the Permittee shall, within thirty (30) days after the effective date of such termination or revocation (the "Termination Date"), render to the Port Authority a sworn statement by an executive officer of the Permittee, of the Service Share for the calendar year, up to and including the Termination Date, in which the Termination Date falls, showing the Service Share arising from its operations at all Airports,

together with payment of the greater of (i) the LMAG or (ii) the Service Share due to the Port Authority for that calendar year computed in accordance with the provisions of paragraph (d) of Section 4. If the Termination Date is other than the last day of a calendar quarter, the sum due and payable to the Port Authority in the preceding sentence shall be prorated using the actual number of days in the calendar quarter in which the Termination Date falls.

(d) Place of Payments

All payments required of the Permittee by this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1517
PHILADELPHIA, PENNSYLVANIA 19195-1517

or via the following wire transfer instructions (for basic fees):

Bank: Commerce Bank
Bank ABA Number: 026013673
Account Number:

or via the following wire transfer instructions (for percentage fees):

Bank: Commerce Bank
Bank ABA Number: 026013673
Account Number:

or to such other address as may hereafter be substituted therefore by the Port Authority, from time to time, by notice to the Permittee.

Section 4. Obligations in Connection with Service Share

(a) The Permittee shall take all reasonable measures (including but not limited to reasonable promotional activities) in every proper manner to develop, maintain and increase the business which it is authorized to conduct hereunder.

(b) The Permittee shall not divert or cause or, within the reasonable control of the Permittee, permit or allow to be diverted any business from the Port Authority's facilities.

(c) The Permittee shall maintain, in accordance with accepted accounting practice records and books of account recording all its transactions at, through or in any wise connected with the Airports, which records and books of account shall be kept for a period of one year beyond the expiration date or the date of earlier termination of this Permit, whichever shall be earlier, and shall permit in ordinary business hours during such time the examination and audit, by the officers, employees, agents and representatives of the Port Authority, of such records and books of account. Such records and books of account either shall be kept at all times within the

Port of New York District, or shall be brought to the offices of the Port Authority for inspection upon notice. Notwithstanding the foregoing, the Permittee shall not be required to keep its books and records within the Port of New York District or to bring such books and records to the Port of New York District if it shall pay for the costs incurred by the Port Authority to send its employees or representatives elsewhere to examine and audit such books and records, including, without limitation, travel, food and lodging expenses incurred by such employees and representatives while away from the Port of New York District.

(d) Within thirty (30) days after the end of each calendar quarter, the Permittee shall deliver to the Port Authority a report, which shall include all data, information and calculations used by the Permittee to determine the Service Share (and the amount of any Additional Payment) to the Port Authority under this Permit for the immediately preceding calendar quarter, accompanied by an affidavit executed by one of the Permittee's executive officers certifying, to the best of the officer's knowledge, the accuracy of all information set forth on the report. Without limiting the foregoing, each report shall include all information relevant for purposes of determining and explaining the Service Share due to the Port Authority. Within one hundred and twenty (120) days after the beginning of each calendar year, the Permittee shall deliver to the Port Authority a report summarizing the Service Share and the calculations used to determine those amounts, and the total amount paid for the immediately preceding calendar year. The report shall be prepared or verified by an independent, nationally recognized accounting firm, selected by the Permittee in its sole discretion and prepared at its sole cost and expense.

(e) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee, the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge(s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid hereunder. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to terminate the term hereunder; or (ii) any obligations of the Permittee under this Permit.

Section 5. Governmental Requirements

(a) The Permittee shall procure all licenses, certificates, permits and other authorizations necessary for the conduct of its operations hereunder from all governmental authorities having jurisdiction over such operations.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present or future governmental laws, statutes, ordinances, orders, judgments, decrees, licenses, permits, rules and regulations, requirements, orders and directions of all federal, state and local governmental agencies (collectively, "Governmental Requirements") that may pertain or apply to its operations hereunder.

(c) The Permittee shall pay all taxes and all license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on or in connection with its property or operations hereunder or on the gross advertising revenues or income therefrom and shall make all applications, reports and returns required in connection therewith. The Permittee shall promptly pay all fines, penalties and damages that may arise out of or be imposed because of the Permittee's failure to comply with the Governmental Requirements.

(d) The obligation of the Permittee to comply with Governmental Requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Airports. Such provision is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

Section 6. Rules and Regulations

(a) The Permittee shall observe and obey (and compel its directors, officers, members, employees, agents, representatives, contractors, customers, guests, invitees and those doing business with it to observe and obey) the Rules and Regulations of the Port Authority for the government of the conduct and operations of the Permittee now in effect and such further reasonable rules and regulations (including amendments and supplements thereto) as may from time to time throughout the effective period of this Permit be promulgated by the Port Authority for reasons of safety, health or preservation of property, or for the maintenance of the good and orderly appearance of the Port Authority's facilities, or for the safe or efficient operation of such facilities. The Port Authority agrees that, except in cases of emergency, it will give notice to the Permittee of every such further rule or regulation adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) If a copy of the Rules and Regulations referred to in paragraph (a) of this Section is not attached to this Permit, then the Port Authority will notify the Permittee thereof either by delivery of a copy, or by publication in a newspaper published in the Port of New York District or by making a copy available at the office of its Secretary. No statement or provision in the said Rules and Regulations shall be deemed a representation or promise by the Port Authority that the services or privileges described shall be or remain available, or that the charges, prices, rates or fees stated therein shall be or remain in effect throughout the effective period of the permission granted under this Permit, all of the same being subject to change by the Port Authority from time to time whenever it deems a change advisable.

Section 7. Maintenance and Repair

(a) The Port Authority shall be responsible for the costs of purchasing, installing, operating, maintaining and upgrading the Commercial Insertion Equipment at each Airport. The costs of operating the Commercial Insertion Equipment shall be as set forth on the "Operations Cost Schedule" attached hereto as Exhibit A, and the Permittee shall deduct the appropriate costs therein specified on a quarterly basis from the fees due the Port Authority under this Agreement.

(b) As provided in Section 14, below, the Permittee shall be responsible for operating and maintaining the Commercial Insertion Equipment. The Permittee shall not have the right at any time during the effective period of the permission granted hereunder to remove any of the Commercial Insertion Equipment from any of the Airports.

Section 8. Other Installation by Permittee

The Permittee shall not install wires, cables, monitors, or any other fixtures or equipment in the Airports, or erect any structures, make any repairs, changes, alterations, improvements or do any other construction work on or to the Airports without the prior approval of the Port Authority (including but not limited to the time for the performance of any such installation or work); and, in the event any installation, construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then, upon notice so to do, the Permittee shall remove the same, or, at the option of the Port Authority, cause the same to be changed to the satisfaction of the Port Authority. In case of any failure on the part of the Permittee to comply with such notice, the Port Authority may effect the removal or change and the Permittee shall pay the cost thereof to the Port Authority on demand.

Section 9. Indemnity

The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, directors, officers, agents, representatives and employees from all claims and demands of third persons, including but not limited to those for death, for personal injuries or for property damages, arising out of the Permittee's operations under this Permit or out of any other acts or omissions of the Permittee, its directors, officers, employees, agents, representatives, contractors or persons doing business with it.

Without limiting the Permittee's indemnity obligations under this Section, the Permittee's indemnity obligations hereunder shall extend to and include any claims and demands arising out of Permittee's operation under this Permit made by the City of New York against the Port Authority pursuant to or under the provisions of the lease of John F. Kennedy International Airport and LaGuardia Airport from the City of New York to the Port Authority under that certain agreement between the City of New York and the Port Authority dated November 24, 2004, as such agreement from time to time may have been or may be supplemented or amended, and any claims and demands made by the City of Newark against the

Port Authority pursuant to or under the provisions of the lease of Newark International Airport from the City of Newark to the Port Authority under that certain agreement between the City of Newark and the Port Authority dated October 22, 1947, as such agreement from time to time may have been or may be supplemented or amended (said leases with the City of New York and the City of Newark are herein collectively referred to as the "Basic Leases").

Section 10. Patents and Trademarks

The Permittee represents that it is the owner of or fully authorized to use any and all services, processes, machines, hardware, software, articles, marks, names or slogans used by it in its operations under or in any wise connected with this Permit. The Permittee agrees to save and hold the Port Authority, its Commissioners, directors, officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

Section 11. Additional Fees

(a) If the Permittee has failed or refused to perform any of its obligations under this Permit, the Port Authority, in addition to all other remedies available to it under this Permit, or otherwise, shall have the right to perform such obligations, and the Permittee shall pay the Port Authority's costs upon receipt of statement of the Port Authority's reasonable costs. If the Port Authority has paid any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the Permittee to perform or fulfill any one or more of the terms and conditions or agreements contained in this Permit or as a result of an act or omission of the Permittee contrary to such terms, conditions and agreements, the Permittee agrees to pay promptly to the Port Authority the sum or sums so paid or the expense so incurred, including all interest, costs, damages and penalties. Prior to the exercise of the rights set forth in this paragraph the Port Authority, except in cases of emergency, shall give the Permittee not less than ten (10) days' notice.

(b) For all purposes under this Section and in any suit, action or proceeding of any kind between the parties hereto, any receipt showing any payment of a sum or sums by the Port Authority for any work done or material furnished shall be prima facie evidence against the Permittee that the amount of such payment was necessary and reasonable. If the Port Authority elects to use its own operating and maintenance staff in making any repairs, replacements and/or alterations and to charge the Permittee with the cost of the same, any time sheet of any employee of the Port Authority showing hours of labor or work allocated to any such repair, replacement and/or alteration, or any stock requisition of the Port Authority showing the issuance of materials for use in the performance thereof, shall likewise be prima facie evidence against the Permittee that the amount of such charge was necessary and reasonable.

Section 12. Assignment

The Permittee shall not assign, sell, convey, transfer, mortgage or pledge this Permit, or the privileges hereunder, or any part thereof without the prior written consent of the Port Authority, unless such assignment is made to an entity controlling, controlled by, or under common control with the Permittee and is documented in an agreement prepared by the Port Authority. With respect to a corporation, "control," as used herein, shall mean legal or beneficial ownership by one person, firm, corporation, or other entity, or a group acting in concert, of an amount of the capital stock and voting rights (with power to exercise such voting rights) of another entity sufficient to enable the owner to direct the management and policies of such entity. With respect to a person, firm, or entity other than a corporation, "control," as used herein, shall mean the power to direct the management and policies of such person, firm, or entity whether by legal or beneficial ownership, or otherwise.

Section 13. Force Majeure

(a) Neither the Port Authority nor the Permittee shall be liable for any failure, delay or interruption in performing its obligations hereunder due to acts of God or governmental authority, the elements, unusual weather conditions, tides, earthquakes, settlements, war, strikes, lockout, shortage of labor or materials, satellite failure or malfunction, electrical outage, fire or any other conditions or circumstances whether similar to or different from the foregoing which is beyond the control of the Port Authority or the Permittee; provided, that this provision shall not apply to the Permittee's obligation to pay the fees specified in this Permit or its obligation to pay any other money payments due the Port Authority hereunder.

(b) No diminution or reduction of the fees or other charges payable by the Permittee shall be claimed by or allowed to the Permittee for any inconvenience, interruption, cessation or loss of business or other loss caused, directly or indirectly, by any present or future laws, rules, requirements, orders, directions, ordinances or regulations of the United States of America, or of the state, county or city governments, or of any other municipal, governmental or lawful authority whatsoever, or by priorities, rationing or curtailment of labor or materials, or by war or any matter or thing resulting therefrom, or by any other cause or condition beyond the control of the Port Authority, nor shall this Permit be affected by any such causes or conditions.

Section 14. Sales and Services by the Permittee

(a) The Permittee shall furnish good, prompt and efficient service hereunder, adequate to meet all demands therefore, and shall furnish such service on a fair, equal and non-discriminatory basis to all users thereof.

(b) Materials and Services

Except as otherwise specifically provided herein, the Permittee shall be solely responsible for maintaining and operating, at its sole cost and expense, all Commercial Insertion Equipment at the Airports and shall provide all personnel necessary to perform these functions and address all customer complaints and inquiries, if any, during the effective period of the permission granted hereunder. Notwithstanding the foregoing, the Permittee shall not be responsible for the cost of replacing any failed Commercial Insertion Equipment. Any problems concerning the Sales Service that come to the attention of the Port Authority, such as any problems with the Commercial Insertion Equipment or any Port Authority inquiries or complaints related to the Sales Service shall be directed to the Permittee's designated onsite representative or communicated to the Permittee through any other communication procedure established and agreed to by the Permittee and the Port Authority.

(c) Disclaimer

Except as specifically provided in this Permit, neither the Permittee nor any person or entity acting for on behalf of Permittee has made or makes any warranties, express or implied, including, without limitation, implied warranties of merchantability or fitness for a particular purpose with respect to any product or service to be supplied by the Permittee hereunder.

Section 15. Brokerage

The Permittee represents and warrants that no broker has been concerned in the negotiation of this Permit and that there is no broker who is or may be entitled to be paid a commission in connection therewith. The Permittee shall indemnify and save harmless the Port Authority of and from any claim for commission or brokerage made by any and all persons, firms or corporation whatsoever for services in connection with the negotiation and execution of this Permit.

Section 16. Relationship of the Parties

Notwithstanding that the fee hereunder is measured by a percentage of gross advertising revenue and other monies, no partnership relationship between the parties hereto or joint venture is created by this Permit.

Section 17. Remedies to be Non-Exclusive

All remedies provided in this Permit shall be and be deemed cumulative and additional and not in lieu of or exclusive of each other or of any other remedy available to the Port Authority at law or in equity.

Section 18. Notices

All notices, requests, demands, consents, approvals and other communications required to be given to or by either party shall be in writing, shall be personally delivered to the party or to the duly designated officer or representative of such party or delivered to the office of such party, officer or representative during regular business hours or sent by registered mail, postage prepaid, return receipt requested, and mailed in the United States to the respective parties as follows:

If to the Port Authority:

The Port Authority of New York and New Jersey
225 Park Avenue South
Att'n.: Aviation Department – 9th Fl.
New York, New York 10003

If to the Permittee:

Deborah L. Cooper
CNN Airport Network
One CNN Center SE07
Atlanta, GA 30303

or to such other person's attention or to such other address as either party may have furnished to the other in writing in accordance herewith.

Section 19. Designations Consents and Approvals

(a) Any designation, consent, permission, authorization or approval by the Port Authority under any section of this Permit may from time to time in the sole discretion of the Port Authority be made, given, revoked or rescinded by notice to the Permittee.

(b) The Port Authority's rights under this Section shall not be or be construed to be limited by any provision of this Permit covering the Port Authority's rights of termination.

Section 20. Permittee's Representative

The Permittee's representative, hereinbefore specified in this Permit (or such substitute as the Permittee may hereafter designate in writing), shall have full authority to act for the Permittee in connection with this Permit and any things done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit.

Section 21. Termination Rights by Port Authority and Permittee

21.1 Port Authority

(a) If any one or more of the following events shall occur, that is to say:

(1) The Permittee shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee, or liquidator of all or substantially all its property; or

(2) By order or decree of a court the Permittee shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the Permittee is a corporation, by any of the stockholders of the Permittee, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

(3) A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the Permittee and shall not be dismissed within sixty (60) days after the filing thereof; or

(4) The interest or estate of the Permittee under this Permit shall be transferred to, pass to or devolve upon, by operation of law or otherwise, any other person, firm or corporation except as expressly permitted by the provisions of subdivision (5) of this paragraph; or

(5) The Permittee, if a corporation, shall become, without the prior consent of the Port Authority, a corporation in dissolution, or shall become a possessor or merged corporation in a merger or a constituent corporation in a consolidation unless the resulting corporation has a financial standing as of the effective date of the merger or consolidation sufficient in the opinion of the Port Authority to assure the Port Authority that the resulting corporation has the financial ability to fulfill all of the Permittee's obligations under this Permit for the balance of the effective period of the permission granted under this Permit, and such corporation shall furnish to the Port Authority such additional security or guaranty as the Port Authority may deem necessary; or

(6) The Permittee is a partnership, and such partnership shall be dissolved as the result of any act or omission of its partners or any of them, or by operation of law or the order or decree of any court having jurisdiction, or for any other reason whatsoever; or

(7) By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer,

a receiver, trustee, or liquidator shall take possession or control of all or substantially all the property of the Permittee or any execution or attachment shall be issued against the Permittee or any of its property, whereupon the exercise of its privileges granted under this Permit shall be taken by someone other than the Permittee, and any such taking shall continue in effect for a period of fifteen (15) days; or

(8) The Permittee shall fail to pay the fees or to make any other payment required hereunder when due; or

(9) The Permittee shall fail to keep, perform and observe each and every other promise, covenant and agreement set forth in this Permit on its part to be kept, performed, or observed, within ten (10) days after receipt of notice of default thereunder from the Port Authority (except where fulfillment of its obligation requires activity over a period of time, and the Permittee shall have commenced to perform whatever may be required for fulfillment within ten (10) days after receipt of notice and continues such performance without interruption except for causes beyond its control).

(a) No acceptance by the Port Authority of fees for any period or periods after a default of any of the terms, provisions or conditions of this Permit shall be deemed a waiver of any right on the part of the Port Authority to terminate this Permit. No waiver by the Port Authority of any default on the part of the Permittee in performing any of the terms, provisions or conditions of this Permit to be performed, kept or observed by the Permittee shall be or be construed to be a waiver by the Port Authority of any other subsequent default in performance of any of the said terms, provisions and conditions.

(b) In the event the Port Authority exercises its right to revoke or terminate this Permit for any reason other than "without cause," the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation or termination, including without limitation any re-entry, regaining or resumption of possession, collecting all amounts due to the Port Authority, the restoration of any space that may be used and occupied under this Permit (on failure of the Permittee to have it restored), preparing such space for use by a succeeding permittee, the care and maintenance of such space during any period of non-use of the space, the foregoing to include, without limitation, personnel costs and legal expenses (including but not limited to the cost to the Port Authority of in-house legal services), repairing and altering the space and putting the space in order (such as, but not limited to, cleaning and decorating the same).

(c) The rights of termination described above shall be in addition to any other rights of termination provided in this Permit and in addition to any rights and remedies that the Port Authority would have at law or in equity consequent upon any breach of this Permit by the Permittee, and the exercise by the Port Authority of any right of termination shall be without prejudice to any other such rights and remedies.

21.2 Permittee

In the event that one of the following circumstances should occur, the Permittee may, at its sole option, terminate the Permit upon giving thirty (30) days' written notice to the Port Authority stating the reason therefor and an intention to terminate within thirty (30) days:

- (i) the Permittee's determination, in its sole discretion, to discontinue providing the CNN Airport Network programming service to all airports within the United States of America;
- (ii) the default by the Port Authority in the performance of any material covenants or agreements herein required to be performed by the Port Authority, and the failure of the Port Authority, to remedy such default for a period of thirty (30) days after receipt of written notice by the Permittee to remedy the same;
- (iii) the inability of the Permittee to deliver the Sales Service or otherwise perform its obligations as contemplated hereunder by reason of any law, regulation or act of any governmental authority or court of competent jurisdiction.

Section 22. Additional Right of Termination by Port Authority

Notwithstanding any other provision of this Permit, the Port Authority shall have the right to terminate this Permit and the effective period of the permission granted hereunder, without cause, at any time, on thirty (30) days' notice to the Permittee. In the event of termination pursuant to this Section, this Permit and the effective period of the permission granted hereunder shall cease and expire on the effective date of termination stated in the notice in the same manner and with the same effect as if that date were the date originally stated herein for the expiration of this Permit. Termination shall not relieve the Permittee of any liabilities or obligations which shall have accrued on or prior to the effective date of termination or which shall mature on such date.

Section 23. Late Charges

Except with respect to any LMAG or Service Share amounts, or quarterly installment payments of either thereof, due hereunder and accrued prior to the date of execution of this Permit, all of which amounts shall be due and payable to the Port Authority within thirty (30) days following the execution of this Permit by the Permittee, if the Permittee should fail to pay any amount required under this Permit when due to the Port Authority, including without limitation any payment of any percentage fee or any payment of any other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount

remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 36 of this Permit or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

Section 24. Affirmative Action

The Permittee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participation in any employment activities covered in 14 CFR Part 152, Subpart E. The Permittee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this Subpart. The Permittee assures that it will require that its covered sub-organizations provide assurances to the Permittee that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

Section 25. DBE Requirements

The Port Authority has a long-standing practice of making its contract opportunities available to disadvantaged business firms (DBE's) and has taken affirmative steps to encourage such firms to seek business opportunities with the Port Authority either directly or as subcontractors, sub-suppliers, or sub-consultants.

To qualify for certification by the Port Authority as a DBE, a firm must be: (1) a small business concern; and (2) owned and controlled by one or more socially and economically disadvantaged individuals; and (3) actually managed and operated by one or more of the socially and economically disadvantaged individuals who control it. With respect to a corporation, "control," as used in this Section, shall mean legal and beneficial ownership by one person, firm or corporation, or a group acting in concert, of a majority of the issued and

outstanding shares of the capital stock and voting rights of another corporation. With respect to a person or firm other than a corporation "control," as used in this Section, shall mean the power to direct the management and policies of such person or firm, whether by legal or beneficial ownership, or otherwise.

A. Determination of Business Size

- 1) The size standards established by the Small Business Administration in 13 CFR Part 121, as revised on May 25, 1988, are used for making size determinations. Port Authority assistance in explaining these standards is available. (See below).
- 2) However, no firm is considered small if, including its affiliates, it averaged annual gross receipts in excess of \$14 million over the previous three fiscal years.
- 3) All affiliates of a firm, as well as the firm itself, are considered when determining gross receipts earned or number of persons employed. Affiliation exists if one firm controls or has the power to control the other, or a third party or parties controls or has the power to control both firms.

B. Socially and Economically Disadvantaged Individuals

- 1) Any person having a current 8(a) certification from the Small Business Administration is considered to be socially and economically disadvantaged.
- 2) The Port Authority makes a "rebuttable presumption" that individuals in the following groups who are citizens of the United States (or lawfully permanent residents) are socially and economically disadvantaged:
 - a. Women
 - b. Black Americans, which includes persons having origins in any of the Black racial groups of Africa;
 - c. Hispanic Americans, which includes persons of Mexican, Puerto Rican, Cuban, Central, or South American, or other Spanish or Portuguese culture or origin, regardless of race;
 - d. Native Americans, which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
 - e. Asian-Pacific Americans, which includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the

Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific, and the Northern Marianas; and

- f. Asian-Indian Americans, which includes persons whose origins are from India, Pakistan, Bangladesh, and Sri Lanka.

The Port Authority will generally assume that business owners who fall into one of these groups are socially and economically disadvantaged. Their disadvantaged status will not generally be investigated, unless a third party challenge is made.

3) Other individuals may be found to be socially and economically disadvantaged on a case-by-case basis. For example, a disabled Vietnam veteran, an Appalachian white male, or another person may claim to be disadvantaged. If such individual requests that his or her firm be certified as a DBE, the Port Authority, as part of the certification process, will determine whether the individual is socially and economically disadvantaged under the criteria established by the Federal Government. These owners must demonstrate that their disadvantaged status arose from individual circumstances, rather than by virtue of membership in a group.

In furtherance of its policy to assist DBE's to receive meaningful benefit from this potential contract, the Port Authority has set an overall goal of ten percent (10%) participation by certified DBE's (sometimes herein described as "eligible for certification") by the Port Authority as hereinafter provided.

In order to facilitate meeting this goal, the Permittee shall use, to the maximum extent feasible and consistent with the Permittee's exercise of good business judgment, including, without limitation, the consideration of cost competitiveness, a good faith effort to meet the above goal. Such good faith effort shall include at least the following:

- a. Actively and affirmatively soliciting bids for the matter to be contracted out from DBE's, including circulation of solicitations to DBE contractor associations. The Permittee shall maintain records detailing the efforts made to provide for DBE benefits from this Permit, including the names and addresses of all DBE's contacted and, if any such DBE is not selected individually or as a joint venturer, the reasons for such decision.
- b. Making plans and specifications for prospective involvement available to DBE's in sufficient time for review.
- c. Utilizing the list of eligible DBE's maintained by the Port Authority or seeking them from other sources for the purpose of soliciting suppliers.
- d. Encouraging the formation of joint ventures, partnerships or other similar arrangements, where appropriate, to ensure that the Permittee will meet its obligations hereunder.

- e. Ensuring that provision is made to provide payments to DBE's on a timely basis.
- f. Not requiring bonds from and/or providing bonds and insurance for DBE's where appropriate.

The Port Authority has compiled a list, which may be supplemented and revised from time to time by the Port Authority, to indicate the firms the Port Authority determines satisfy the criteria for DBE certification. Such list shall be made available to the contractor upon request. The Port Authority makes no representation as to the financial responsibility of such firms, their technical competence to perform, nor any other performance-related qualifications. Only listed DBE's and such firms not so listed but certified by the Port Authority as DBE's hereunder will count toward the DBE goals.

Certification of DBE's hereunder shall be made by the office of Business and Job Opportunity of the Port Authority. If the Permittee wishes to utilize a firm not so listed but which the Permittee believes should be certified as a DBE, the Permittee shall submit to the Port Authority a written request for a determination that the proposed firm is eligible for certification. This shall be done by completing and forwarding such form as may be required by the Port Authority from time to time. All such requests shall be in writing addressed to the Office of Business and Job Opportunity, The Port Authority of New York and New Jersey, 225 Park Avenue South, New York, New York 10003. Eligibility for certification shall only be made in writing over the name of the Director in charge of the Office of Business and Job Opportunity. The determination of the Port Authority shall be final and binding on the Permittee. For inquiries or assistance, please contact Director, Office of Business and Job Opportunity at (212) 435-7802.

The following organizations may be able to refer the Permittee to firms which the referring organization has a reasonable basis to believe may meet the Port Authority's criteria for certification as a DBE. Any referrals which are not listed shall be submitted to the Port Authority for a determination as to eligibility as provided above.

- | | |
|--|--|
| <p>1. National Minority Bus. Council Inc.
235 East 42nd Street
New York, N.Y. 10017
(212) 573-2385</p> | <p>4. The Council For Airport Opportunity
2 World Trade Center, Suite 2228
New York, N.Y. 10048
(212) 466-1091</p> |
| <p>2. N.Y./N.J. Minority Purchasing Council
1412 Broadway - 11th floor
New York, N.Y. 10018
(212) 944-2442</p> | <p>5. Assoc. of Minority Enterprises of NY
(AMENY)
165-40A Baisley Blvd. Suite 3
Jamaica, N.Y., 11434</p> |
| <p>3. Newark, Paterson, Jersey City
Business Development Center
60 Park Place, Suite 1307
Newark, N.J. 01702</p> | <p>6. Air Services Development Office
90-04 161st Street
Jamaica, N.Y. 11432
(718) 262-9012 (201) 623-7712</p> |

Section 26. Non-Liability of Individuals

Neither the Commissioners of the Port Authority nor the directors of the Permittee, nor any of them, nor any officer, agent or employee of either the Port Authority or the Permittee shall be charged personally by the other party with any liability, or be held liable to it, under any term or provision of this Permit or because of its execution or attempted execution, or because of any breach thereof.

Section 27. Basic Leases

Notwithstanding any other term or provision of this Permit:

(i) The permission hereby granted with respect to the Permittee's operations at John F. Kennedy International Airport and LaGuardia Airport shall in any event terminate upon the expiration or earlier termination of the lease of John F. Kennedy International Airport and LaGuardia Airport from the City of New York to the Port Authority under that certain agreement between the City of New York and the Port Authority dated November 24, 2004, as such agreement from time to time may have been or may be supplemented or amended the office of the City Register of the City on December 3, 2004 under City Register File No. 2004000748687.

(ii) The permission hereby granted with respect to the Permittee's operations at Newark International Airport shall in any event terminate upon the expiration or earlier termination of the lease of Newark International Airport from the City of Newark to the Port Authority under that certain agreement between the City of Newark and the Port Authority dated October 22, 1947, as such agreement from time to time may have been or may be supplemented or amended. Such agreement has been recorded in the office of the Register of Deeds for the County of Essex, on October 30, 1947 in book E-110 of Deeds, at page 242, et seq.

No greater rights or privileges are hereby granted to the Permittee with respect to the Airports than the Port Authority has the power to grant under the respective agreement of lease between the Port Authority and the lessor thereof.

Since the Port Authority has agreed by a provision in the agreement of lease between the Port Authority and the City of New York whereby the Port Authority leases John F. Kennedy International Airport and LaGuardia Airport from the City of New York to conform to the enactments, ordinances, resolutions and regulations of the City of New York and its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation, to the extent that the Port Authority finds it practicable so to do, and the Port Authority has agreed by a provision in the agreement of lease between the Port Authority and the City of Newark whereby the Port Authority leases Newark International Airport from the City of Newark to conform to the enactments, ordinances, resolutions and

regulations of the City of Newark and its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation, to the extent that the Port Authority finds it practicable so to do, the Permittee agrees, except in cases where the Port Authority either notifies the Permittee that it need not comply therewith or directs it not to comply therewith, to comply with all such enactments, ordinances, resolutions and regulations which would be applicable to its operations at the Airports if the Port Authority were a private corporation, and, subject to the provisions of this Permit concerning construction by the Permittee, to make all non-structural improvements and alterations of or to the Operations Facilities required at any time hereafter by any such enactment, ordinance, resolution or regulation, and all structural improvements or alterations of or to the Operations Facilities that may be required at any time hereafter by any such enactment, ordinance, resolution or regulation because of the operations of the Permittee thereon or its use and occupancy thereof. The Permittee shall for the information of the Port Authority, deliver to the Port Authority within three (3) days (Saturdays, Sundays, and holidays included) after receipt of any notice, warning, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution, or regulation, a true copy of the same. In the event of compliance with any such enactment, ordinance, resolution, or regulation on the part of the Permittee acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority not to comply (and thereafter discontinued) such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter directs the Permittee not to comply. Nothing herein contained shall release or discharge the Permittee from its obligation to comply with all of the other provisions of this Permit respecting compliance with Governmental Requirements.

Section 28. Security Deposit and Letter of Credit

(a) Upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of Two Hundred Fifty Thousand Dollars and No Cents (\$250,000.00). The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port

Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission under this Permit, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Permittee made thereafter, the Port Authority will return the security deposit, if any, theretofore made. The Permittee shall have the same rights to receive such deposit during the existence of a valid letter of credit as it would have to receive such sum upon expiration of the permission under this Permit and fulfillment of the obligations of the Permittee hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under the Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(b) The Permittee hereby certifies that its Federal Tax Identification Number is 58-2585814 for the purposes of this Section.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time-to-time upon fifteen (15) days' notice to the Permittee, to adjust the amount of the letter of credit as set forth above in paragraph (a). Not later than the effective date set forth in said notice by the Port Authority the Permittee shall furnish an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the letter of credit, and such adjusted (or replaced) letter of credit shall thereafter constitute the letter of credit required under this Section.

Section 29. Public Announcements

The parties agree to use their respective best efforts to cooperate with each other regarding the timing and the content of any public releases, promotional material, or other announcements related to this Permit or the Sales Service (to the extent the other party is referenced in such materials) prior to the issuance thereof; provided, however, that the Port Authority shall obtain the Permittee's prior written consent if any such release or public announcement includes the trade name, trademark or service mark of the Permittee or one of its affiliated entities.

Section 30. Severability

If any term, provision, covenant or restriction of this Permit is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Permit shall remain in full force and effect and shall in no way be affected, impaired or invalidated unless to so continue the Permit would unjustly prejudice the parties hereto.

Section 31. Counterparts

This Permit may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Section 32. Waiver

The failure of any party hereto at any time or times to enforce or to require strict compliance or performance by the other party of any provisions hereof, shall in no manner affect the right to enforce the same or to avail itself of such remedies as it may have for any breach thereof, and shall not constitute a future waiver of such provisions. No waiver by any party hereto of any condition, or of the breach of any term, provision, warranty, representation, agreement or covenant contained in this Permit, whether by conduct or otherwise, in any one or more instances shall be deemed or construed as a further or continuing waiver of any such condition or breach of any other term.

Section 33. Headings

The section headings and the subdivision headings, if any, are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provision hereof.

Section 34. Entire Agreement

This Permit constitutes the entire agreement of the parties on the subject matter hereof and may not be changed, modified, discharged or extended except by written instrument duly executed by the Port Authority and the Permittee. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in this Permit.

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

By: [Signature]
Print Name: Lisa Scully
(Title): Asst. Dir., CCCAS

AC HOLDINGS, INC.
(Permittee)

By: [Signature]
Print Name: Deborah L. Cooper
Title: SVP & GM

Port Authority Use Only	
Approval as to Terms:	Approval as to Form:
<u>SB</u>	<u>RMS</u>

cc

RMS/dmt

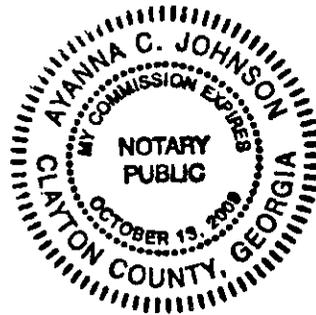
Notarial Certification

Sealed for legalization by me, Ayanna C. Johnson, Notary Public of Clayton County, Georgia, USA, of the signature of Deborah L. Cooper, Senior Vice President and General Manager of AC Holdings, Inc., a Georgia corporation, with full power to represent such entity, this 10th day of December, 2007.



Notary Public

My Commission Expires: October 13, 2009



Permit No. AX-794

AGREEMENT

Between

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

And

AC HOLDINGS, INC.

Dated as of January 1, 2006

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Exhibit A Installation Areas
Exhibit B Permittee's General Advertising Policies

THIS AGREEMENT (hereinafter called the "Permit"), made as of the 1st day of January, 2006 ("Effective Date"), by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), a body corporate and politic organized and existing under and by virtue of the laws of the States of New York and New Jersey, with the consent of the Congress of the United States, and having an office at 225 Park Avenue South, in the Borough of Manhattan, City, County and State of New York, and AC HOLDINGS, INC. (hereinafter called the "Permittee"), a corporation organized and existing under the laws of the State of Georgia, having an office and place of business at One CNN Center SE 07, Atlanta, Georgia, 30303 whose representative is Deborah L. Cooper, its Senior Vice President and General Manager.

WITNESSETH, That:

The Port Authority and the Permittee, for and in consideration of the fees, covenants and agreements hereinafter contained, mutually agree as follows:

Section 1. Privilege

(a) The Port Authority hereby grants to the Permittee non-exclusive privileges to provide its CNN Airport Network program service (the "Service") and to install, operate and maintain, except as otherwise expressly provided herein, certain hardware, reception and distribution equipment to approximately 250 gates and other viewing areas, including cabling, display screens and speakers (collectively the "Service Equipment") to exhibit the Service to portions of John F. Kennedy International Airport, LaGuardia Airport, and Newark Liberty International Airport (hereinafter referred to individually as the "Airport" and collectively as the "Airports") in each of the specified locations of each Airport listed on Exhibit A, attached hereto and hereby made a part hereof ("Approved Location(s)"), during the effective period of permission of this Permit, with the exact locations of all component parts of the Service Equipment at each Airport as may be (i) designated by the Port Authority, with the concurrence of the Permittee, if such locations are within areas under the management and control of the Port Authority or (ii) determined by a third party airline lessee or permittee (hereinafter called the "Airline"), with the concurrence of the Permittee, and approved by the Port Authority, if such locations are within an area leased or licensed to such Airline (hereinafter called the "Exclusive Area"). Exhibit A is divided into three parts to reflect the three different Airports covered by this Permit.

(b) The Port Authority agrees to provide the Permittee with space at each Airport to accommodate the Permittee's installation of its reception and distribution equipment ("Operations Facility(ies)") for the Service at the Airport. The locations of the Operations Facilities at each Airport shall be designated by the Port Authority, with the concurrence of the Permittee. The Permittee shall not use the Operations Facilities at the Airports for any purpose

other than installation of its reception equipment and/or distribution of the Service at the Airports.

(c) The Permittee acknowledges and agrees that all arrangements for the allocation and designation of Approved Locations within an Exclusive Area will be made by the Permittee with the appropriate Airline, subject to the approval by the Port Authority.

(d) The Permittee recognizes and understands that the designation by the Port Authority of one or more Approved Locations or the Operation Facilities pursuant to the provisions of this Section shall not be deemed to authorize the Permittee to commence any work therein unless the Port Authority's final approval of the Construction Applications and plans and specifications referred to in Section 3 of this Permit has been obtained by the Permittee or the Airline, as appropriate.

(e) The Permittee recognizes that the Port Authority may from time to time require the relocation of one or more component parts of the Service Equipment from an Approved Location or from an Operations Facility to a different location, and the Permittee agrees that it shall comply promptly at its own expense with any such direction from or requirement of the Port Authority. In the event of relocation, the Permittee shall leave the vacated area in the condition required under this Permit in the case of expiration, and all obligations with respect to the area which would have matured on the effective date of expiration of the Permit shall mature as to the vacated area on the required date of relocation hereunder. In the event the Permittee fails to immediately relocate such component parts of its Service Equipment to the new location, the Port Authority shall have the right to do so at the risk of the Permittee, and the Permittee shall pay the Port Authority the cost thereof upon receipt of a statement of the Port Authority's reasonable cost of labor and material. Each new location shall be designated by the Port Authority, with the concurrence of the Permittee, and shall constitute an Approved Location or an Operations Facility under this Permit, and all the provisions, terms and conditions hereof shall apply thereto. Without limiting the foregoing, the Permittee agrees to take good care of each Approved Location and each Operation Facility and to restore the same upon the expiration or termination of the effective period of the permission granted under this Permit to the condition existing prior to the installation of the Service Equipment, normal wear and tear excepted.

(f) Notwithstanding the provisions of paragraph (e) of this Section, upon the expiration or termination of the effective period of the permission granted under this Permit, or upon the relocation of one or more component parts of the Service Equipment from an Approved Location or an Operations Facility to a different location, the Permittee, at the option and direction of the Port Authority, shall remove the wires, cables and conduits installed by the Permittee pursuant to the provisions of Section 3 of this Permit or cap all electrical lines flush with the walls, floor, and ceiling. Nothing contained herein shall be deemed to affect or impair the Permittee's maintenance and repair obligations during the effective period of the permission granted under this Permit with respect to such wires, cables, and conduits.

Section 2. Term

2.1 The privileges granted by this Permit shall take effect on the Effective Date and shall expire, unless sooner revoked or terminated, at 11:59 o'clock P.M. on December 31, 2010. 2011. 

2.2 The Port Authority shall have the right and option to extend the period of permission granted under this Permit for a single period of five years upon the same terms as are in effect immediately preceding the extension period, and there shall be no right and option to extend the period of permission granted under this Permit beyond the expiration of the said five-year extension period. Upon the exercise of such option, which exercise shall be by notice in writing from the Port Authority to the Permittee not less than ninety (90) days prior to the expiration of the initial period of permission under this Permit, the period of permission granted under this Permit shall be deemed extended without the execution of any further agreement or other instrument.

Section 3. Permittee's Installation Work

3.1 The work to be performed by the Permittee hereunder consists generally of the installation of the Service Equipment at specified areas of the Airports, such work to include but not be limited to the following: (i) providing, installing, maintaining and operating, at its sole cost and expense, except as otherwise expressly provided herein, the Service Equipment and (ii) modification and removal of such utility lines as appropriate or required and as the same may be approved by the Port Authority, all of said work to be more fully set forth in the plans and specifications which shall be part of a Construction Application or Applications to be submitted for each Airport, or portions thereof, by the Permittee or the Airline, as appropriate, for Port Authority approval (said Construction Application or Applications being hereinafter referred to as the "Construction Application(s)" and said work hereinafter called the "Work"). The Work shall be done in accordance with and subject to this Permit, the Construction Applications and the final plans and specifications as and when the same may have been approved by the Port Authority, and shall be subject to any conditions which may be set forth therein or which may be imposed by the General Manager of a particular Airport. The locations where the Work is to be performed by the Permittee shall be as specified in the Construction Applications.

3.2 With respect to the Exclusive Area, the Permittee acknowledges and agrees as follows: (a) the Permittee will, subject to the approval by the Port Authority, make all arrangements with the Airline in connection with any portion of the Work to be performed therein, (b) the Permittee will cause the Airline to submit Construction Application(s) in its own name for such portion of the Work, and (c) the Permittee will, on behalf of the Airline, perform such portion of the Work pursuant to the terms and conditions of this Permit.

3.3 (a) Subject to subsections 1(c) and 3.2 above, the Permittee agrees that not later than one hundred twenty (120) days following the Effective Date, the Permittee shall

submit to the Port Authority a separate Construction Application or Applications for each Airport or portions thereof in the form prescribed by the Port Authority, including such terms and conditions and such plans and specifications as the Port Authority may require, setting forth in detail the Work to be performed by the Permittee to prepare and equip each of the Approved Locations and the Operations Facilities for the operation of the portion of the Service Equipment to be installed therein and the manner of, and all time periods for, performing such portion of the Work. As expeditiously as possible, but in no event later than thirty (30) days after the Port Authority has approved such Construction Application(s) the Permittee shall submit to the Port Authority an executed contract with a contractor who has been approved by the Port Authority covering the performance of the work required to install the portion of the Service Equipment to be located in the Approved Locations and the Operations Facility at each Airport. As expeditiously as possible, but in no event later than sixty (60) days after the designation by the Port Authority from time to time of additional Approved Locations under this Permit, the Permittee shall submit to the Port Authority a Construction Application in the form prescribed by the Port Authority, including such terms and conditions and such plans and specifications as the Port Authority may require, setting forth in detail the Work to be performed by the Permittee to prepare and equip each such additional Approved Locations for the operation of the portion of the Service Equipment to be installed therein and the manner of, and all time periods for, performing such Work. As expeditiously as possible, but in no event later than thirty (30) days after the Port Authority has approved such Construction Application, the Permittee shall submit to the Port Authority an executed contract with a contractor who has been approved by the Port Authority covering the performance of the work required to install the portion of the Service Equipment to be located in each such additional Approved Location. With respect to both the initially Approved Locations, Operations Facilities and all additional Approved Locations the data to be supplied by the Permittee shall describe in detail the portion of the Service Equipment to be installed and shall show the proposed method of tying such portion into such utility lines or connections as may be provided by the Port Authority either on or off the Approved Locations and Operations Facilities at such points as the Port Authority may elect.

(b) With respect to the Work approved by the Port Authority as of September 1, 2006, the Permittee shall complete the Work and deliver the Service to the Airports as expeditiously as possible but in no event later than January 1, 2007.

3.4 Subject to subsections 3.2 and 3.3 above, the Work shall be performed in accordance with the following terms and conditions:

(a) (1) The Permittee hereby assumes the risk of loss or damage to all or any part of the Work prior to the completion thereof and the risk of loss or damage to all property of the Port Authority, the Permittee or others arising out of or in connection with the performance of the Work. In the event of such loss or damage, the Permittee shall forthwith repair, replace and make good the Work and the property of the Port Authority, the Permittee or others, without cost or expense to the Port Authority or its tenants or other permittees. The Permittee shall, and shall also require its contractors to, indemnify and hold harmless the Port Authority, its Commissioners, directors, officers, agents and employees from and against all claims and demands, just or unjust, of third persons arising or alleged to arise out of the performance of the Work and for all expenses incurred by it and by them in the defense, settlement or satisfaction

thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, direct or consequential, whether they arise from the acts or omissions of the Permittee, of any contractors of the Permittee, of the Port Authority or of third persons, including claims by The City of New York and the City of Newark against the Port Authority pursuant to the provisions of the Basic Leases (as such term is defined in Section 18) whereby the Port Authority has agreed to indemnify The City of New York and the City of Newark against claims, excepting only claims and demands which result solely from the gross negligence of the Port Authority, its Commissioners, directors, officers, agents and employees.

(2) If so directed, the Permittee shall, at its own expense, defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent), and in handling the same it shall not, without obtaining express advance written permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, directors, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority.

(b) Prior to entering a contract for any part of the Work, the Permittee shall submit to the Port Authority for its approval the name of the contractor(s). The Port Authority shall have the right to disapprove any contractor who may be unacceptable to it at any time prior to entering into a contract for any part of the Work. The Permittee shall include in all such contracts such provisions and conditions as may reasonably be required by the Port Authority.

(c) The Permittee shall arrange or require its architect to arrange for periodic inspections of the Work by a qualified individual during the period of its performance thereof.

(d) The Permittee agrees to be solely responsible for any plans and specifications used by it and for any loss or damage resulting from the use thereof, notwithstanding the same have been approved by the Port Authority and notwithstanding the incorporation therein of Port Authority recommendations or requirements. Notwithstanding the requirement for approval by the Port Authority of the contracts to be entered into by the Permittee or the incorporation therein of Port Authority requirements or recommendations, and notwithstanding any rights the Port Authority may have reserved to itself hereunder, the Port Authority shall have no liabilities or obligations of any kind to any contractors engaged by the Permittee or for any other matter in connection therewith, and the Permittee hereby releases and discharges the Port Authority, its Commissioners, directors, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any Work pursuant to the contracts between the Permittee and its contractors. Any warranties contained in any contract entered into by the Permittee for the performance of the Work shall be for the benefit of the Port Authority as well as the Permittee, and the contract shall so provide.

(e) The Port Authority shall have the right, through its duly designated representatives, to inspect the Work, and the plans and specifications thereof, at any and all times during the progress thereof.

(f) The Permittee shall pay all claims lawfully made against it by its contractors, subcontractors, materialmen and workmen, arising out of or in connection with or because of the performance of the Work and shall cause its contractors and subcontractors to pay all such claims lawfully made against them. Nothing herein contained shall be deemed to constitute consent to the creation of any lien or claim against any part of the Airports.

(g) (1) In addition to all policies of insurance otherwise required by this Permit, the Permittee shall procure and maintain in effect during the performance of the Work comprehensive general liability insurance, including automotive, with a contractual liability endorsement covering the obligations assumed by the Permittee pursuant to paragraph (a) hereof and this paragraph (g), or the Permittee may provide such insurance by requiring each contractor engaged by it for the Work to procure and maintain such insurance, including such contractual liability endorsement, said insurance not to contain any care, custody or control exclusions, and not to contain any exclusion for bodily injury to or sickness, disease or death of any employee of the Permittee or of any of its contractors which would conflict with or in any way impair coverage under the contractual liability endorsement. Said insurance shall be in not less than the following limits:

(i) Bodily Injury Liability:

For injury to or wrongful death of one person	\$2,000,000
For injury to or wrongful death of more than one person for any one occurrence	\$3,000,000
Aggregate Products Completed Operations	\$2,000,000

(ii) Property Damage Liability:

For all damages arising out of injury to or destruction of property in any one occurrence	\$2,000,000
Aggregate Property	
Completed Operations	\$2,000,000
Aggregate Operations	\$2,000,000
Aggregate Protective	\$2,000,000
Aggregate Contractual	\$2,000,000

(2) All insurance coverages and policies required under this paragraph may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the performance of the Work. The Port Authority may, at any such time, require an increase in the minimum limits, or additions, deletions, amendments or modifications to the above-scheduled insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may reasonably deem required, and the Permittee shall promptly comply therewith.

(3) The Permittee shall also procure and maintain in effect or cause to be procured and maintained in effect Worker's Compensation Insurance and Employer's Liability Insurance, in accordance with and as required by laws of the States of New York and New Jersey.

(4) The insurance required hereunder shall include the Port Authority as an additional insured and shall be maintained in effect during the performance of the Work. The insurance required hereunder shall also provide or contain an endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claims or action against the Permittee by the Port Authority, but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. In addition, the insurance required hereunder shall also provide or contain an endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Port Authority by the Permittee as if the Port Authority were an insured thereunder. With respect to the insurance required hereunder, a certificate or binder evidencing each of the policies shall be delivered by the Permittee to the Port Authority upon execution of this Permit and delivery thereof by the Permittee to the Port Authority. Each certificate or binder delivered as aforesaid shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon. In the event a binder is delivered, it shall be replaced within thirty (30) days by a certificate. Each such certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each such certificate shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, directors, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority. If the Port Authority at any time so requests, the Permittee shall make available to the Port Authority at a mutually agreeable time and location within the Port District the original or a certified copy of the entirety of each of the said policies and shall, upon reasonable request, deliver to the Port Authority a certified copy of such portions of said policies pertaining to the coverage hereunder as the Port Authority shall request. A certificate evidencing any renewal policy shall be delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of completion of the Work. The aforesaid insurance shall be written by a company or

companies approved by the Port Authority, the Port Authority agreeing not to withhold its approval unreasonably in the event a company or companies are authorized to conduct such insurance business in the States of New York and New Jersey. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to the form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement, the Port Authority covenanting and agreeing not to act unreasonably hereunder.

(h) The Permittee shall procure and maintain or cause its contractor to procure and maintain Builder's Risk (All Risk) Completed Value Insurance covering the Work during the performance thereof, including material delivered to the location thereof but not attached to the realty. Such insurance shall name the Port Authority, the City of New York, the City of Newark, the Permittee and its contractors and subcontractors as additional insureds, and such policy shall provide that the loss shall be adjusted with and be payable to the Port Authority. Such proceeds, at the direction of the Port Authority, shall be used by the Permittee for the repair, replacement or rebuilding of the Work. The insurance required hereunder shall be in compliance with and subject to the applicable provisions of paragraph (g) hereof.

(i) The Permittee shall be under no obligation to reimburse the Port Authority for expenses incurred by the Port Authority in connection with its normal review and approval of the original plans and specifications submitted by the Permittee pursuant to this paragraph. The Permittee, however, agrees to pay to the Port Authority, upon its demand, the expenses incurred by the Port Authority in connection with any additional review for approval of any changes, modifications or revisions of the original plans and specifications that may be proposed by the Permittee for the Port Authority's approval and are not occasioned by Port Authority comments or requirements with respect to the original plans and specifications submitted by the Permittee. The expenses of the Port Authority for any such additional review and approval shall be computed on the basis of direct payroll time expended in connection therewith, plus 100%.

(j) The Permittee shall, prior to the commencement of the performance of the Work and at all times during the continuance thereof, submit to the Port Authority all engineering studies with respect to construction and samples of construction materials as may be reasonably required at any time and from time to time by the Port Authority.

(k) The Permittee shall comply with all the terms and provisions of the Construction Applications, as approved by the Port Authority. In the event of any inconsistency between the terms of the Construction Applications and the terms of this Permit, the terms of this Permit shall prevail and control. The Permittee shall remove, re-do, replace or construct at its own cost and expense any and all portions of the Work not done in accordance with the approved Construction Applications, the provisions of this Permit or any further requirements of the Port Authority. The Permittee agrees that the Work, including workmanship and material, shall be of first-class quality.

(l) Nothing contained in this Permit shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor or any other person engaged by the Permittee or any of its contractors in the performance of any part of the Work any right of action or claim against

the Port Authority, its Commissioners, directors, officers, agents and employees with respect to any work any of them may do in connection with the Work. Nothing contained herein shall create or be deemed to create any relationship between the Port Authority and any such contractor, architect, supplier, subcontractor or any other person engaged by the Permittee or any of its contractors in the performance of any part of the Work, and the Port Authority shall not be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the Work.

(m) Nothing contained in the Construction Application(s) or this Permit shall constitute a determination or indication by the Port Authority that the Permittee has complied with the applicable governmental laws, ordinances, enactments, resolutions, rules and regulations, including but not limited to, those of the City of New York and the City of Newark which may pertain to the Work.

(n) The Permittee shall require certification by a licensed engineer of such Work, or part thereof, as may be requested by the Port Authority from time to time. Certifications and logs will be submitted to the Port Authority's Resident Engineer.

(o) In the event that the Permittee shall fail, at any time during the performance of the Work under the approval granted by the Port Authority pursuant to this Permit, in the opinion of the Port Authority, to comply with all of the provisions of this Permit with respect to the Work or the Construction Application(s) or be, in the opinion of the Port Authority, in breach of any of the provisions of this Permit or the Construction Application(s) and such breach is not cured within any applicable grace period, the Port Authority shall have the right to cause the Permittee to cease all or such part of the Work as is being performed in violation of this Permit or the Construction Application(s). Upon such written direction from the Port Authority, the Permittee shall promptly cease construction of all or such part of the Work. The Permittee shall thereupon submit to the Port Authority for its written approval the Permittee's proposal for making modifications, corrections or changes in or to all or such part of the Work as has been or is to be performed so that the same will comply with the provisions of this Permit and the Construction Application(s). The Permittee shall not resume construction of the portion of the Work that has been halted until such written approval has been received.

(p) When the Work is substantially completed and ready for use, the Permittee shall advise the Port Authority to such effect and shall deliver to the Port Authority a certificate of the Permittee signed by an authorized officer of the Permittee and also signed by the Permittee's licensed architect or engineer certifying that the Work has been performed in accordance with the approved plans and specifications and the provisions of this Permit and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders. Thereafter, the Work will be inspected by the Port Authority and if the same has been completed as certified by the Permittee and the Permittee's licensed architect or engineer, as aforesaid, a certificate to such effect shall be delivered to the Permittee, subject to the condition that all risks thereafter with respect to the Work and any liability therefor for negligence or other reason shall be borne by the Permittee.

(q) The term "Completion" for the purpose of this Permit shall mean the date appearing on the certificate issued by the Port Authority pursuant to paragraph (p) hereof.

(r) In the event that from time to time additional Approved Locations are included under the Permit, or the Port Authority requires the relocation of any component parts of the Service Equipment from an Approved Location or an Operations Facility to a new location, the Permittee shall, prior to the installation of such component parts of the Service Equipment in the new approved area, prepare and submit a Construction Application covering each such area and shall provide the information described in the applicable provisions of this Section with respect thereto.

Section 4. Delivery of Service

The Permittee shall deliver the Service to the Airports seven (7) days a week, 24 hours per day, 365 days per year via a domestic communications satellite to a satellite receiving dish installed by the Permittee at the locations indicated on Exhibit A. The signal will be routed from the satellite dishes via coaxial cable to a headend room with an equipment rack. From that point it will be distributed to the terminal buildings via coaxial cable or fiber optic cable installed by the Permittee, and within the terminal buildings via (a) coaxial broadband distribution system installed by the Permittee or (b) distribution cable provided by the Port Authority or the Airline.

Section 5. Description of Service

(a) Packages

The Service shall be in the format of continuous audio and video programming packages (the "Packages"), each Package consisting of (i) approximately forty-four (44) minutes per hour of news, information and entertainment television programming material professionally produced and provided by Permittee, also known as CNN Airport Network (the "Programming") and (ii) approximately sixteen (16) minutes per hour of advertising and promotional time (the "Advertising Time"), subject to the requirements of paragraph (b), below. Permittee shall also have the ability to interrupt the Service to go "live" to any significant breaking news or special event.

(b) Content of Programming

Subject to reasonable guidelines agreed to by the Port Authority and the Permittee, the Permittee shall have discretion, editorial and otherwise, with respect to the format, content, production, editing and updating of the Programming and the Packages, the segments of Programming and spots for Advertising Time included therein, and the arrangement of the segments and spots; provided however, that the Permittee represents and warrants to the Port Authority that the quality and format of the Service shall at all times during the Term meet the general news standards specifically applicable to CNN Headline News Service (a programming

service developed and provided by Cable News Network, Inc. ("CNN"), an affiliate of Permittee), including, without limiting any other terms or provisions hereof, compliance with all applicable FCC rules and regulations, other applicable laws, and CNN internal journalistic standards; and, provided further that, without limiting any other terms or provisions hereof, the Port Authority shall have the right to terminate this Permit pursuant to Section 36 hereof if the quality of the Service is diminished in any material way by the Permittee's exercise of this discretion during the Term. Furthermore, the Permittee shall retain exclusive control over all Packages at all times except that the Port Authority shall have the right to object to any advertising material or matter which is offensive in nature. It is expressly agreed, however, that any Programming related to any accident or incident involving a commercial passenger airline shall only be included in the Programming without any video coverage of the accident site. The Permittee hereby reserves the right to temporarily withdraw the Service, or any portion thereof, at any time as it deems necessary or advisable in the exercise of its sound business judgment, and any such temporary withdrawal, interruption, delay or interference shall not constitute or be deemed a breach of this Permit; provided however, that the Permittee agrees to use its best efforts to restore the Service as soon as possible and, in any event, the Permittee shall restore the Service within forty-eight (48) hours.

It is understood and agreed that notwithstanding any provision of this Permit to the contrary, no advertising covered by this Permit shall be used, or be permitted to be used to advertise, favorably mention or promote, directly or indirectly, any form of tobacco or tobacco products, including any reference to tobacco or tobacco products generally, or any particular product (s) or any brand name (s) or trademark (s) related thereto, or to provide any opinion, information or material in support of the use thereof or exposure thereto or in opposition to any information or position, whether or not presented thereon, which is intended to deplore or caution against or provide information or views unfavorable to such use or exposure thereto. Except as otherwise expressly provided herein, the Port Authority shall have no control or approval over the use of or material contained in Advertising Time retained by the Permittee.

(c) Advertising Time

Subject to the provisions of this paragraph, as between Permittee and the Port Authority, Permittee shall retain all Advertising Time included in the Service, and the revenue derived therefrom (subject to the amount payable to the Port Authority from the Service Revenue). Permittee agrees that the Port Authority shall have the right to use up to six (6) one (1)-minute segments per available hour (which may be used as two (2) thirty (30)-second contiguous spots) during the day (the "Port Authority Spots"), which may be used for sale to Local Advertisers (as defined below) or to promote the local area, the Port Authority, its concessions or the community or region serviced by the Airport. In addition, the Port Authority Spots (i) must be consistent with the production quality standards applied by Permittee to the Service; (ii) cannot suggest an affiliation with Permittee or any of its affiliates and any party unrelated to it; and (iii) cannot be offensive in nature. Additionally, the content of the Port Authority Spots may not promote, support or represent any interest competitive to Permittee or any of its affiliates. The remaining Advertising Time in each Package may be made available by Permittee for sale to third parties ("Third Party Units"). Permittee shall have the absolute right to determine the rate applicable and the rate actually charged for all Third Party Units. The party responsible for providing the content for the Advertising Time

hereunder shall be responsible for any liability related thereto, regardless of the nature of the claim; the Port Authority shall be responsible for all Port Authority Spots and will indemnify Permittee for any claims relative to such Port Authority Spots. With respect to the Port Authority Spots, the Port Authority understands and agrees that its ability to sell the same to Local Advertisers shall be subject to compliance with all applicable laws, rules and regulations. For purposes of this provision, a "Local Advertiser" shall be defined as any local or regional business, company, non-profit group or other organization whose business is confined to the local or regional area served by the Airport. Permittee may, from time to time, permit the Port Authority to sell the Port Authority Spots to businesses that conduct operations on a national level but which are also involved in specialized local or regional projects that make the area served by the Airport of particular interest for the duration of such projects. The Port Authority understands that the Port Authority Spots will appear on the Service only as it is delivered in the Airport. The Port Authority agrees and acknowledges that the advertising for the Port Authority Spots must meet the general advertising policies and practices utilized by Permittee, a copy of which is attached hereto as "Exhibit B."

(d) Insertion of Port Authority Spots

The Port Authority shall be responsible for the purchase, operation, upgrade and maintenance of equipment required to provide the necessary technical capabilities to allow it to utilize the Port Authority Spots ("Commercial Insertion Equipment") and shall install the Commercial Insertion Equipment in the Permittee's Operations Facilities so that such equipment can interface with Permittee's Service Equipment in accordance with the Permittee's instructions. The Port Authority shall provide, at no charge to the Permittee, dedicated telephone lines to allow remote access to headend equipment. These lines shall be terminated as instructed by Permittee in the Operations Facilities and shall provide a high speed data connection of 1.5 megabits per second or better with a static, public IP address.

Any advertisements inserted by the Port Authority into the Port Authority Spots shall comply with the following conditions: (i) the advertisement meets the general production quality standards applied by the Permittee to the Advertising Time and its own Programming included in the Service; (ii) the inclusion of any third party advertiser on the Service does not violate any agreement the Permittee has with one of its national advertisers on the Service; (iii) the advertisements do not violate any FCC or federal, state or local law; rules or regulations; (iv) the advertisements are not offensive in nature; (v) the advertisements do not suggest an affiliation between the Permittee or any of its affiliates or any Programming contained in the Service and any third party; and (vi) the advertisements are generally compatible with the commercial standards of Turner Broadcasting System, Inc., the Permittee's corporate parent.

The Port Authority or its designated representative shall be solely responsible for producing and/or selling the Port Authority Spots and shall be solely liable for the promotional, advertising and like material inserted by the Port Authority and any and all claims and costs arising out of or related to the Port Authority's use of the Advertising Time granted to it pursuant to this Permit. If such advertisements are not inserted by the Port Authority, or, if inserted, such advertisements are not updated regularly in accordance with the guidelines established by the Permittee and the Port Authority to maintain the quality of the Service, the Permittee reserves the right to use the Port Authority Spots as it deems appropriate.

In the event the Permittee goes "live" to a breaking news event or interrupts its Packages to provide coverage of a significant event or a full-length news program, the Port Authority understands and agrees that it will not be able to provide the Port Authority Spots and/or preempt the designated Programming segments during the duration of the alternative programming. The Port Authority further understands that the Permittee will not be able to provide any "make goods" for the interrupted segments. The Permittee expressly disclaims any responsibility or liability to the Port Authority for any lost revenue or other damages attributable to the Permittee's decision to provide the alternative programming as set forth in this paragraph.

Section 6. Copyright

The Port Authority agrees and acknowledges that the sole right of copyright in, and all rights of copyright with respect to, the Service, the Programming and the Packages (including, without limitation, the sequence or organization of the Permittee's compilations of programming segments constituting the Packages) belong, as between the Port Authority and the Permittee, to the Permittee, and that the Port Authority shall not acquire, obtain or claim any copyright or other proprietary ownership interests therein or thereto by virtue of this Permit. Except to the extent expressly limited or prohibited by the terms of this Permit, the Permittee shall be entitled to, and hereby reserves all rights necessary to, exploit, exercise, dispose of and/or utilize any rights in, to and with respect to the Service, the Programming and the Packages without limitation and without prior notice or any obligation to the Port Authority.

The Permittee agrees and acknowledges that the sole right of copyright in, and all rights of copyright with respect to, the Port Authority Spots, including advertisements and/or any programming and/or Videotext material inserted by the Port Authority into the Packages, belong, as between the Port Authority and the Permittee, to the Port Authority, and that the Permittee shall not acquire, obtain or claim any copyright or other proprietary ownership interest therein or thereto by virtue of this Permit. Except to the extent expressly limited or prohibited by the terms of this Permit, the Port Authority shall be entitled to, and hereby reserves all rights necessary to exploit, exercise, dispose of and/or utilize any rights in, to and with respect to the Port Authority Spots, including advertisements and/or the programming and/or Videotext material inserted by the Port Authority without limitation and without prior notice or any obligation to the Permittee.

Section 7. Omitted

Section 8. Fees

(a) Calculation of Sums Owed by Permittee

Commencing on the Effective Date and continuing throughout the period of permission under this Permit, the Permittee shall pay the Port Authority a fee on a quarterly basis for each Airport, which fee shall consist of the greater of:

(i) the Guaranteed Amount consisting of the total of:

- (1) One Hundred Thousand Dollars and No Cents (\$100,000.00) per annum for Newark International Airport; and
- (2) One Hundred Thousand Dollars and No Cents (\$100,000.00) per annum for LaGuardia Airport; and
- (3) One Hundred Thousand Dollars and No Cents (\$100,000.00) per annum for John F. Kennedy International Airport.;

or

(ii) the Port Authority Service Revenue Share.

(b) Definitions

As used herein, the term "Port Authority Service Revenue Share" shall mean the sum of the amounts determined for each of the three Airports by multiplying (1) a fraction the numerator of which shall be the measured viewing audience for the Service at each Airport during a calendar quarter and the denominator of which shall be the measured viewing audience for the Service at all domestic airports eligible to receive a portion of advertising revenue therefrom during the same calendar quarter by (2) the "Service Revenue Pool," as hereinafter defined.

As used herein, the term "Service Revenue" shall mean the gross advertising revenue from the sale of national Advertising Time by the Permittee to third parties in a given calendar quarter, less the applicable advertising agency commission fees actually paid or payable by the Permittee (in no event to exceed fifteen percent (15%)) and any monies refunded by the Permittee to advertisers and/or agencies with respect to national Advertising Time.

As used herein, the term "Service Revenue Pool" shall mean the sum of the following amounts: (a) fifteen percent (15%) of the Service Revenue invoiced by the Permittee for the preceding calendar quarter until such time as the Permittee has invoiced an aggregate amount of Service Revenue equal to \$15,000,000.00 for the calendar year in which the said calendar quarter occurs; (b) seventeen and one-half percent (17.5%) of the Service Revenue invoiced by the Permittee for the preceding calendar quarter until such time as the Permittee has invoiced an aggregate amount of Service Revenue in excess of \$15,000,000.00 but less than or equal to \$25,000,000.00 for the calendar year in which the said calendar quarter occurs; (c) twenty-two and one-half percent (22.5%) of the Service Revenue invoiced by the Permittee for the preceding calendar quarter until such time as the Permittee has invoiced an aggregate amount of Service Revenue in excess of \$25,000,000.00 but less than or equal to \$30,000,000.00 for the calendar year in which the said calendar quarter occurs; and (d) thirty-two and one-half percent (32.5%) of the Service Revenue invoiced by the Permittee for the preceding calendar quarter until such time as the Permittee has invoiced an aggregate amount of Service Revenue in excess of \$30,000,000.00 for the calendar year in which the said calendar quarter occurs.

(c) Method of Payment

Within thirty (30) days following the first day of each calendar quarter, the Permittee shall deliver payment of the total of the quarterly installments of the Guaranteed Amount for all three Airports to the Port Authority. In addition, within thirty (30) days following the last day of the said calendar quarter, the Permittee shall calculate the Port Authority Service Revenue Share for the said calendar quarter. If the Port Authority Service Revenue Share for the said calendar quarter exceeds the sum of the quarterly installments of the Guaranteed Amount for all three Airports the Permittee previously paid to the Port Authority for the said calendar quarter, then the Permittee shall pay the Port Authority the difference as an additional payment ("Additional Payment") within sixty (60) days following the last day of the said calendar quarter. The Port Authority shall be solely responsible for distribution of any amounts it receives from the Permittee hereunder to any third party, and the Port Authority hereby agrees to indemnify and hold the Permittee harmless from any liability arising out of any failure by it to distribute any such sums to a third party.

(d) Omitted

(e) Payment Upon Termination or Revocation of Permit

Upon termination or revocation of the period of the permission granted hereunder (even if stated to have the same effect as expiration), the Permittee shall, within thirty (30) days after the effective date of such termination or revocation (the "Termination Date"), render to the Port Authority any unpaid Guaranteed Amount and any Additional Payment then due hereunder. If the Termination Date is other than the last day of a calendar quarter, the sum due and payable to the Port Authority in the preceding sentence shall be prorated using the actual number of days in the calendar quarter in which the Termination Date falls.

(f) Place of Payments

All payments required of the Permittee by this Permit shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1517
PHILADELPHIA, PENNSYLVANIA 19195-1517

or via the following wire transfer instructions:

Bank: Commerce Bank
Bank ABA Number: 026013673
Account Number:

or to such other address as may hereafter be substituted therefore by the Port Authority, from time to time, by notice to the Permittee.

Section 9. Obligations in Connection with Service Revenue and Port Authority Service Revenue Share

(a) The Permittee shall take all reasonable measures (including but not limited to reasonable promotional activities) in every proper manner to develop, maintain and increase the business which it is authorized to conduct hereunder.

(b) The Permittee shall not divert or cause or, within the reasonable control of the Permittee, permit or allow to be diverted any business from the Port Authority's facilities.

(c) The Permittee shall maintain, in accordance with accepted accounting practice records and books of account recording all its transactions at, through or in any wise connected with the Airports, which records and books of account shall be kept for a period of one year beyond the expiration date or the date of earlier termination of this Permit, whichever shall be earlier, and shall permit in ordinary business hours during such time the examination and audit, by the officers, employees, agents and representatives of the Port Authority, of such records and books of account. Such records and books of account either shall be kept at all times within the Port of New York District, or shall be brought to the offices of the Port Authority for inspection upon notice. Notwithstanding the foregoing, the Permittee shall not be required to keep its books and records within the Port of New York District or to bring such books and records to the Port of New York District if it shall pay for the costs incurred by the Port Authority to send its employees or representatives elsewhere to examine and audit such books and records, including, without limitation, travel, food and lodging expenses incurred by such employees and representatives while away from the Port of New York District.

(d) Within thirty (30) days after the last day of each calendar quarter, the Permittee shall deliver to the Port Authority a report in the form attached hereto as Exhibit B, which shall include all data, information, including a summary of the Service Revenue, and the calculations used by the Permittee to determine the Port Authority Service Revenue Share (and the amount of any Additional Payment) for the immediately preceding calendar quarter, accompanied by an affidavit executed by one of the Permittee's executive officers certifying, to the best of the officer's knowledge, the accuracy of all information set forth on the report. Without limiting the foregoing, each report shall include all information relevant for purposes of determining and explaining the Service Revenue, the Port Authority Service Revenue Share and any Additional Payment due to the Port Authority, including the amounts of any payments made to other airports. Within one hundred and twenty (120) days after the beginning of each calendar year, the Permittee shall deliver to the Port Authority a report summarizing the Service Revenue and the Port Authority Service Revenue Share, and the calculations used to determine those amounts, and the total amount paid for the immediately preceding calendar year. The report shall be prepared or verified by an independent, nationally recognized accounting firm, selected by the Permittee in its sole discretion and prepared at its sole cost and expense.

(e) In event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by

the Permittee, the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge(s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Permittee under this Permit or otherwise. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid service charge shall be deemed a waiver of the right of the Port Authority to payment of any late charge(s) or other service charge(s) payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid hereunder. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Permit, including, without limitation, the Port Authority's rights to terminate the term hereunder; or (ii) any obligations of the Permittee under this Permit.

Section 10. Protection of the Service

The Port Authority shall have no right to record or duplicate all or any portion of the Service, nor shall it authorize any such recording or duplication, unless specifically and expressly authorized in advance, in writing, by the Permittee.

Section 11. Governmental Requirements

(a) The Permittee shall procure all licenses, certificates, permits and other authorizations necessary for the conduct of its operations hereunder from all governmental authorities having jurisdiction over such operations.

(b) The Permittee shall promptly observe, comply with and execute the provisions of any and all present or future governmental laws, statutes, ordinances, orders, judgments, decrees, licenses, permits, rules and regulations, requirements, orders and directions of all federal, state and local governmental agencies (collectively, "Governmental Requirements") that may pertain or apply to its operations hereunder or its use of the Approved Locations and the Operations Facilities; and the Permittee shall, in accordance with and subject to the provisions of Sections 3 and 16 hereof, make any and all nonstructural improvements, alterations or repairs of the Approved Locations and/or the Operations Facilities that may be required at any time hereafter by any such Governmental Requirements.

(c) The Permittee shall pay all taxes and all license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on or in connection with its property or operations hereunder or on the gross advertising revenues or income therefrom and shall make all applications, reports and returns required in connection therewith. The Permittee shall promptly pay all fines, penalties and damages that may arise out

of or be imposed because of the Permittee's failure to comply with the Governmental Requirements.

(d) The obligation of the Permittee to comply with Governmental Requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Airports. Such provision is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

Section 12. Rules and Regulations

(a) The Permittee shall observe and obey (and compel its directors, officers, members, employees, agents, representatives, contractors, customers, guests, invitees and those doing business with it to observe and obey) the Rules and Regulations of the Port Authority for the government of the conduct and operations of the Permittee now in effect and such further reasonable rules and regulations (including amendments and supplements thereto) as may from time to time throughout the effective period of this Permit be promulgated by the Port Authority for reasons of safety, health or preservation of property, or for the maintenance of the good and orderly appearance of the Port Authority's facilities, including any Approved Locations and Operations Facilities covered by this Permit, or for the safe or efficient operation of such facilities. The Port Authority agrees that, except in cases of emergency, it will give notice to the Permittee of every such further rule or regulation adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

(b) If a copy of the Rules and Regulations referred to in paragraph (a) of this Section is not attached to this Permit, then the Port Authority will notify the Permittee thereof either by delivery of a copy, or by publication in a newspaper published in the Port of New York District or by making a copy available at the office of its Secretary. No statement or provision in the said Rules and Regulations shall be deemed a representation or promise by the Port Authority that the services or privileges described shall be or remain available, or that the charges, prices, rates or fees stated therein shall be or remain in effect throughout the effective period of the permission granted under this Permit, all of the same being subject to change by the Port Authority from time to time whenever it deems a change advisable.

Section 13. Various Obligations of the Permittee

(a) The Permittee shall conduct its operations in a first-class, orderly and proper manner and so as not to annoy, disturb or, be offensive to others at the Port Authority's facilities. The Permittee shall take all reasonable measures to eliminate vibrations tending to damage the Approved Locations, the Operations Facilities or any other part of the Airports and to keep the sound level of its operations as low as possible. The Permittee agrees that the maximum sound level of the audio portion of the Service within each area receiving the Service shall be acceptable to the Port Authority and will not interfere with any public announcements (e.g., voice paging) made by the Port Authority or other authorized personnel or any airline within that area. Furthermore, the Permittee shall identify those areas where the Service

Equipment is located in which the passenger traffic and related noise level fluctuate greatly throughout the day and install an ambient sound control device within those areas as part of the Service Equipment that will automatically increase or decrease the volume of the audio portion of the Service to ensure that the Service is clearly audible under the existing environmental conditions within and surrounding that particular area, but does not interfere with the public announcements therein. Such installation shall be subject to the provisions of subsection 3.2, if applicable, and prior approval of the Port Authority as stipulated in Section 16 hererof.

(b) The Permittee shall control the conduct, demeanor and appearance of its officers, employees, agents, representatives, contractors, and persons doing business with it while they are at the Airports and, upon objection from the Port Authority concerning the conduct, demeanor or appearance of any such individuals, the Permittee shall immediately take all steps necessary to remove the cause of the objection.

(c) No debris or other waste materials (whether solid or liquid) shall be allowed by the Permittee to collect or accumulate in or on the Approved Locations or the Operations Facilities, and the Permittee shall be responsible for the prompt removal from the Airports of all debris and other waste materials (whether solid or liquid) arising out of its use of the Approved Locations or the Operations Facilities. The Permittee shall use extreme care when effecting the removal of any and all such waste and in no event shall use any facilities of the Port Authority without its prior consent and shall effect such removal only during such hours and by such means as are prescribed by the Port Authority. No such debris or other waste materials shall be or be permitted to be thrown, discharged, or disposed into or upon the waters at or abounding any of the Airports.

(d) If the Port Authority deems it advisable for security reasons, the Permittee shall provide, and its employees while at the Airports shall wear or carry, badges or other suitable means of identification that shall be subject to the prior approval of the Port Authority.

(e) Except for the Port Authority's obligation to supply electricity in areas under the management and control of the Port Authority, the Permittee shall supply, place, install, operate and maintain all wires, cables, monitors, computer hardware and software required to operate the Service, and all material, labor and personnel required in connection therewith. The Port Authority shall be under no obligation to supply any of the foregoing.

(f) All the Permittee's operations hereunder, including but not limited to the placement, installation, operation and maintenance of the Service Equipment shall be conducted by the Permittee in accordance with the highest standards of advertising practice and in accordance with the operation of a first-class transportation terminal.

Section 14. Prohibited Acts

The Permittee shall not: (a) commit any nuisance in or on the Approved Locations, the Operations Facilities or elsewhere at any of the Airports, or do or permit to be done anything which may result in the creation or commission of a nuisance in or on the

Approved Locations, the Operations Facilities or elsewhere at any of the Airports; (b) cause or permit to be caused or produced upon the Approved Locations, the Operations Facilities or elsewhere at the Airports, to permeate the Airports, or to emanate therefrom, any unusual, noxious or objectionable smokes, gases, vapors or odors; (c) do or permit to be done anything which may interfere with the effectiveness or accessibility of existing and future utilities systems or portions thereof in or on the Approved Locations, the Operations Facilities or elsewhere at the Airports, including, without limitation thereto, systems for the supply of heat, hot and cold water, gas, electricity and fuel and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, air-conditioning, telephone, telegraph, teleregister, pneumatic-tube dispatch and intercommunication services, including but not limited to lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to any such systems, nor do or permit to be done anything which may interfere with free access and passage in and to the Approved Locations, the Operations Facilities or other portions of the Airports or in the streets, roads or other common ways adjacent thereto; (d) overload any part of an Approved Location or an Operations Facility; (e) do or permit to be done any act or thing upon the Approved Locations and the Operations Facilities which will invalidate or conflict with any insurance policies covering the Port Authority or the Airports or any part thereof (provided that the Permittee has been notified of any such provisions in writing), or which, in the opinion of the Port Authority, may constitute an extra-hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by Section 1 hereof; and the Permittee shall promptly observe, comply with and execute the provisions of any and all present or future rules and regulations, requirements, orders and directions of the National Fire Protection Association and with respect to such of the Approved Locations and the Operations Facilities located in New York, of the Insurance Services Office of New York, and with respect to such of the Approved Locations and the Operations Facilities located in New Jersey, of the Insurance Services Office of New Jersey, or of any other board or organization exercising or that may exercise similar functions that may pertain or apply to the operations of the Permittee in and on the Approved Locations and the Operations Facilities and the Permittee shall, subject to and in accordance with the provisions of Sections 3 and 16 hereof, make any and all nonstructural improvements, alterations or repairs of the Approved Locations and the Operations Facilities that may, in connection with its operations hereunder, be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction; and, if by reason of any failure on the part of the Permittee to comply with the provisions of this subdivision any insurance rate on the Approved Locations, the Operations Facilities or any of them or on any of the Airports or any part thereof shall at any time be higher than it otherwise would be, then the Permittee shall pay to the Port Authority that part of all insurance premiums paid by the Port Authority which shall have been charged because of such violations or failure by the Permittee.

Section 15. Maintenance and Repair

(a) The Permittee shall at all times keep its Service Equipment, the Approved Locations and the Operations Facilities in a clean and orderly condition and appearance. The Permittee shall not be required by the provisions of this paragraph to perform general cleaning work in the Approved Locations and the Operations Facilities which is also required generally

throughout the Airports unless the need to perform such work results from the particular activities of the Permittee in the Approved Locations and the Operations Facilities.

(b) The Permittee shall be responsible for the repair, replacement and rebuilding of any and all parts of the Approved Locations, the Operations Facilities and any other parts of the Airports which may be damaged or destroyed by the acts or omissions of the Permittee, its directors, officers, employees, agents, representatives, contractors or persons doing business with it. All nonstructural repair, replacement and rebuilding shall be done by the Permittee, subject to and in accordance with the provisions of Sections 3 and 16 hereof; structural repair, replacement and rebuilding may be done by the Port Authority, the cost thereof to be paid by the Permittee on demand.

Section 16. Other Installation by Permittee

(a) The Permittee shall not install wires, cables, monitors, or any other fixtures or equipment in the Approved Locations and the Operations Facilities, or erect any structures, make any repairs, changes, alterations, improvements or do any other construction work on or to the Approved Locations and the Operations Facilities without the prior approval of the Port Authority (including but not limited to the time for the performance of any such installation or work); and, in the event any installation, construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then, upon notice so to do, the Permittee shall remove the same, or, at the option of the Port Authority, cause the same to be changed to the satisfaction of the Port Authority. In case of any failure on the part of the Permittee to comply with such notice, the Port Authority may effect the removal or change and the Permittee shall pay the cost thereof to the Port Authority on demand.

(b) Unless required for the performance by the Permittee of its obligations hereunder, the Permittee shall have the right at any time during the effective period of the permission granted hereunder to remove from the Approved Locations and the operations Facilities to remove, and, on or before the expiration or earlier termination of the effective period of the permission hereby granted, shall so remove, the Service Equipment and all property of third persons for which it is responsible, repairing all damages caused by such removal. In the event of partial revocation, the obligation of removal and restoration shall apply only to the Approved Locations and/or Operations Facilities affected.

(c) If the Permittee shall fail to remove from the Approved Locations and the Operations Facilities within the time allowed any Service Equipment or thing whatsoever which it is obligated under this Permit to remove, the Port Authority may remove the same and the Permittee shall pay the cost thereof to the Port Authority upon receipt of a statement of the Port Authority's reasonable cost of labor and material. The Port Authority may, but shall not be obligated to, remove the Service Equipment to a public warehouse for deposit or retain the same in its own possession and in either event sell the same at public auction, the proceeds of which shall be applied first to the expense of removal, retention, storage and sale, second to any sums owed by the Permittee to the Port Authority, with any balance remaining to be paid to the Permittee; if the expenses of such removal, retention, storage and sale shall exceed the

proceeds of sale, the Permittee shall pay such excess to the Port Authority upon demand. Any action of the Port Authority hereunder shall not relieve the Permittee of any restoration obligation.

(d) Without in any wise limiting any other provision of this Permit, the Permittee agrees that it shall not do any servicing or maintenance of or to any part of the Service Equipment, or perform any repair or maintenance work on or to any Approved Location, to any Operations Facility, or to any of the Permittee's property located thereon or therein, unless the Port Authority has approved the time of performance thereof.

Section 17. Liability Insurance

(a) The Permittee in its own name as assured shall secure and pay the premiums on a policy or policies of comprehensive general liability insurance which shall cover its operations hereunder and which shall be effective throughout the effective period of the permission granted hereunder. Each such policy shall be maintained in at least the following limits:

(1) Bodily injury liability: For injury or wrongful death to one person, \$2,000,000; and for injury or wrongful death to more than one person from any one accident, \$3,000,000.

(2) Property damage liability: For damages arising out of injury to or destruction of property in any one accident, \$2,000,000 and for damages arising out of injury to or destruction of property in more than one accident, \$3,000,000.

(b) The Port Authority shall be named as an additional insured in any policy of liability insurance required by the provisions of this Section. Each such policy of insurance shall contain a provision that the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, directors, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority, and each such policy of insurance shall provide or contain an endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claims or action against the Permittee by the Port Authority and against the Port Authority by the Permittee but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured.

(c) A certificate or binder evidencing each of the policies of insurance required by this Section shall be delivered by the Permittee to the Port Authority upon execution of this Permit. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certificate. Each such certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified, without giving thirty (30) days written

advance notice thereof to the Port Authority. A certificate evidencing any renewal policy shall be delivered to the Port Authority at least fifteen (15) days prior to the expiration date of each expiring policy, except for any policy expiring after the date of expiration of the effective period of the permission granted hereunder, as the same may be from time to time extended. If at any time any of the policies shall be or become unsatisfactory to the Port Authority or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. Notwithstanding anything contained in this Section, it is specifically understood and agreed that the Port Authority shall have the right, upon notice to the Permittee given from time to time and at any time, to require the Permittee to increase any or all of the limits set forth herein or to obtain such other insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem necessary, and the Permittee shall promptly comply with the Port Authority's notice and shall promptly submit a certificate or certificates evidencing the same to the Port Authority.

Section 18. Indemnity

The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, directors, officers, agents, representatives and employees from all claims and demands of third persons, including but not limited to those for death, for personal injuries or for property damages, arising out of the Permittee's operations under this Permit, or the use of the Approved Locations and the Operations Facilities by the Permittee or out of any other acts or omissions of the Permittee, its directors, officers, employees, agents, representatives, contractors or persons doing business with it where such acts or omissions are in or on the Approved Locations, the Operations Facilities or elsewhere at the Airport.

Without limiting the Permittee's indemnity obligations under this Section, the Permittee's indemnity obligations hereunder shall extend to and include any claims and demands arising out of the Permittee's operations under this Permit made by the City of New York against the Port Authority pursuant to or under the provisions of the lease of John F. Kennedy International Airport and LaGuardia Airport from the City of New York to the Port Authority under that certain agreement between The City of New York and the Port Authority dated November 24, 2004, as such agreement from time to time may have been or may be supplemented or amended, and any claims and demands arising out of the Permittee's operations under this Permit made by the City of Newark against the Port Authority pursuant to or under the provisions of the lease of Newark International Airport from the City of Newark to the Port Authority under that certain agreement between the City of Newark and the Port Authority dated October 22, 1947, as such agreement from time to time may have been or may be supplemented or amended (said leases with The City of New York and the City of Newark are herein collectively referred to as the "Basic Leases").

Section 19. Patents and Trademarks

The Permittee represents that it is the owner of or fully authorized to use any and all services, processes, machines, hardware, software, articles, marks, names or slogans used by it in its operations under or in any wise connected with this Permit. The Permittee agrees to save and hold the Port Authority, its Commissioners, directors, officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

Section 20. Additional Fees

(a) If the Permittee has failed or refused to perform any of its obligations under this Permit, the Port Authority, in addition to all other remedies available to it under this Permit, or otherwise, shall have the right to perform such obligations, and the Permittee shall pay the Port Authority's costs upon receipt of statement of the Port Authority's reasonable costs. If the Port Authority has paid any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the Permittee to perform or fulfill any one or more of the terms and conditions or agreements contained in this Permit or as a result of an act or omission of the Permittee contrary to such terms, conditions and agreements, the Permittee agrees to pay promptly to the Port Authority the sum or sums so paid or the expense so incurred, including all interest, costs, damages and penalties. Prior to the exercise of the rights set forth in this paragraph the Port Authority, except in cases of emergency, shall give the Permittee not less than ten (10) days' notice.

(b) For all purposes under this Section and in any suit, action or proceeding of any kind between the parties hereto, any receipt showing any payment of a sum or sums by the Port Authority for any work done or material furnished shall be prima facie evidence against the Permittee that the amount of such payment was necessary and reasonable. If the Port Authority elects to use its own operating and maintenance staff in making any repairs, replacements and/or alterations and to charge the Permittee with the cost of the same, any time sheet of any employee of the Port Authority showing hours of labor or work allocated to any such repair, replacement and/or alteration, or any stock requisition of the Port Authority showing the issuance of materials for use in the performance thereof, shall likewise be prima facie evidence against the Permittee that the amount of such charge was necessary and reasonable.

Section 21. Assignment

(a) The Permittee shall not assign, sell, convey, transfer, mortgage or pledge this Permit, or the privileges hereunder, or any part thereof without the prior written consent of the Port Authority, unless such assignment is made to an entity controlling, controlled by, or under common control with the Permittee and is documented in an agreement prepared by the

Port Authority. With respect to a corporation, "control," as used herein, shall mean legal or beneficial ownership by one person, firm, corporation, or other entity, or a group acting in concert, of an amount of the capital stock and voting rights (with power to exercise such voting rights) of another entity sufficient to enable the owner to direct the management and policies of such entity. With respect to a person, firm, or entity other than a corporation, "control," as used herein, shall mean the power to direct the management and policies of such person, firm, or entity whether by legal or beneficial ownership, or otherwise.

(b) The Permittee shall not use, or permit any person to use on its behalf, the Approved Locations, the Operations Facilities or any portion thereof, except for the purposes set forth in Section 3 hereof.

Section 22. Electricity

(a) The Port Authority shall furnish and supply to the Permittee, at each of the Airports in the Approved Locations and the Operations Facilities under the management and control of the Port Authority, for the purposes set forth in this Permit, without additional charge, through existing wires, conduits, and cables, if any, electricity, of such amperage, voltage, and other characteristics as is furnished by the respective utility companies supplying electricity to each of the Airports, in reasonable quantities, the supply of electricity to be made by the Port Authority to the Permittee at such points on or off the various Approved Locations and the Operations Facilities as the Port Authority shall designate for connection to the Service Equipment to be installed by the Permittee in such areas for electrical distribution with the Port Authority's lines and conduits. The Port Authority shall have no responsibility for the distribution of electrical current in any of the Approved Locations and the Operations Facilities or for the maintenance therein of any electrical usage.

(b) The Port Authority shall be under no obligation to furnish any of the above services if and to the extent and during any period that the furnishing of any of such services or the use of any component necessary therefore shall be prohibited or rationed by any federal, state or municipal law, rule, regulation, requirement, order or direction and if the Port Authority deems it in the public interest to comply therewith, even though such law, rule, regulation, requirement, order or direction may not be mandatory on the Port Authority as a public agency.

(c) No failure, delay, interruption, or reduction in the supply of any agreed service, including without limitation thereto any failure, delay, interruption, or reduction under paragraph (b) of this Section (whether or not a separate charge is made therefor) shall be construed to be a breach of this Permit, shall be grounds for any abatement or diminution of the fees payable under this Permit, or shall relieve the Permittee of any other obligations hereunder, and unless such failure, delay interruption, or reduction results from the negligent acts of the Port Authority or from the Port Authority's willful refusal to maintain any of its wires, conduits, and cables which are required to supply the agreed-upon service and continues for a period of five (5) days after notice to the Port Authority, shall not be grounds for any claim by the Permittee for damages, consequential or otherwise.

(d) The Port Authority shall have the right to temporarily discontinue the supply of the above services when necessary or desirable in the opinion of the Port Authority in order to make any repairs, alterations, changes or improvements in the Approved Locations, the Operations Facilities or elsewhere at any of the Port Authority's facilities, including all systems for the supply of services.

(e) The Permittee shall not be entitled to receive any service or services during any period during which the Permittee shall be in default under any of the provisions of this Permit.

(f) The Port Authority shall have no obligations, responsibility with respect to the performance of any services or providing, supplying or furnishing to the Permittee of any utilities or services whatsoever, except as expressly provided in this Section.

Section 23. Force Majeure

(a) Neither the Port Authority nor the Permittee shall be liable for any failure, delay or interruption in performing its obligations hereunder due to acts of God or governmental authority, the elements, unusual weather conditions, tides, earthquakes, settlements, war, strikes, lockout, shortage of labor or materials, satellite failure or malfunction, electrical outage, fire or any other conditions or circumstances whether similar to or different from the foregoing which is beyond the control of the Port Authority or the Permittee; provided that this provision shall not apply to the Permittee's obligation to pay the fees specified in this Permit or its obligation to pay any other money payments due the Port Authority hereunder.

(b) No diminution or reduction of the fees or other charges payable by the Permittee shall be claimed by or allowed to the Permittee for any inconvenience, interruption, cessation or loss of business or other loss caused, directly or indirectly, by any present or future laws, rules, requirements, orders, directions, ordinances or regulations of the United States of America, or of the state, county or city governments, or of any other municipal, governmental or lawful authority whatsoever, or by priorities, rationing or curtailment of labor or materials, or by war or any matter or thing resulting therefrom, or by any other cause or condition beyond the control of the Port Authority, nor shall this Permit be affected by any such causes or conditions.

Section 24. Rights of Entry Reserved

(a) The Port Authority, by its officers, employees, agents, representatives and contractors, shall have the right at all reasonable times to enter upon the Operations Facilities for the purpose of inspecting the same, for observing the performance by the Permittee of its obligations under this Permit, and for the doing of any act or thing which the Port Authority may be obligated or have the right to do under this Permit or otherwise.

(b) Without limiting the generality of the foregoing, the Port Authority, by its officers, employees, agents, representatives and contractors, shall have the right, for the benefit of the Permittee or for the benefit of others at the Airport, to maintain existing and future utilities systems or portions thereof in or on the Operations Facilities, including therein without limitation thereto systems for the supply of heat, hot and cold water, gas, electricity and fuel and for the furnishing of fire alarm, fire protection, sprinkler, sewerage, drainage, air-conditioning, telephone, telegraph, teleregister, pneumatic-tube dispatch and intercommunication services, and to enter upon the Operations Facilities at all reasonable times to make such repairs, alterations and replacements as may, in the opinion of the Port Authority, be deemed necessary or advisable, and, from time to time, to construct or install over, in, under or through the Operations Facilities new systems, lines, pipes, mains, wires, conduits and equipment, and to use the Operations Facilities for access to other portions of the Airport in which the Operations Facilities are located not otherwise conveniently accessible; provided however, that such repair, alteration, replacement, construction, or access shall not unreasonably interfere with the use of the Operations Facilities by the Permittee.

Section 25. Condemnation

In any action or proceeding instituted by any governmental agency or agencies for the taking for a public use of any interest in all or any of the Approved Locations and/or the Operations Facilities, the Permittee shall not be entitled to assert any claim to any award or part thereof made or to be made therein, or to institute any action or proceeding or to assert any claim against such agency or agencies or against the Port Authority, for or on account of any such taking, it being understood and agreed between the Port Authority and the Permittee that the Port Authority shall be entitled to all the compensation or awards made or to be made or paid for any such taking, free of any claim or right of the Permittee.

Section 26. Sales and Services by the Permittee

(a) A principal purpose of the Port Authority in entering into this Permit is to have available for travelers and other users of the Airports, all other members of the public, and persons employed at the Airports, the Services which the Permittee is permitted to render hereunder, all for the better accommodation, convenience and welfare of such individuals and in fulfillment of the Port Authority's obligation to operate facilities for the use and benefit of the public, and the Permittee agrees that it will conduct a first class operation and will furnish and install all necessary or proper equipment, fixtures, improvements (subject to Sections 3 and 16), personnel, supplies, materials and other facilities and replacements therefor, and all such fixtures and improvements (except the Service Equipment shall be deemed to be personal property of the Permittee) shall on installation become the property of the Port Authority and a part of the Approved Locations or the Operations Facilities, provided however, that the Port Authority shall have the option, exercisable by notice delivered to the Permittee on or before a date sixty (60) days after expiration or termination hereof, to require the Permittee to remove any or all such fixtures, equipment and improvements and to restore the Approved Locations and the Operations Facilities to the condition thereof prior to any installation and in the event

of a failure on the part of the Permittee so to remove and restore, the Port Authority may do so, and the Permittee shall pay the cost thereof to the Port Authority upon receipt of a statement of the Port Authority's reasonable cost of labor and material. Without limiting the provisions of Sections 3 and 16 hereof, all equipment, fixtures and improvements to be used in the Approved Locations and the Operations Facilities and the installation thereof shall be subject to the prior written approval of the Port Authority as to type and quality. Notwithstanding the foregoing provisions of this paragraph, upon the expiration or revocation of the effective period of the permission granted under this Permit, the Permittee shall, at the option and direction of the Port Authority, remove the wires, cables and conduits installed by the Permittee pursuant to the provisions of Section 3 of this Permit or cap all electrical lines flush with the walls, floor, and ceiling. Nothing contained herein shall be deemed to affect or impair the Permittee's maintenance and repair obligations during the effective period of the permission granted under this Permit with respect to such wires, cables, and conduits.

(b) The Permittee shall furnish good, prompt and efficient service hereunder, adequate to meet all demands therefore, and shall furnish such service on a fair, equal and non-discriminatory basis to all users thereof.

(c) Materials and Services

Except as otherwise specifically provided herein, the Permittee shall be solely responsible for providing, installing, maintaining and operating, at its sole cost and expense, all Service Equipment at the Airports and at the Port Authority and shall provide all personnel necessary to perform these functions and address all customer complaints and inquiries, if any, during the effective period of the permission granted hereunder. Any problems concerning the Service that come to the attention of the Port Authority, such as any problems with the Service Equipment or customer inquiries or complaints related to the Service, shall be directed to the Permittee's designated on-site representative or communicated to the Permittee through any other communication procedure established and agreed to by the Permittee and the Port Authority.

(d) Property of Permittee

As between the Permittee and the Port Authority, all Service Equipment installed or brought into the Airports by the Permittee, related to the Service, shall be deemed to be personal property and shall not be deemed to be fixtures attached to real estate or part of the real estate and shall remain the sole property of the Permittee and may include any identifying logo, trademark or other signage of the Permittee and the equipment manufacturer.

(e) Encumbrances

The Port Authority shall not permit any liens, claims, charges, encumbrances or security interests of any nature whatsoever arising by or through the Port Authority ("Port Authority Encumbrances") to be placed upon the Service Equipment, and if the Port Authority receives notice of the placement of any such Port Authority Encumbrance, it shall notify the Permittee and shall take or cause to be taken all actions necessary to promptly clear and

remove such Port Authority Encumbrance from the Service Equipment as soon as practicable. The Permittee shall not permit any liens, claims, charges, encumbrances or security interests of any nature whatsoever arising by or through the Permittee ("Permittee Encumbrances") to be placed upon any property owned or leased by the Port Authority, and if the Permittee receives notice of the placement of any such Permittee Encumbrances, it shall notify the party whose property is affected and shall take or cause to be taken all actions necessary to promptly clear and remove such Permittee Encumbrances from such property.

(f) Disclaimer

Except as specifically provided in this Permit, neither the Permittee nor any person or entity acting for on behalf of Permittee has made or makes any warranties, express or implied, including, without limitation, implied warranties of merchantability or fitness for a particular purpose with respect to any product or service to be supplied by the Permittee hereunder.

Section 27. Labor Harmony

(a) The Permittee shall immediately give oral notice to the Port Authority (to be followed by written notices and reports) of any and all impending or existing labor complaints, troubles, disputes or controversies affecting or in connection with the Permittee's operations hereunder and shall give oral notice to the Port Authority of the progress thereof. The Permittee shall use its best efforts to resolve any such complaint, trouble, dispute or controversy.

(b) In its operations hereunder, the Permittee shall not contract with anyone, employ any persons, use or have any equipment or materials or allow any condition to exist if any such, in the opinion of the Port Authority, may cause or be conducive to any labor complaints, troubles, disputes or controversies either at the Approved Locations, the Operations Facilities or elsewhere at any of the Airports, or may in any other respect be objectionable to the Port Authority. The Port Authority's determination shall be conclusive on the Permittee, and, upon notice from the Port Authority, the Permittee shall immediately withdraw from the Airports any persons, equipment or materials specified in the notice and replace them with unobjectionable persons, equipment and materials, and shall immediately rectify any condition specified in the notice.

(c) If any type of strike, boycott, picketing, work stoppage or slowdown is directed against the Permittee, or any of its operations pursuant to this Permit, which in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of Airports, or any one of them, whether or not due to the fault of the Permittee and whether or not caused by or on account of the employees of the Permittee, or those doing business with it, and notwithstanding that the Port Authority may or may not have issued directions or made decisions in connection with such strike, boycott, picketing, work stoppage, or slowdown, the Port Authority may suspend the Permittee's operations hereunder at any time during the continuance thereof by notice to the Permittee, and during such suspension the Permittee shall

cease its activities and operations under this Permit. In the event any such labor activity shall continue for a period of seven (7) days or more, and regardless of whether the Port Authority has exercised its right of suspension hereunder, the Port Authority shall have the right, by twenty-four (24) hours' notice, to terminate this Permit and the effective period of the permission granted hereunder effective at the time specified in such notice. In the event of termination pursuant to this Section, the effective period of the permission granted hereunder shall cease and determine on the effective date of termination in the same manner and with the same effect as if that date were the original date of expiration set forth in this Permit; provided, however, that notwithstanding anything to the contrary set forth elsewhere in this Permit, the Permittee shall not be entitled to any abatement in the fees or other charges payable hereunder, nor to any reimbursement from the Port Authority on account of the cost of installing any fixtures or equipment or the performance of any installation work.

Section 28. Redelivery of Approved Locations and Operation Facilities

The Permittee agrees to peaceably and quietly remove the Service Equipment from the Approved Locations and the Operations Facilities and to yield and deliver peaceably to the Port Authority possession of the Operation Facilities within sixty (60) days following the date of the cessation of the effective period of the permission granted hereunder, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, reasonable wear and tear excepted.

Section 29. Brokerage

The Permittee represents and warrants that no broker has been concerned in the negotiation of this Permit and that there is no broker who is or may be entitled to be paid a commission in connection therewith. The Permittee shall indemnify and save harmless the Port Authority of and from any claim for commission or brokerage made by any and all persons, firms or corporation whatsoever for services in connection with the negotiation and execution of this Permit.

Section 30. Relationship of the Parties

Notwithstanding that the fee hereunder is measured by a percentage of gross advertising revenue and other monies, no partnership relationship between the parties hereto or joint venture is created by this Permit.

Section 31. Remedies to be Non-exclusive

All remedies provided in this Permit shall be and be deemed cumulative and additional and not in lieu of or exclusive of each other or of any other remedy available to the Port Authority at law or in equity.

Section 32. Notices

All notices, requests, demands, consents, approvals and other communications required to be given to or by either party shall be in writing, shall be personally delivered to the party or to the duly designated officer or representative of such party or delivered to the office of such party, officer or representative during regular business hours or sent by registered mail, postage prepaid, return receipt requested, and mailed in the United States to the respective parties as follows:

If to the Port Authority:

The Port Authority of New York and New Jersey
225 Park Avenue South
New York, New York 10003

If to the Permittee:

Deborah L. Cooper
Senior Vice President & General Manager
CNN Airport Network
One CNN Center SE07
Atlanta, GA 30303

or to such other person's attention or to such other address as either party may have furnished to the other in writing in accordance herewith.

In the event of a change in the person designated to receive notice ("Notice Designee") for either party, the party affected by such change shall notify the other party of the name and address of its new Notice Designee within thirty (30) days following such change.

Section 33. Designations Consents and Approvals

(a) Any designation, consent, permission, authorization or approval by the Port Authority under any section of this Permit may from time to time in the sole discretion of the Port Authority be made, given, revoked or rescinded by notice to the Permittee.

(b) The Port Authority's rights under this Section shall not be or be construed to be limited by any provision of this Permit covering the Port Authority's rights of termination.

Section 34. Permittee's Representative

The Permittee's representative, hereinbefore specified in this Permit (or such substitute as the Permittee may hereafter designate in writing), shall have full authority to act for the Permittee in connection with this Permit and any things done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit.

Section 35. Termination Rights by Port Authority and Permittee

35.1 Port Authority

(a) If any one or more of the following events shall occur, that is to say:

(1) The Permittee shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or consent to the appointment of a receiver, trustee, or liquidator of all or substantially all its property; or

(2) By order or decree of a court the Permittee shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the Permittee is a corporation, by any of the stockholders of the Permittee, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any State thereof; or

(3) A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the Permittee and shall not be dismissed within sixty (60) days after the filing thereof; or

(4) The interest or estate of the Permittee under this Permit shall be transferred to, pass to or devolve upon, by operation of law or otherwise, any other person, firm or corporation except as expressly permitted by the provisions of subdivision (5) of this paragraph; or

(5) The Permittee, if a corporation, shall become, without the prior consent of the Port Authority, a corporation in dissolution, or shall become a possessor or merged corporation in a merger or a constituent corporation in a consolidation unless the resulting corporation has a financial standing as of the effective date of the merger or consolidation sufficient in the opinion of the Port Authority to assure the Port Authority that the resulting corporation has the financial ability to fulfill all of the Permittee's obligations under this Permit for the balance of the effective period of the permission granted under this Permit, and

such corporation shall furnish to the Port Authority such additional security or guaranty as the Port Authority may deem necessary; or

(6) The Permittee is a partnership, and such partnership shall be dissolved as the result of any act or omission of its partners or any of them, or by operation of law or the order or decree of any court having jurisdiction, or for any other reason whatsoever; or

(7) By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer, a receiver, trustee, or liquidator shall take possession or control of all or substantially all the property of the Permittee or any execution or attachment shall be issued against the Permittee or any of its property, whereupon the exercise of its privileges granted under this Permit shall be taken by someone other than the Permittee, and any such taking shall continue in effect for a period of fifteen (15) days; or

(8) Any lien is filed against the Approved Locations and the Operations Facilities because of any act or omission of the Permittee and is not removed within thirty (30) days; or

(9) The Permittee shall voluntarily abandon, desert, vacate or discontinue its operations in the Approved Locations and the Operations Facilities or, after exhausting or abandoning any right of further appeal, the Permittee shall be prevented for a period of thirty (30) days by action of any governmental agency from conducting its operations, regardless of the fault of the Permittee; or

(10) The Permittee shall fail to pay the fees or to make any other payment required hereunder when due as herein provided, which failure is not remedied within ten (10) days following receipt by Permittee of the Port Authority's written demand therefor; or

(11) The Permittee shall fail to keep, perform and observe each and every other promise, covenant and agreement set forth in this Permit on its part to be kept, performed, or observed, within ten (10) days after receipt of notice of default thereunder from the Port Authority (except where fulfillment of its obligation requires activity over a period of time, and the Permittee shall have commenced to perform whatever may be required for fulfillment within ten (10) days after receipt of notice and continues such performance without interruption except for causes beyond its control); or

(12) The Permittee diminishes the quality of the Service in any material way by its exercise of the discretion reserved to it in paragraph (c) of Section 5 hereof and fails to restore the quality of the Service within seven (7) days of its receipt of a written notice from the Port Authority describing the diminished quality; then upon the occurrence of any such event or at any time thereafter during the continuance thereof, the Port Authority may by five (5) days' notice terminate the permission granted thereunder, such termination to be effective upon the date specified in such notice. Such right of termination and the exercise thereof shall be and operate as a conditional limitation.

(b) If any of the events enumerated in paragraph (a) of this Section shall occur prior to the effective date of the permission granted hereunder, the Permittee shall not be entitled to use or occupy the Approved Locations and the Operations Facilities, and the Port Authority upon the occurrence of any such event or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice may cancel the interest of the Permittee under this Permit, such cancellation to be effective upon the date specified in such notice.

(c) No acceptance by the Port Authority of fees for any period or periods after a default of any of the terms, provisions or conditions of this Permit shall be deemed a waiver of any right on the part of the Port Authority to terminate this Permit. No waiver by the Port Authority of any default on the part of the Permittee in performing any of the terms, provisions or conditions of this Permit to be performed, kept or observed by the Permittee shall be or be construed to be a waiver by the Port Authority of any other subsequent default in performance of any of the said terms, provisions and conditions.

(d) In the event the Port Authority exercises its right to revoke or terminate this Permit for any reason other than "without cause," the Permittee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such revocation or termination, including without limitation any re-entry, regaining or resumption of possession, collecting all amounts due to the Port Authority, the restoration of any space which may be used and occupied under this Permit (on failure of the Permittee to have it restored), preparing such space for use by a succeeding permittee, the care and maintenance of such space during any period of non-use of the space, the foregoing to include, without limitation, personnel costs and legal expenses (including but not limited to the cost to the Port Authority of in-house legal services), repairing and altering the space and putting the space in order (such as, but not limited to, cleaning and decorating the same).

(e) The rights of termination described above shall be in addition to any other rights of termination provided in this Permit and in addition to any rights and remedies that the Port Authority would have at law or in equity consequent upon any breach of this Permit by the Permittee, and the exercise by the Port Authority of any right of termination shall be without prejudice to any other such rights and remedies.

35.2 Permittee

In the event that one of the following circumstances should occur, the Permittee may, at its sole option, terminate the Permit upon giving thirty (30) days written notice to the Port Authority stating the reason therefor and an intention to terminate within thirty (30) days:

- (i) the Permittee's determination, in its sole discretion, to discontinue providing the Service to all airports within the United States of America;
- (ii) the default by the Port Authority in the performance of any material covenants or agreements herein required to be performed by the Port Authority, and the failure of the Port Authority, to remedy such default for a

period of thirty (30) days after receipt of written notice by the Permittee to remedy the same;

- (iii) the inability of the Permittee to deliver the Service or otherwise perform its obligations as contemplated hereunder by reason of any law, regulation or act of any governmental authority or court of competent jurisdiction.

Section 36. Additional Right of Termination by Port Authority

Notwithstanding any other provision of this Permit, the Port Authority shall have the right to terminate this Permit and the effective period of the permission granted hereunder, without cause, at any time, on thirty (30) days' notice to the Permittee. In the event of termination pursuant to this Section, this Permit and the effective period of the permission granted hereunder shall cease and expire on the effective date of termination stated in the notice in the same manner and with the same effect as if that date were the date originally stated herein for the expiration of this Permit. Termination shall not relieve the Permittee of any liabilities or obligations which shall have accrued on or prior to the effective date of termination or which shall mature on such date.

Section 37. Late Charges

Except with respect to any Guaranteed Amount or any Port Authority Service Revenue Share, or quarterly installment payments of either thereof, due hereunder and accrued prior to the date of the execution of this Permit, all of which shall be due and payable to the Port Authority within thirty (30) days following the execution of this Permit by the Permittee, if the Permittee should fail to pay any amount required under this Permit when due to the Port Authority, including without limitation any payment of any percentage fee or any payment of any other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of

the Port Authority under this Permit, including without limitation the Port Authority's rights set forth in Section 36 of this Permit or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Permit shall be payable instead at such legal maximum.

Section 38. Affirmative Action

The Permittee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participation in any employment activities covered in 14 CFR Part 152, Subpart E. The Permittee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this Subpart. The Permittee assures that it will require that its covered sub-organizations provide assurances to the Permittee that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

Section 39. DBE Requirements

The Port Authority has a long-standing practice of making its contract opportunities available to disadvantaged business firms (DBE's) and has taken affirmative steps to encourage such firms to seek business opportunities with the Port Authority either directly or as subcontractors, sub-suppliers, or sub-consultants.

To qualify for certification by the Port Authority as a DBE, a firm must be: (1) a small business concern; and (2) owned and controlled by one or more socially and economically disadvantaged individuals; and (3) actually managed and operated by one or more of the socially and economically disadvantaged individuals who control it. With respect to a corporation, "control," as used in this Section, shall mean legal and beneficial ownership by one person, firm or corporation, or a group acting in concert, of a majority of the issued and outstanding shares of the capital stock and voting rights of another corporation. With respect to a person or firm other than a corporation "control," as used in this Section, shall mean the power to direct the management and policies of such person or firm, whether by legal or beneficial ownership, or otherwise.

A. Determination of Business Size

- 1) The size standards established by the Small Business Administration in 13 CFR Part 121, as revised on May 25, 1988, are used for making size determinations. Port Authority assistance in explaining these standards is available. (See below).

- 2) However, no firm is considered small if, including its affiliates, it averaged annual gross receipts in excess of \$14 million over the previous three fiscal years.
- 3) All affiliates of a firm, as well as the firm itself, are considered when determining gross receipts earned or number of persons employed. Affiliation exists if one firm controls or has the power to control the other, or a third party or parties controls or has the power to control both firms.

B. Socially and Economically Disadvantaged Individuals

- 1) Any person having a current 8(a) certification from the Small Business Administration is considered to be socially and economically disadvantaged.
- 2) The Port Authority makes a "rebuttable presumption" that individuals in the following groups who are citizens of the United States (or lawfully permanent residents) are socially and economically disadvantaged:
 - a. Women
 - b. Black Americans, which includes persons having origins in any of the Black racial groups of Africa;
 - c. Hispanic Americans, which includes persons of Mexican, Puerto Rican, Cuban, Central, or South American, or other Spanish or Portuguese culture or origin, regardless of race;
 - d. Native Americans, which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
 - e. Asian-Pacific Americans, which includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific, and the Northern Marianas; and
 - f. Asian-Indian Americans, which includes persons whose origins are from India, Pakistan, Bangladesh, and Sri Lanka.

The Port Authority will generally assume that business owners who fall into one of these groups are socially and economically disadvantaged. Their disadvantaged status will not generally be investigated, unless a third party challenge is made.

3) Other individuals may be found to be socially and economically disadvantaged on a case-by-case basis. For example, a disabled Vietnam veteran, an

Appalachian white male, or another person may claim to be disadvantaged. If such individual requests that his or her firm be certified as a DBE, the Port Authority, as part of the certification process, will determine whether the individual is socially and economically disadvantaged under the criteria established by the Federal Government. These owners must demonstrate that their disadvantaged status arose from individual circumstances, rather than by virtue of membership in a group.

In furtherance of its policy to assist DBE's to receive meaningful benefit from this potential contract, the Port Authority has set an overall goal of ten percent (10%) participation by certified DBE's (sometimes herein described as "eligible for certification") by the Port Authority as hereinafter provided.

In order to facilitate meeting this goal, the Permittee shall use, to the maximum extent feasible and consistent with the Permittee's exercise of good business judgment, including, without limitation, the consideration of cost competitiveness, a good faith effort to meet the above goal. Such good faith effort shall include at least the following:

- a. Actively and affirmatively soliciting bids for the matter to be contracted out from DBE's, including circulation of solicitations to DBE contractor associations. The Permittee shall maintain records detailing the efforts made to provide for DBE benefits from this Permit, including the names and addresses of all DBE's contacted and, if any such DBE is not selected individually or as a joint venturer, the reasons for such decision.
- b. Making plans and specifications for prospective involvement available to DBE's in sufficient time for review.
- c. Utilizing the list of eligible DBE's maintained by the Port Authority or seeking them from other sources for the purpose of soliciting suppliers.
- d. Encouraging the formation of joint ventures, partnerships or other similar arrangements, where appropriate, to ensure that the Permittee will meet its obligations hereunder.
- e. Ensuring that provision is made to provide payments to DBE's on a timely basis.
- f. Not requiring bonds from and/or providing bonds and insurance for DBE's where appropriate.

The Port Authority has compiled a list, which may be supplemented and revised from time to time by the Port Authority, to indicate the firms the Port Authority determines satisfy the criteria for DBE certification. Such list shall be made available to the contractor upon request. The Port Authority makes no representation as to the financial responsibility of such firms, their technical competence to perform, nor any other performance-related qualifications.

Only listed DBE's and such firms not so listed but certified by the Port Authority as DBE's hereunder will count toward the DBE goals.

Certification of DBE's hereunder shall be made by the office of Business and Job Opportunity of the Port Authority. If the Permittee wishes to utilize a firm not so listed but which the Permittee believes should be certified as a DBE, the Permittee shall submit to the Port Authority a written request for a determination that the proposed firm is eligible for certification. This shall be done by completing and forwarding such form as may be required by the Port Authority from time to time. All such requests shall be in writing addressed to the Office of Business and Job Opportunity, The Port Authority of New York and New Jersey, 225 Park Avenue South, New York, New York 10003. Eligibility for certification shall only be made in writing over the name of the Director in charge of the Office of Business and Job Opportunity. The determination of the Port Authority shall be final and binding on the Permittee. For inquiries or assistance, please contact Director, Office of Business and Job Opportunity at (212) 435-7802.

The following organizations may be able to refer the Permittee to firms which the referring organization has a reasonable basis to believe may meet the Port Authority's criteria for certification as a DBE. Any referrals which are not listed shall be submitted to the Port Authority for a determination as to eligibility as provided above.

- | | |
|--|--|
| 1. National Minority Bus. Council Inc.
235 East 42nd Street
New York, N.Y. 10017
(212) 573-2385 | 4. The Council For Airport Opportunity
2 World Trade Center, Suite 2228
New York, N.Y. 10048
(212) 466-1091 |
| 2. N.Y./N.J. Minority Purchasing Council
1412 Broadway - 11th floor
New York, N.Y. 10018
(212) 944-2442 | 5. Assoc. of Minority Enterprises of NY
(AMENY)
165-40A Baisley Blvd. Suite 3
Jamaica, N.Y., 11434 |
| 3. Newark, Paterson, Jersey City
Business Development Center
60 Park Place, Suite 1307
Newark, N.J. 01702 | 6. Air Services Development Office
90-04 161st Street
Jamaica, N.Y. 11432
(718) 262-9012 (201) 623-7712 |

Section 40. Labor Force Utilization

The Permittee will be expected to make good faith efforts to achieve a supervisory and non-supervisory work force in connection with its operations at the three Airports that is representative of the local community labor force with respect to minority and female participation and to work with the Port Authority's Office of Business and Job Opportunity and the facility manager to identify referral sources when needed. The Permittee will be expected to fully utilize apprentices or other training positions in the work as appropriate.

Section 41. No Transmission Interference

(a) The Permittee understands that the Port Authority has made and may hereafter make commitments to third parties with respect to interference-free radio, television and other communication transmission and reception at the Airports and, consequently, notwithstanding any privileges or consents or approvals given by the Port Authority with respect to installation by the Permittee of the Service Equipment, if the Port Authority shall at any time determine, or if a third party shall allege, that the Service Equipment or any other equipment placed or installed by the Permittee at the Airports may cause or contribute to the cause of interference with any radio, television or other communication transmission or reception at the Airports or elsewhere, the Permittee, upon notice from the Port Authority, shall immediately discontinue the use of any of such Service Equipment or other equipment until the cause of the interference has been corrected or until it has been determined by the Port Authority that the Permittee's Service Equipment or other equipment does not cause or contribute to the cause of such interference. In the event that the Permittee is required pursuant to this paragraph to discontinue the use of its Service Equipment or other equipment for a continuous period of at least sixty (60) days and if the Port Authority and the Permittee have not agreed on steps to be taken by the Permittee to correct such interference, then after the said sixty (60) day period has expired, the Port Authority and the Permittee shall each have the right during the remainder of the period of the discontinuance to terminate the permission granted under this Permit on thirty (30) days' written notice to the other party. In the event of termination pursuant to this paragraph, the permission granted under this Permit shall cease and expire as if the effective date of termination stated in the notice were the date originally stated herein for the expiration of the permission granted under this Permit for such termination. It is understood that the cost and expense of all corrective action shall be the Permittee's responsibility.

(b) Without limiting the generality of any other provision hereof the Port Authority shall have the right at any time to inspect and examine any of the Service Equipment or other equipment installed by the Permittee and the Permittee shall cooperate with the Port Authority in connection therewith, including demonstrating and testing any such Service Equipment or other equipment.

Section 42. Non-Liability of Individuals

Neither the Commissioners of the Port Authority nor the directors of the Permittee, nor any of them, nor any officer, agent or employee of either the Port Authority or the Permittee shall be charged personally by the other party with any liability, or be held liable to it, under any term or provision of this Permit or because of its execution or attempted execution, or because of any breach thereof.

Section 43. Basic Leases

Notwithstanding any other term or provision of this Permit: (i) The permission hereby granted with respect to the Permittee's operations at John F. Kennedy International Airport and LaGuardia Airport shall in any event terminate upon the expiration or earlier termination of the lease of John F. Kennedy International Airport and LaGuardia Airport from the City of New York to the Port Authority under that certain agreement between The City of New York and the Port Authority dated November 24, 2004, as such agreement from time to time may have been or may be supplemented or amended. Such agreement has been recorded in the office of the City Register of the City on December 3, 2004 under City Register File No. 2004000748687.

(ii) The permission hereby granted with respect to the Permittee's operations at Newark International Airport shall in any event terminate upon the expiration or earlier termination of the lease of Newark International Airport from the City of Newark to the Port Authority under that certain agreement between the City of Newark and the Port Authority dated October 22, 1947, as such agreement from time to time may have been or may be supplemented or amended. Such agreement has been recorded in the office of the Register of Deeds for the County of Essex, on October 30, 1947 in Book E-110 of Deeds, at page 242, et seq.

No greater rights or privileges are hereby granted to the Permittee with respect to the Airports than the Port Authority has the power to grant under the respective agreement of lease between the Port Authority and the lessor thereof.

Since the Port Authority has agreed by a provision in the agreement of lease between the Port Authority and The City of New York whereby the Port Authority leases John F. Kennedy International Airport and LaGuardia Airport from the City of New York to conform to the enactments, ordinances, resolutions and regulations of the City of New York and its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation, to the extent that the Port Authority finds it practicable so to do, and the Port Authority has agreed by a provision in the agreement of lease between the Port Authority and the City of Newark whereby the Port Authority leases Newark International Airport from the City of Newark to conform to the enactments, ordinances, resolutions and regulations of the City of Newark and its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation, to the extent that the Port Authority finds it practicable so to do, the Permittee agrees, except in cases where the Port Authority either notifies the Permittee that it need not comply therewith or directs it not to comply therewith, to comply with all such enactments, ordinances, resolutions and regulations which would be applicable to its operations at the Airports if the Port Authority were a private corporation, and, subject to the provisions of this Permit concerning construction by the Permittee, to make all non-structural improvements and alterations of or to the Operations Facilities required at any time hereafter by any such enactment, ordinance, resolution or regulation, and all structural improvements or alterations of or to the Operations Facilities that may be required at any time hereafter by any such enactment, ordinance, resolution or regulation

because of the operations of the Permittee thereon or its use and occupancy thereof. The Permittee shall for the information of the Port Authority, deliver to the Port Authority within three (3) days (Saturdays, Sundays, and holidays included) after receipt of any notice, warning, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution, or regulation, a true copy of the same. In the event of compliance with any such enactment, ordinance, resolution, or regulation on the part of the Permittee acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority not to comply (and thereafter discontinued) such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter directs the Permittee not to comply. Nothing herein contained shall release or discharge the Permittee from its obligation to comply with all of the other provisions of this Permit respecting compliance with Governmental Requirements.

Section 44. Security Deposit - Letter of Credit

The Port Authority and the Permittee have heretofore entered into an permit dated as of January 1, 2006 and bearing Port Authority Permit Number AX-801 covering the granting of certain privileges at Newark Liberty International Airport, LaGuardia Airport and John F. Kennedy International Airport (which permit, as the same may be supplemented, amended or extended, is hereinafter called "AX-801"). The Permittee and the Port Authority hereby agree that all security deposited by the Permittee as security under AX-801 may be held and used by the Port Authority as security for the full, faithful and prompt performance of and compliance with, on the part of the Lessee, all of the terms, provisions, covenants and conditions of this Permit (as the same may be hereafter supplemented, amended or extended) and of AX-801. All security deposited under AX-801 shall be considered as if deposited under this Permit and no part of any deposit to which this Section applies shall be repaid until both of the aforesaid permits shall have expired and except in accordance with the provisions of the last of the said permits to expire.

Section 45. Public Announcements

The parties agree to use their respective best efforts to cooperate with each other regarding the timing and the content of any public releases, promotional material, or other announcements related to this Permit or the Service (to the extent the other party is referenced in such materials) prior to the issuance thereof; provided, however, that the Port Authority shall obtain the Permittee's prior written consent if any such release or public announcement includes the trade name, trademark or service mark of the Permittee or one of its affiliated entities.

Section 46. Severability

If any term, provision, covenant or restriction of this Permit is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Permit shall remain in full force and effect and shall

in no way be affected, impaired or invalidated unless to so continue the Permit would unjustly prejudice the parties hereto.

Section 47. Counterparts

This Permit may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Section 48. Waiver

The failure of any party hereto at any time or times to enforce or to require strict compliance or performance by the other party of any provisions hereof, shall in no manner affect the right to enforce the same or to avail itself of such remedies as it may have for any breach thereof, and shall not constitute a future waiver of such provisions. No waiver by any party hereto of any condition, or of the breach of any term, provision, warranty, representation, agreement or covenant contained in this Permit, whether by conduct or otherwise, in any one or more instances shall be deemed or construed as a further or continuing waiver of any such condition or breach of any other term.

Section 49. Headings

The section headings and the subdivision headings, if any, are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provision hereof.

Section 50. Entire Agreement

This Permit constitutes the entire agreement of the parties on the subject matter hereof and may not be changed, modified, discharged or extended except by written instrument duly executed by the Port Authority and the Permittee. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in this Permit.

IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

By: *[Signature]*
Print Name: Lysa Scully
(Title): Asst. Dir., OCCAS

AC HOLDINGS, INC.
(Permittee)

By: *[Signature]*
Print Name: Deborah L. Cooper
Title: SVP & GM

Port Authority Use Only	
Approval as to Terms:	Approval as to Form:
<i>ES</i>	<i>RMS</i>

CC



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Network Viewing Area Report*

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Site ID JFK New York - JF Kennedy International Airport

Terminal	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
1		1		5/29/1998	1	International Airlines
1		2	1	5/29/1998	0	International Airlines
1		3		5/29/1998	1	International Airlines
1		4		5/29/1998	1	International Airlines
1		5		5/29/1998	1	International Airlines
1		6		7/6/1998	1	International Airlines
1		7	11	7/6/1998	0	International Airlines
1		8		7/6/1998	1	International Airlines
1		9	11	7/6/1998	0	International Airlines
1		10	8	7/6/1998	0	International Airlines
1		11		7/6/1998	1	International Airlines
2		20		2/18/1999	1	Delta Air Lines
2		21		2/18/1999	1	Delta Air Lines
2		22	21	2/18/1999	0	Delta Air Lines
2		23		2/18/1999	1	Delta Air Lines

EXHIBIT A (19 Pages)



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Site ID	JFK	New York - JF Kennedy International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
3				1	3	2/18/1999	0	Delta Air Lines
3				2	3	2/18/1999	0	Delta Air Lines
3				3		2/18/1999	1	Delta Air Lines
3				4		2/18/1999	1	Delta Air Lines
3				5A		2/18/1999	1	Delta Air Lines
3				5B	5A	2/18/1999	0	Delta Air Lines
3				7		2/18/1999	1	Delta
3				11A/B	11C/D	2/18/1999	0	Delta
3				11C/D		2/18/1999	1	Delta
3				11G	11C/D	2/18/1999	0	Delta Air Lines
3				12A	12B	2/18/1999	0	Delta
3				12B		2/18/1999	1	Delta
3				14A	14B		0	Delta
3				14B		2/18/1999	1	Delta
3				15B		2/18/1999	1	Delta Air Lines



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Terminal	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
3		16	17	2/18/1999	0	Delta Air Lines
3		17		2/18/1999	1	Delta Air Lines
3		18	17	2/18/1999	0	Delta Air Lines
4	A	2		8/18/2004	1	International Airlines
4	A	3		8/18/2004	1	International Airlines
4	A	4		8/18/2004	1	International Airlines
4	A	5		8/18/2004	1	International Airlines
4	A	6		8/18/2004	1	International Airlines
4	A	7		8/18/2004	1	International Airlines
4	B	20		8/18/2004	1	International Airlines
4	B	22		8/18/2004	1	International Airlines
4	B	24		6/27/2000	1	International Airlines
4	B	25		8/18/2004	1	International Airlines
4	B	26		6/27/2000	1	International Airlines
4	B	27		6/27/2000	1	International Airlines



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Terminal	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
4	B	28		6/27/2000	1	International Airlines
4	B	29		6/27/2000	1	International Airlines
4	B	30		6/27/2000	1	International Airlines
4	B	31		6/27/2000	1	International Airlines
8		1		8/26/1997	1	American Airlines
8		3		8/26/1997	1	American Airlines
8		4		8/26/1997	1	American Airlines
8		7		8/26/1997	1	American Airlines
8		8		8/26/1997	1	American Airlines
8		9	7	8/26/1997	0	American Airlines
8		10	8	8/26/1997	0	American Airlines
8	C	31	33	8/25/2005	0	American Airlines
8	C	32		8/25/2005	1	American Airlines
8	C	33		8/25/2005	1	American Airlines
8	C	34		8/25/2005	1	American Airlines



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Site ID	JFK	New York - JF Kennedy International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
8			C	36	34	8/25/2005	0	American Airlines
8			C	37		8/25/2005	1	American Airlines
8			C	38		8/25/2005	1	American Airlines
8			C	39		8/25/2005	1	American Airlines
8			C	40		8/25/2005	1	American Airlines
8			C	41		8/25/2005	1	American Airlines
8			C	42	40	8/25/2005	0	American Airlines
8			C	43		8/25/2005	1	American Airlines
8			C	44		8/25/2005	1	American Airlines
8			C	45	47	8/25/2005	0	American Airlines
8			C	46		8/25/2005	1	American Airlines
8			C	47		8/25/2005	1	American Airlines
9			B	1		5/23/2007	1	American Airlines
9			B	2	1	5/23/2007	0	American Airlines
9			B	4		5/23/2007	1	American Airlines



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Site ID	JFK	New York - JF Kennedy International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
9			B	5		5/23/2007	1	American Airlines
9			B	6		5/23/2007	1	American Airlines
9			B	8	6	5/23/2007	0	American Airlines
9			B	12		5/23/2007	1	American Airlines
9			B	14		5/23/2007	1	American Airlines
9			B	16	14	5/23/2007	0	American Airlines
1				ITL		5/29/1998	1	Other - Transit Lounge
1				INS 1		9/22/1999	1	Other - Holdroom
1				INS 2		9/22/1999	1	Other - Holdroom
2				BAGE		10/10/2000	1	Other - Baggage Claim
3				BC2		1/15/2001	1	Other - Baggage Claim
3				INS1/2		7/1/1999	2	Other - Holdroom
4				INS		8/18/2004	2	Other - Immigrations
4				ITL 1		6/27/2000	1	Other - Transit Lounge
4				INS 2		8/18/2004	2	Other - Immigrations



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Site ID JFK New York - JF Kennedy International Airport

Terminal Concourse Location Served By Original Activation Date Display Units Occupant

Total Number of Locations Served:	90
Total Display Units:	70
Total Gate Viewing Areas:	58
Total Other Viewing Areas:	9

End Of Report



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Site ID LGA New York - La Guardia Airport

Terminal	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
B-CTB	A	2		11/25/1997	1	CanJet
B-CTB	A	4		11/25/1997	1	Continental Airlines
B-CTB	A	6		11/25/1997	1	Air Canada
B-CTB	A	7	6	11/25/1997	0	Air Canada
B-CTB	C	10		11/25/1997	1	United Airlines
B-CTB	C	12	14	11/25/1997	0	United Airlines
B-CTB	C	14		11/25/1997	1	United Airlines
B-CTB	D	3		11/25/1997	1	American Airlines
B-CTB	D	5		11/25/1997	1	American Airlines
B-CTB	D	7		11/25/1997	1	American Airlines
B-CTB	D	8		11/25/1997	1	American Airlines
B-CTB	D	10	8	11/25/1997	0	American Airlines
C-US AIRWAYS		1	2	2/12/1998	0	US Airways
C-US AIRWAYS		2		8/5/1997	1	US Airways



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Site ID	LGA	New York - La Guardia Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
C-US AIRWAYS				3	2	8/5/1997	0	US Airways
C-US AIRWAYS				4	5	8/5/1997	0	US Airways
C-US AIRWAYS				5		8/5/1997	1	US Airways
C-US AIRWAYS				6		8/5/1997	1	US Airways
C-US AIRWAYS				7	6	8/5/1997	0	US Airways
C-US AIRWAYS				8	6	2/12/1998	0	US Airways
C-US AIRWAYS				9		8/5/1997	1	US Airways
C-US AIRWAYS				10		2/12/1998	1	US Airways
C-US AIRWAYS				16		8/5/1997	1	US Airways Shuttle
C-US AIRWAYS				17	16	8/5/1997	0	US Airways Shuttle
C-US AIRWAYS				18	20	8/5/1997	0	US Airways Shuttle
C-US AIRWAYS				19	20	8/5/1997	0	US Airways Shuttle
C-US AIRWAYS				20		8/5/1997	1	US Airways Shuttle
D-DELTA				1		8/31/1995	1	Delta Air Lines
D-DELTA				2		8/31/1995	1	Delta Air Lines



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Terminal	Site ID	LGA	New York - La Guardia Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
D-DELTA					3		9/15/1995	1	Delta Air Lines
D-DELTA					4		9/15/1995	1	Delta Air Lines
D-DELTA					5A		9/15/1995	1	Delta ASA
D-DELTA					6		9/15/1995	1	Delta Air Lines
D-DELTA					7	6	9/15/1995	0	Delta Air Lines
D-DELTA					7A	6	9/15/1995	0	Northwest Airlines
D-DELTA					8	10	9/15/1995	0	Northwest Airlines
D-DELTA					9	10	9/15/1995	0	Air China
D-DELTA					10		9/15/1995	1	Northwest Airlines
B-CTB				B	BC-E		9/1/1998	4	Other - Baggage Claim
B-CTB				B	BC-W		9/1/1998	4	Other - Baggage Claim
C-US AIRWAYS					FC		8/5/1997	1	Other - Food Counter



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Site ID	LGA	New York - La Guardia Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
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Total Number of Locations Served:	41
Total Display Units:	32
Total Gate Viewing Areas:	23
Total Other Viewing Areas:	3

End Of Report



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Site ID	EWR	Newark Liberty International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
A			1	10	12	10/21/1999	0	Air Tran Airlines
A			1	11	12	10/21/1999	0	International Airlines
A			1	12		10/21/1999	1	United Airlines
A			1	14	15	10/21/1999	0	United Airlines
A			1	15		10/21/1999	1	United Airlines
A			3	30	32	10/19/1999	0	American Airlines
A			3	31	32	10/19/1999	0	American Airlines
A			3	32		10/19/1999	1	American Airlines
A			3	33	34	10/19/1999	0	American Airlines
A			3	34		10/19/1999	1	American Airlines
A			3	35	34	10/19/1999	0	American Airlines



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Site ID	EWR	Newark Liberty International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
B	1	41A		41A		3/3/2004	1	KLM Royal Dutch Airlines
B	1	41B		41A		10/18/1999	0	KLM Royal Dutch Airlines
B	1	42		41A		10/18/1999	0	Northwest Airlines
B	1	44		45		10/18/1999	0	Delta Air Lines
B	1	45		45		10/18/1999	1	Delta Air Lines
B	1	46A/B				10/16/1999	1	International Airlines
B	2	52		53		10/16/1999	0	International Airlines
B	2	53				10/16/1999	1	International Airlines
B	2	54		53		10/16/1999	0	International Airlines
B	2	55		56		10/16/1999	0	International Airlines
B	2	56				10/16/1999	1	International Airlines
B	2	57		56		10/16/1999	0	International Airlines
B	3	62		63		10/16/1999	0	International Airlines



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Site ID	EWR	Newark Liberty International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
B			3	63		10/16/1999	1	International Airlines
B			3	64	63	10/16/1999	0	International Airlines
B			3	65	66	10/16/1999	0	International Airlines
B			3	66		10/16/1999	1	International Airlines
B			3	67	66	10/16/1999	0	International Airlines
C			1	70	72	2/26/1997	0	Continental Airlines
C			1	71		2/26/1997	1	Continental Airlines
C			1	72		2/26/1997	1	Continental Airlines
C			1	73		2/26/1997	1	Continental Airlines
C			1	74		2/26/1997	1	Alitalia Airlines
C			1	75		2/26/1997	1	Alitalia Airlines
C			1	81		2/26/1997	1	Continental Airlines
C			1	83	81	2/26/1997	0	Continental Airlines
C			1	85		2/26/1997	1	Continental Airlines



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Site ID	EWR	Newark Liberty International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
C			1	86	85	2/26/1997	0	Continental Airlines
C			1	87	88	2/26/1997	0	Continental Airlines
C			1	88		2/26/1997	1	Continental Airlines
C			1	90		2/26/1997	1	Air France
C			1	91	90	2/26/1997	0	Continental Airlines
C			1	92	94	2/26/1997	0	Continental Airlines
C			1	93	95	2/26/1997	0	Continental Airlines
C			1	94		2/26/1997	1	Continental Airlines
C			1	95		2/26/1997	1	Continental Airlines
C			1	97		2/26/1997	1	Continental Airlines
C			1	99	97	2/26/1997	0	Continental Airlines
C			2	101A	103A	12/21/1999	0	Continental Airlines
C			2	102A		12/21/1999	1	Continental Airlines
C			2	103A		12/21/1999	1	Continental Airlines
C			2	103B	103A	12/21/1999	0	Continental Airlines



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Site ID	EWR	Newark Liberty International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
C			2	104A	106A	2/26/1997	0	Continental Airlines
C			2	104B	106A	2/26/1997	0	Air France
C			2	105A	107A	2/26/1997	0	Air France
C			2	106A		2/26/1997	1	Air France
C			2	107A		2/26/1997	1	Continental Airlines
C			2	107B	107A	2/26/1997	0	Continental Airlines
C			2	109A	111A	2/26/1997	0	Continental Airlines
C			2	111A		2/26/1997	1	Continental Airlines
C			2	112		2/26/1997	1	Continental Airlines
C			2	113	112	2/26/1997	0	Continental Airlines
C			2	114	115	2/26/1997	0	Continental Airlines
C			2	115		2/26/1997	1	Continental Airlines
C			3	120	122	12/15/2001	0	Continental Airlines



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Run Date: July/30/2007
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Site ID	EWR	Newark Liberty International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
C			3	121	122	12/15/2001	0	Continental Airlines
C			3	122		12/15/2001	1	Continental Airlines
C			3	123	122	11/30/2001	0	Continental Airlines
C			3	124		12/15/2001	1	Continental Airlines
C			3	125	124	12/15/2001	0	Continental Airlines
C			3	126	124	12/15/2001	0	Continental Airlines
C			3	127	124	12/15/2001	0	Continental Airlines
C			3	128	139	12/15/2001	0	Continental Airlines
C			3	130		12/15/2001	1	Continental Airlines
C			3	131	130	12/15/2001	0	Continental Airlines
C			3	133		12/15/2001	1	Continental Airlines
C			3	134	133	12/15/2001	0	Continental Airlines
C			3	135	133	12/15/2001	0	Continental Airlines
C			3	136	138	12/15/2001	0	Continental Airlines
C			3	137	138	12/15/2001	0	Continental Airlines



*CNN Airport Network
Network Viewing Area Report*

Report ID: T_PNSELI
Unit: 2100
Run Date: July/30/2007
2:26:35 PM

Site ID	EWR	Newark Liberty International Airport	Concourse	Location	Served By	Original Activation Date	Display Units	Occupant
C			3	138		12/15/2001	1	Continental Airlines
C			3	139		11/30/2001	1	Continental Airlines
B				INS 1		6/13/2000	1	Other - Immigrations
B				INS 2		6/13/2000	1	Other - Immigrations
B				INS 3		6/13/2000	1	Other - Immigrations
B				INS 4		6/13/2000	1	Other - Immigrations
C				BC 1/2		6/14/2000	1	Other - Baggage Claim
C				BC 3/4		6/14/2000	1	Other - Baggage Claim
C				BC 5/6		6/14/2002	1	Other - Baggage Claim
C				BC 8/9		6/14/2002	1	Other - Baggage Claim
C				BC7		6/14/2001	1	Other - Baggage Claim
C				HNS		10/1/1999	1	Other - Concession Shop
C				SC1		5/1/1999	1	Other - Ticket Counter
C				SC2		5/1/1999	1	Other - Ticket Counter



*CNN Airport Network
Network Viewing Area Report*

Report ID: T_FNSEL1
Unit: 2100
Run Date: July/30/2007
2:26:35 PM

Site ID EWR Newark Liberty International Airport

Terminal Concourse Location Served By Original Activation Date Display Units Occupant

Total Number of Locations Served:	95
Total Display Units:	48
Total Gate Viewing Areas:	36
Total Other Viewing Areas:	12

End Of Report

EXHIBIT B

SUMMARY OF AC HOLDINGS, INC.'S POLICIES AND PRACTICES REGARDING THE ACCEPTANCE OF ADVERTISING AND PROMOTIONS ON CNN AIRPORT NETWORK

This summary is not a statement, representation or warranty that these policies and practices are in compliance with the applicable codes or laws governing advertising in any of the countries or territories covered by the transmission of CNN Airport Network.

AC Holdings reserves the right to review all advertising and to accept, reject or require editing of any advertisement or promotional message for any reason whatsoever, including but not limited to, those it deems false, misleading, deceptive, offensive, in poor taste, and/or inconsistent with the editorial content of the programming, network or web site. All advertisements must comply with the applicable laws, rules and regulations of the countries or territories covered by the transmission of the services. Without limiting the generality of the foregoing, certain categories of advertisements will not be accepted without AC Holdings' prior consent, which such consent may be withheld by AC Holdings for any reason whatsoever. These categories include the following:

1. Advocacy Advertisements. An advocacy advertisement is any advertisement that advocates a political, religious or controversial public position.
2. Cigarettes or Tobacco Advertisements.
3. Betting or Gambling Advertisements.
4. Firearms Advertisements.
5. Competitive Advertisements. A competitive advertisement is any advertisement that promotes or features a television network or program not owned by Turner Broadcasting System, Inc.
6. 900 Phone Number Advertisements.
7. Contraceptive Advertisements.
8. "NC-17" Rated Movie Advertisements.
9. Adult Entertainment Advertisements.
10. "R" Rated Movie Advertisements.
11. "M" Rated Electronic (computer or video) Games Advertisements.
12. Hard Liquor Advertisements between 9:00 a.m. and 5:00 p.m. (local time). Hard liquor advertisements are permitted before 9:00 a.m. and after 5:00 p.m. All such advertisements must be in good taste and compliant with industry guidelines.
13. "High Risk" Investments (e.g., commodities, options, foreign exchange) Advertisements.
14. "High Risk" Business Opportunities (e.g., "get rich quick" schemes and business opportunities) Advertisements.
15. Herbal Supplements or Weight Loss Products Advertising with sensational claims.

The above is not intended to be comprehensive and is provided only as summary guidance with respect to AC Holdings' advertising policies and practices. AC Holdings reserves all rights necessary to amend, modify and/or supplement this summary at any time.