Torres Rojas, Genara

From:
Sent:
To:
Subject:

From:
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To:
Subject:

From:
To: Duffy, Daniel
Cc: Torres Rojas, Genara; Van Duyne, Sheree
Sent: Wed Aug 24 11:50:09 2011
Subject: Freedom of Information Online Request Form

Information:

First Name: ALAN
Last Name: JACKSON
Company:
Mailing Address 1:
Mailing Address 2:
City:
State
Zip Code
Email Address:
Phone
Required copies of the records: Yes

List of specific record(s):
CURRENT CONTRACT FOR CURRENT YEAR 2011 BEWTEEN PORT AUTHORITY AND PORTS OF CALL IN RELATION TO BUS TERMINAL BUSINESS625 8TH AVE CURRENT YEAR 2011 CONTRACT BETWEEN AA STERLING PORTS OF CALL ALSO 625 8TH AVE, NY,NY 10018.

THE PORT AUTHORITY OF NY & NJ

Daniel D. Duffy
FOI Administrator

November 29, 2011

Mr. Alan Jackson

Re: Freedom of Information Reference No. 12572

Dear Mr. Jackson:

This is a response to your August 24, 2011 request, which has been processed under the Port Authority's Freedom of Information Policy (the "Policy," copy enclosed) for a copy of the current contract between the PA and Ports of Call and the contract between the Port Authoirty and AA Sterling Ports of Call at the Port Authority Bus Terminal.

Material responsive to your request and available under the Policy, which consists of 91 pages, will be forwarded to your attention upon receipt of a photocopying fee of $22.75 (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 exemptions (1) and (6) 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

Enclosure

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

:This Space for Port Authority Use Only :
:
:Permit Number: PBT-104 :

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
225 Park Avenue South
New York, New York 10003

PORT AUTHORITY BUS TERMINAL
PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (herein called the Port Authority) hereby grants to the Permittee hereinafter described privilege at the Port Authority Bus Terminal (hereafter referred to as the "Facility"), in accordance with the Terms and Conditions hereof, and the Permittee agrees to pay the fee or fees hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** Ports of Call Management, Inc., a New York corporation
2. **PERMITTEE'S ADDRESS:** 60 Revolutionary Road, P. O. Box 801
   Ossining, New York 10562
3. **PERMITTEE'S REPRESENTATIVE:** Wendy Johnson-Salter
4. **PRIVILEGE:** As set forth in Special Endorsement No. 1 herein.
5. **FEES:** As set forth in Special Endorsement No. 2 herein.
6. **EFFECTIVE DATE:** January 1, 2003
7. **EXPIRATION DATE:** December 31, 2005
8. **ENDORSEMENTS ANNEXED AT TIME OF ISSUANCE:** 2.1, 4.3, 4.4, 8.0, 14.1, 16.2, 17.1, 18.1, 19.6, 22, Special Endorsements and Exhibit X.

Dated: As of December 31, 2002

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: [signature]

Title: Director Real Estate

PORTS OF CALL MANAGEMENT, INC.
Permittee

By: Wendy Johnson-Salter

Title: President

APPROVED
FORM | TERMS

TERMS AND CONDITIONS

1. The permission granted by this Permit shall take effect upon the effective date hereinbefore set forth. Notwithstanding any other term or condition hereof, it may be revoked at any time by the Port Authority, with or without cause, ~~and with or without prior notice~~. Unless sooner revoked, such permission shall expire in any event upon the expiration date hereinbefore set forth. Revocation shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation.

2. The rights granted hereby shall be exercised

(a) if the Permittee is a corporation, by the Permittee acting only through the medium of its officers and employees,

(b) if the Permittee is an unincorporated association, or a "Massachusetts" or business trust, by the Permittee acting only through the medium of its members, trustees, officers, and employees,

(c) if the Permittee is a partnership, by the Permittee acting only through the medium of its partners and employees, or

(d) if the Permittee is an individual, by the Permittee acting only personally or through the medium of his employees;

and the Permittee shall not, without the written approval of the Port Authority, exercise such rights through the medium of any other person, corporation or legal entity. The Permittee shall not assign or transfer this Permit or any of the rights granted hereby, or enter into any contract requiring or permitting the doing of anything hereunder by an independent contractor. In the event of the issuance of this Permit to more than one individual or other legal entity (or to any combination thereof), then and in that event each and every obligation or undertaking herein stated to be fulfilled or performed by the Permittee shall be the joint and several obligation of each such individual or other legal entity.

3. This Permit does not constitute the Permittee the agent or representative of the Port Authority for any purpose whatsoever.

4. The operations of the Permittee, its employees, invitees and those doing business with it shall be conducted in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Facility. The Permittee shall provide and its employees shall wear or carry badges or other suitable means of identification and the employees shall wear appropriate uniforms. The badges, means of identification and uniforms shall be subject to the written approval of the Manager of the Facility. The Port Authority shall have the right to object to the Permittee regarding the demeanor, conduct and appearance of the Permittee's employees, invitees and those doing business with it, whereupon the Permittee will take all steps necessary to remove the cause of the objection.

5. In the use of the parkways, roads, streets, bridges, corridors, hallways, stairs and other common areas of the Facility as a means of ingress and egress to, from and about the Facility, and also in the use of portions of the Facility to which the general public is admitted, the Permittee shall conform (and shall require its employees, invitees and others doing business with it to conform) to the Rules and Regulations of the Port Authority which are now in effect or which may hereafter be adopted for the safe and efficient operation of the Facility.

The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Facility ~~beyond a reasonable loading or discharging time, except in regular parking areas and upon payment of the regular charges therefor~~.

~~6. The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from all claims and demands of third persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any of the operations, acts or omissions of the Permittee hereunder; this indemnity shall extend to and include the contractual obligation of indemnity, if any, undertaken by the Port Authority in favor of the lessor, if any, of the Facility.~~

7. The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations hereunder. The Permittee shall not install any fixtures or make any alterations or improvements in or additions or repairs to any property of the Port Authority except with its prior written approval.

8. Any property of the Permittee placed on or kept at the Facility by virtue of this Permit shall be removed on or before the expiration of the permission hereby granted. ~~In the event of revocation, the Permittee shall have two days, exclusive of Saturdays, Sundays and legal holidays (as determined by the laws of the State of New Jersey or of the State of New York, as the case may require), after the effective date of revocation, in which to remove such property.~~

If the Permittee shall so fail to remove such property upon the expiration or revocation hereof, the Port Authority may at its option, as agent for the Permittee and at the risk and expense of the Permittee, remove such property to a public warehouse, or may retain the same in its own possession, and in either event after the expiration of thirty days may sell the same at public auction; the proceeds of any such sale shall be applied first to the expenses of removal, sale and storage, second to any sums owed by the Permittee to the Port Authority; any balance remaining shall be paid to the Permittee. Any excess of the total cost of removal, storage and sale over the proceeds of sale shall be paid by the Permittee to the Port Authority upon demand.

9. The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit. Without in any wise limiting its obligations under Section 6 hereof the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives 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.

10. The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the Permittee's machines and other equipment, any services being rendered, any merchandise being sold or held for sale by the Permittee, and any activities or operations of the Permittee hereunder. Upon request of the Port Authority, the Permittee shall operate or demonstrate any machines or equipment owned by or in the possession of the Permittee on the Facility or to be placed or brought on the Facility, and shall demonstrate any process or other activity being carried on by the Permittee hereunder. Upon notification by the Port Authority of any deficiency in any machine or piece of equipment, the Permittee shall immediately make good the deficiency or withdraw the machine or piece of equipment from service, and provide a satisfactory substitute.

11. No signs, posters or similar devices shall be erected, displayed or maintained by the Permittee in view of the general public without the written approval of the Manager of the Facility; and any not approved by him may be removed by the Port Authority at the expense of the Permittee.

12. The Permittee's representative hereinbefore specified (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 to do any act or thing to be done hereunder, and to execute on behalf of the Permittee any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. As used herein:

(a) The term "Executive Director" shall mean the person or persons from time to-time designated by the Port Authority to exercise the powers and functions vested in the Executive Director by this Permit; but until further notice from the Port Authority to the Permittee, it shall mean the Executive Director of the Port Authority for the time being, or his duly designated representative or representatives.

(b) The terms "Manager of the Facility" or "General Manager of the Facility" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Manager or General Manager (or temporary or Acting Manager or General Manager) of the Facility for the time being, or his duly designated representative or representatives.

14. A bill or statement may be rendered and any notice or communication which the Port Authority may desire to give the Permittee shall be deemed sufficiently rendered or given, if the same is in writing and sent by registered mail-addressed to the Permittee at the address specified on the first page hereof or at the address that the Permittee may have most recently substituted therefor by notice to the Port Authority, or left at such address, or delivered to the representative of the Permittee, and the time of rendition of such bill or statement and of the giving of such notice or communication shall be deemed to be the time when the same is mailed, left or delivered as herein provided. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003, or at such other address as the Port Authority shall hereafter designate by notice to the Permittee.

15. The Permittee agrees to be bound by and comply with the provisions of all endorsements annexed to the Permit at the time of issuance.

16. Neither the Commissioners of the Port Authority nor any officer, agent or employee thereof, shall be charged personally by the Permittee with any liability, or 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.

17. This Permit, including the attached endorsements and exhibits, if any, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof and may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of 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 herein.

The fee specified is a monthly fee, payable in advance on the effective date hereof and on the first day of each and every calendar month thereafter.

Payments made hereunder shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY
P.O. BOX 17309
NEWARK, NEW JERSEY 07194

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

If the permission granted hereunder becomes effective on a date other than the first day of a calendar month or expires or is revoked or terminated on a date other than the last day of a calendar month, the fee payable for the part of the month during which the permission is in effect shall be computed by prorating the monthly fee on a daily basis, using the exact number of days in the month involved.

STANDARD ENDORSEMENT NO. 2.1
FEE FIXED (ALL FACILITIES)

The Permittee shall remain open for and conduct business during such hours of the day and on such days of the week as may properly serve the needs of the public. The Port Authority's determination of proper business hours and days, as evidenced from time to time by notice to the Permittee, shall control.

STANDARD ENDORSEMENT NO. 4.3
TIME OF OPERATION
All Facilities
7/21/49

The Permittee shall, prior to furnishing any services hereunder, prepare schedules of rates for said services and discounts therefrom. Such schedules shall be submitted to the Port Authority for its prior written approval as to compliance by the Permittee with its obligations under this Permit. The Port Authority shall examine such schedules and make such modifications therein as may be necessary. Any changes thereafter in the schedules shall be similarly submitted to the Port Authority for its prior written approval, and, if necessary, modification. All such schedules shall be made available to the public by the Permittee at locations designated from time to time by the Port Authority. The Permittee agrees to adhere to the rates and discounts stated in the approved schedules. If the Permittee applies any rate in excess of the approved rates or extends a discount less than the approved discount, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the approved rates and/or discounts shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the approved rates or extends a discount which is in excess of the approved discount, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the approved rates and/or discounts shall constitute an undercharge and an amount equivalent thereto shall be included in gross receipts hereunder and the percentage fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in gross receipts, any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon breach which would otherwise be available to it at law, in equity or by reason of this Permit.

The Permittee shall not sell any merchandise hereunder at a price other than the manufacturer's or distributor's recommended list price, provided, however, that if the price charged for the same merchandise at any other establishment within the Port of New York District which has any ownership, financial or management connection with the, Permittee or any stockholder thereof is lower than the manufacturer's or distributor's recommended list price, the Permittee shall notify the Port Authority in writing of that fact and shall charge only the lower price, provided, further, that if the Permittee wishes to charge a price different from the manufacturer's or distributor's recommended list price or different from the lower price at any other establishment, as the case may be, then the Permittee shall prepare and submit to the Port Authority schedules therefor in the same manner and subject to the same conditions as set forth in the preceding paragraph for schedules relating to services. Any overcharge or undercharge resulting from a breach by the Permittee of its obligations under this paragraph shall be respectively refunded to the customer or included in gross receipts, all in the same manner and subject to the conditions as set forth in the preceding paragraph for overcharge or undercharge in the case of services.

STANDARD ENDORSEMENT NO. 4.4
MERCHANDISE AND/OR SERVICES (PRICES AND/OR CHARGES)
All Facilities
7/22/49

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 fixed or percentage fee or any payment of utility or 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 Endorsement with respect to such unpaid amount. Nothing in this Endorsement 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 1 of the Terms and Conditions of this Permit or (ii) any obligations of the Permittee under this Permit. In the event that any late charge imposed pursuant to this Endorsement 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.

STANDARD ENDORSEMENT NO. 8.0
LATE CHARGES
All Facilities
7/30/82

Except as specifically provided herein to the contrary, the Permittee shall not, by virtue of the issue and acceptance of this Permit, be released or discharged from any liabilities or obligations whatsoever under any other Port Authority permits or agreements including but not limited to any permits to make alterations.

In the event that any space or location covered by this Permit is the same as is or has been covered by another Port Authority permit or other agreement with the Permittee, then any liabilities or obligations which by the terms of such permit or agreement, or permits thereunder to make alterations, mature at the expiration or revocation or termination of said permit or agreement, shall be deemed to survive and to mature at the expiration or sooner termination or revocation of this Permit, insofar as such liabilities or obligations require the removal of property from and/or the restoration of the space or location.

STANDARD ENDORSEMENT NO. 14.1
DUTIES UNDER OTHER AGREEMENTS
All Facilities
7/21/49

(a) The Permittee shall observe and obey (and compel its 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, and such further reasonable rules and regulations (including amendments and supplements thereto) as may from time to time and 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 space and the Facility or for the safe or efficient operation of the Facility. 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) No statement or provision in the said Rules and Regulations shall be deemed a representation or promise by the Port Authority that any services or privileges described therein shall be or remain available or that such charges, prices, rates or fees, if any, as are stated therein shall be or remain in effect all of the same being subject to change by the Port Authority from time to time whenever it deems a change advisable.

STANDARD ENDORSEMENT NO. 16.2
RULES AND REGULATIONS COMPLIANCE
All Facilities
01/22/73

The Permittee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Permittee's operations at the Facility which may be necessary for the Permittee's operations thereat.

The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operation hereunder or on the gross receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Permittee's operations at the Facility.

The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Facility and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

STANDARD ENDORSEMENT NO. 17.1
LAW COMPLIANCE
All Facilities
8/29/49

Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be charged personally by the Permittee with any liability, or 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.

STANDARD ENDORSEMENT NO. 18.1
NO PERSONAL LIABILITY
All Facilities
06/01/50

"Port Authority Bus Terminal" or "Terminal" shall mean the building bounded by 40th and 41st Streets, 8th and 9th Avenues, in the City, County and State of New York and the extension of the Port Authority Bus Terminal, contiguous thereto and lying to the north thereof; all of which now constitutes the Port Authority Bus Terminal.

STANDARD ENDORSEMENT NO. 19.6
Port Authority Bus Terminal
02/09/89

The Permittee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters and the New York Fire Insurance Exchange, or if the Permittee's operations hereunder are in New Jersey, the National Board of Fire Underwriters and The Fire Insurance Rating Organization of N.J., and any other body or organization exercising similar functions which may pertain or apply to the Permittee's operations hereunder. If by reason of the Permittee's failure to comply with the provisions of this Endorsement, any fire insurance, extended coverage or rental insurance rate on the Airport or any part thereof or upon the contents of any building thereon shall at any time be higher than it otherwise would be, then the Permittee shall on demand pay the Port Authority that part of all fire insurance premiums paid or payable by the Port Authority which shall have been charged because of such violation by the Permittee.

The Permittee shall not do or permit to be done any act which

(a) will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereon, or

(b) will increase the rate of any fire insurance, extended coverage or rental insurance on the Airport or any part thereof or upon the contents of any building thereon, or

(c) in the opinion of the Port Authority will constitute a hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by this Permit, or

(d) may cause or produce upon the Airport any unusual, noxious or objectionable smokes, gases, vapors or odors, or

(e) may interfere with the effectiveness or accessibility of the drainage and sewerage system, fire-protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located or to be installed or located in or on the Airport, or

(f) shall constitute a nuisance in or on the Airport or which may result in the creation, commission or maintenance of a nuisance in or on the Airport.

For the purpose of this Endorsement, "Airport" includes all structures located thereon.

STANDARD ENDORSEMENT NO. 22
PROHIBITED ACTS
Airports
07/13/49

SPECIAL ENDORSEMENTS

1. (a) The Port Authority hereby grants to the Permittee permission to use and occupy a specified number of locations at the Facility as shall be designated by the Port Authority in advance in writing for the installation, placement, maintenance and operation in each such location (each such location being sometimes hereinafter referred to as a "concession area") of a portable free standing self-contained cart of such design, construction, material, appearance, and finishing characteristics as shall have been approved by the Port Authority in advance. The Permittee shall permit the use of individual concession areas by such persons, firms, or corporations and upon such terms and conditions, including, without limitation, fees and other charges, as the Port Authority may in its discretion approve in advance in writing, solely for the sale at retail at or from such carts, by such persons, firms or corporations in each concession area, of such items and merchandise as are approved in advance in writing by the Port Authority, provided, however, that no such permission shall be effective unless and until in each case an agreement in the form annexed hereto as "Exhibit X" and hereby made a part hereof shall have been executed by the Permittee, the Port Authority and the proposed user of the concession area. In connection with such approval by the Port Authority the Permittee shall only be permitted to operate carts in the concession areas upon thirty (30) days' prior written notice to the Port Authority. The Permittee shall not sell or dispense any items or merchandise at or from such carts or carry on any retail or commercial activity at the Facility.

(b) The Port Authority makes no representations or warranties as to the location, size, adequacy or suitability of any concession area designated for the Permittee's use for the purposes contemplated hereunder. The Permittee agrees to accept each concession area in its "as is" condition and acknowledges and agrees that it has not relied on any representation or statement of the Port Authority, its Commissioners, officers, employees or agents as to the condition or the suitability thereof for use by the Permittee for the purposes contemplated hereunder. The Permittee agrees that no portion of any concession area will be used initially or at any time during the effective period of the permission granted hereunder which is in a condition unsafe or improper for the purposes contemplated hereunder and the Permittee further agrees that before any use it will immediately correct any such unsafe or improper condition.

(c) The Permittee shall not permit the installation or placement of any cart in any concession area without the prior written approval of the Port Authority as to the design and type of cart to be installed or placed as well as the method and manner of installation or placement. To such end the Permittee, prior to the installation or placement of any cart in a concession area, shall set forth in detail and submit to the Port Authority for its approval the design and type of cart to be installed or placed in such concession area and the method and manner of the installation or placement work to be performed. The Permittee shall be responsible at its sole cost and expense for the performance of the installation or placement work. Any installation, placement or attachment made without the approval of the Port Authority and any such that does not continue to meet with the continuing approval of the Port Authority shall immediately be removed by the Permittee and in the event of the Permittee's

failure to remove the same the Port Authority may do so at the Permittee's cost and expense. The Port Authority reserves the right to require the Permittee to obtain the approval of the Port Authority as to the time and manner of any maintenance, servicing and repair operations upon any of the carts, facilities, fixtures or property installed in, placed upon or attached to any concession area.

(d) The Port Authority may at any time and from time to time, without cause, revoke the privilege granted hereunder as to any concession area designated by the Port Authority by seven (7) days' notice to the Permittee and may at any time and from time to time require the Permittee to relocate from a designated concession area to a different location within the Facility and the Permittee agrees that it shall comply promptly at its own expense with any such direction or requirement from the Port Authority. 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 of relocation, the Permittee shall promptly remove all property from the affected area and shall transport such property therefrom to the newly designated area. In the event the Permittee fails to immediately relocate to such 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 expense thereof on demand. Revocation of the permission herein granted as to any single concession area pursuant to the provisions of this paragraph of this Special Endorsement shall not affect the permission granted hereunder as to the balance of the concession areas hereunder and the permission as to the balance of the concession areas shall continue in full force and effect notwithstanding such revocation.

2. Effective as of the Effective Date set forth on page 1 of this Permit, the Permittee shall pay to the Port Authority for the privilege granted hereunder a basic fee in an amount equivalent to the sum of: (i) One Hundred Forty-five Dollars and No Cents ($145.00) per ~~month~~ week for each concession area located in the South Wing of the Facility; and (ii) Ninety-two Dollars and No Cents ($92.00) per ~~month~~ week for each concession area located in the North Wing of the Facility, which amount shall be payable in advance on the Commencement Date and on the first day of each and every month thereafter occurring.

3. The Port Authority shall have no obligations or 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 Permit.

4. The privilege granted hereunder is non-exclusive.

5. (a) The Permittee in its own name as insured and including the Port Authority as an additional insured shall maintain and pay the premiums during the effective period of this Permit on a policy or policies of Commercial General Liability insurance covering bodily injury liability, including death, including without limitation for both premises-operations and completed operations, property damage liability and products liability. All the aforesaid policy or policies of insurance 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 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, all the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Port Authority thereunder with respect to any claim or action against the Port Authority by the Permittee shall be the same as the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person as if the Port Authority were the named insured thereunder, but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. The said policy or policies of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 6 of the Terms and Conditions of this Permit.

	Minimum Limit
Commercial General Liability Combined single limit per occurrence for death; bodily injury, products liability and property damage liability	$2,000,000.00

(b) Without limiting the provisions hereof, in the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured to the full extent of all such insurance in accordance with all the terms and provisions hereof.

(c) Notwithstanding any minimum insurance coverage limits set forth in this Permit, it is specifically understood and agreed that the Port Authority shall have the right to review all insurance coverages and policies required by the Port Authority for adequacy of terms, conditions and limits and upon notice to the Permittee, given from to time to time and at any time, to require the Permittee to amend or modify the insurance coverages or may require such other or additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Permittee shall promptly comply therewith and shall promptly submit a certificate or certificates evidencing the same to the Port Authority.

(d) A certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. Each policy, certificate or binder delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or 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 copy or certificate required 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, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority. 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 expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each of the policies shall be delivered to the Port Authority.

6. (a) Without limiting the generality of any term or provision of this Permit or the Standard Endorsements annexed thereto, the Permittee shall cause each concession area and the fixtures, equipment and personal property installed therein or placed thereon to be kept in a clean and orderly condition and appearance. The Permittee shall be responsible for the repair, replacement and rebuilding of any and all parts of any concession area and any other parts of the Facility which maybe damaged or destroyed by the acts or omissions of the Permittee, its officers, employees, agents, representatives, contractors or other persons doing business with it, including without limitation, the users of individual concession areas. All nonstructural repair, replacement and rebuilding shall be done by the Permittee and structural repair, replacement and rebuilding may be done by the Port Authority, the cost of any such repair performed for the Permittee to be repaid by the Permittee on demand.

(b) All fixtures, trade fixtures, equipment, and improvements placed, installed or made on or to the concession areas shall be removed by the Permittee from the concession areas and the Facility on or before the revocation or termination of this Permit and the concession areas shall be restored by the Permittee to the condition prior to any placement or installation. If the Permittee shall fail so to remove from the concession areas and the Facility any property or thing which it is obligated under this Permit to remove, the Port Authority may remove such property and the Permittee shall pay the Port Authority the cost thereof on demand. The Port Authority may but shall not be obligated to remove such property or thing to a public warehouse for deposit or retain the same in its own possession and in either event may sell the same at public auction, the proceeds of which shall be applied first to the expense of removal, restoration, retention, storage and sale; second, to any sums owed by the Permittee to the Port Authority with any balance remaining to be paid over to the Permittee. If the expense of such removal, restoration, retention, storage and sale shall exceed the proceeds of sale, the Permittee shall pay such excess to the Port Authority upon demand. The Permittee agrees not to do or permit to be done any servicing or maintenance, removal or restoration of or to any concession area or to any property thereon unless the Port Authority has approved the time of performance thereof.

(c) The Port Authority shall have no duty of repair or maintenance as to any concession area or any fixtures, equipment or personal property which is located therein or thereon.

7. (a) The Permittee shall not, on the grounds of race, creed, color, sex or national origin, discriminate or permit discrimination against any person or person in its selling of merchandise or rendering of services hereunder or in its employment practices and procedures or in any of its operations or activities under or in connection with this Permit.

(b) Without limiting the generality of any other provision of this Permit, the Permittee shall not keep, maintain, place or install in any concession area any fixtures or equipment the use of which is not consistent with and required for the purposes of this Permit and the Permittee shall not use or connect any equipment or engage in any activity or operation in any concession area which will cause or tend to cause an overloading of the capacity of any existing or future utility, mechanical, electrical, communications or other systems or portions thereof in any concession area or elsewhere at the Facility nor shall the Permittee do or permit to be done anything which may interfere with the effectiveness or accessibility thereof.

(c) The Permittee shall not overload any floor, roadway, passageway, pavement or other surface or any wall, partition, column or other supporting member or any elevator or other conveyance in any concession area or at the Facility and, without limiting any other provision of this Permit, the Permittee shall repair, replace or rebuild any such as may be damaged by overloading.

(d) Subject to and in accordance with the provisions of Section 7 of the Terms and Conditions hereof, the Permittee shall make any and all improvements, alterations or repairs of any concession area that may be required at any time hereafter by any present or future governmental law, rule, regulation, requirement, order or direction or by any present or future rule, regulation, requirement, order or direction of the National Fire Protection Association and the New York Fire Insurance Rating Organization, and of any other board or organization exercising or which may exercise similar functions, which may pertain or apply to the operations of the Permittee in any concession area or elsewhere at the Facility.

8. The Permittee shall daily remove from the Facility by means of facilities provided by it all garbage, debris and other waste material arising out of or in connection with its operations hereunder.

9. Without limiting the generality of any of the provisions of this Permit, the Port Authority shall have no liability of any kind whatsoever for loss, theft or damage of or to any property, equipment or materials of any kind whatsoever placed in any concession area or elsewhere at the Facility including, but not limited to, any loss, theft or damage due to the acts or omissions of the Port Authority.

10. The Port Authority may at any time and from time to time by notice to the Permittee modify, qualify, withdraw or amend any approval, direction or designation given hereunder or pursuant hereto to the Permittee.

11. The effective date of this Permit is that date the Permittee commenced the activities permitted by this Permit. The Permittee, in executing this Permit, represents that the date stated as the Effective Date set forth in Item 6 appearing on the first page of this Permit is the date the Permittee commenced the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced such activities prior to said Effective Date, the effective date of this Permit shall be the date the Permittee commenced the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including, but not limited to, the Permittee's indemnity obligations and obligations to pay fees.

12. The Permittee hereto recognizes and agrees that its failure to terminate its use and occupancy of any concession area, or any portion thereof, and to yield and deliver possession thereof to the Port Authority on or before the Expiration Date set forth in Item 7 on the first page of this Permit or the earlier revocation of the permission hereunder granted or of the use of any concession area as provided for under paragraph (d) of Special Endorsement Number 1 hereof will cause substantial damages to the Port Authority, which damages will be impossible to ascertain with mathematical certainty. The Permittee therefore agrees that if the Permittee fails to yield and deliver actual, physical possession of any concession area to the Port Authority upon the Expiration Date or upon the effective revocation of the permission hereunder granted or of the use of any concession area as provided for under paragraph (d) of Special Endorsement Number 1 hereof, then, in addition to any other rights or remedies the Port Authority may have under this Permit or at law or in equity, the Permittee shall pay to the Port Authority, as liquidated damages, the sum of Five Hundred Dollars and No Cents ($500.00) for each calendar day, or major fraction thereof, that the Permittee shall continue to use and occupy the concession area during the thirty- (30-) day period following the Expiration Date or earlier revocation of the permission hereunder granted. In addition, the Permittee shall pay to the Port Authority, as liquidated damages, the sum of Six Hundred Dollars and No Cents ($600.00) for each calendar day, or major fraction thereof, that the Permittee shall continue to use and occupy the concession area from and after the thirty-first (31st) day following the Expiration Date or earlier revocation of the permission hereunder granted or of the use of any concession area as provided for under paragraph (d) of Special Endorsement Number 1 hereof. In addition, the Permittee shall indemnify and save the Port Authority harmless from and against all costs, claims, demands, loss or liability resulting from the Lessee's failure to terminate its use and occupancy of the concession area and to deliver actual, physical possession thereof on or before the Expiration Date or the earlier revocation of the permission hereunder granted or of the use of any concession area as provided for under paragraph (d) of Special Endorsement Number 1 hereof, including without limitation any claims made by any succeeding lessee, permittee or licensee of the Port Authority based upon the Port Authority's inability to give such lessee, permittee or licensee possession of the concession area because of the Permittee's failure to terminate its use and occupancy of the concession area and to deliver actual, physical possession thereof to the Port Authority on or before the Expiration Date or the earlier revocation of the permission hereunder granted or of the use of any concession area as provided for under paragraph (d) of Special Endorsement Number 1 hereof and any loss of rental or fee for the use of the concession area payable to the Port Authority by any succeeding lessee, permittee or licensee. No succeeding lessee, permittee, licensee or other third party shall or shall be deemed to have acquired any rights against the Port Authority by virtue of the execution of this Permit and nothing contained herein shall operate or give to any such succeeding lessee, permittee, licensee or third party any claim or right of action against the Port Authority, its Commissioners, officers, agents or employees. The provisions of this Special Endorsement shall survive the Expiration Date or the earlier revocation of the permission hereunder granted or of the use of the concession area as provided for in paragraph (d) of Special Endorsement Number 1 hereof. Neither the receipt of any sum as damages pursuant to the provisions of this Special Endorsement, nor any other act take by the Port Authority pursuant to the provisions of this Special Endorsement in apparent affirmation of the Permittee's use and occupancy of the concession area for any period beyond the Expiration Date or the earlier revocation of the permission hereunder granted or of the use of the concession area as provided for under

paragraph (d) of Special Endorsement Number 1 hereof shall or shall be deemed to grant the Permittee a right to remain in occupancy of any concession area after the Expiration Date or the earlier revocation of the permission hereunder granted or of the use of any concession area as provided for in paragraph (d) of Special Endorsement Number 1 hereof, or shall or shall be deemed to be a waiver by the Port Authority of or a limitation of the Port Authority's right to exercise any remedy available to it under this Permit or otherwise at law or in equity, to obtain possession of the concession area should the Permittee fail to terminate its occupancy thereof and to deliver actual, physical possession thereof to the Port Authority on or before the Expiration Date or the earlier revocation of the permission hereunder granted or of the use of any concession area as provided for in paragraph (d) of Special Endorsement Number 1 hereof, including without limitation the right to terminate this Permit pursuant to the terms hereof, and the right to institute summary proceedings.

13. (a) 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 part of any concession area, the Permittee shall not be entitled to assert any claim to any award or any 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.

(b) In the event of a taking of any concession area by any governmental agency or agencies, then this Permit shall be cancelled as of the date possession is taken from the Port Authority by such agency or agencies with the same effect as if this Permit had on that date expired.

14. (a) The Permittee shall refrain from entering into continuing contracts or arrangements with third parties for furnishing services covered hereunder when such contracts or arrangements will have the effect of utilizing to an unreasonable extent the Permittee's capacity for rendering such services. A reasonable amount of capacity shall be reserved by the Permittee for the purpose of rendering services hereunder to those who are not parties to continuing contracts with the Permittee.

(b) The Permittee shall not enter into any agreement or understanding, express or implied, binding or non-binding, with any other person who may furnish services at the Facility similar to those furnished hereunder which will have the effect of (i) fixing rates and charges to be paid by users of the services; (ii) lessening or preventing competition between the Permittee and such other furnishers of services; or (iii) tending to create a monopoly on the Facility in connection with the furnishing of such services.

15. (a) The Permittee shall use its best efforts, taking all measures and means, to insure labor harmony in its operations at the Facility all to the end of avoiding and preventing strikes walkouts, work stoppages, slowdowns, boycotts and other labor trouble and discord. The Permittee particularly recognizes the essential necessity of the continued and full operation of the Facility as a transportation center and facility of commerce.

(b) 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 and the progress thereof.

(c) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Facility or against any of the Permittee's operations pursuant to this Permit which in the opinion of the Port Authority adversely affects or is likely adversely to affect the operation of the Facility or the operations of other lessees or licensees thereat, whether or not the same is due to the fault of the Permittee or is caused by employees of the Permittee or of others, the Port Authority shall have the right at any time during the continuance thereof, by twenty-four (24) hours' notice to suspend the Permittee's operations hereunder effective at the time specified in the notice. During any suspension the Permittee shall cease its activities and operations hereunder and take such steps to secure and protect the concession areas as shall be necessary or desirable. The period of suspension shall end (subject to paragraph (d) of this Special Endorsement) not later than twenty-four (24) hours after the cause thereof has ceased or been cured.

(d) In the event any labor activity of the type described in paragraph (c) of this Special Endorsement shall continue for a period of twenty-four (24) consecutive hours or more, and regardless of whether or not the Port Authority has exercised its right to suspend the Permittee's operations pursuant to paragraph (c) of this Special Endorsement, the Port Authority shall have the right at any time subsequent to such twenty-four (24) hour period to revoke this Permit and the permission granted hereunder on twenty-four (24) hours' written notice to the Permittee.

(e) Revocation or suspension of this Permit and the permission granted hereunder pursuant to the provisions of this Special Endorsement shall not relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or suspension.

16. (a) During the effective period of the permission granted under this Permit, the Permittee shall not give or agree to give anything of value either to a Port Authority employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority or to a member of the immediate family (i.e., a spouse, child, parent, brother or sister) of any of the foregoing in connection with the performance by such employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority of duties involving transactions with the Permittee on behalf of the Port Authority whether or not such duties are related to this Permit or any other Port Authority lease, contract or matter. Any such conduct shall be deemed a material breach of this Permit.

(b) As used herein, "anything of value" shall include, but not be limited to, any (i) favors, such as meals, entertainment, transportation (other than that contemplated by this Permit or any other Port Authority lease or contract), etc., which might tend to obligate the Port Authority employee to the Permittee, or (ii) gift, gratuity, money, goods,

equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include compensation contemplated by this Permit or any other Port Authority lease or contract.

(c) In addition, during the effective period of the permission granted under this Permit, the Permittee shall not make an offer of employment or use confidential information in a manner proscribed by the Code of Ethics and Financial Disclosure dated as of April 11, 1996 (a copy of which is available upon request to the Office of the Secretary of the Port Authority).

(d) The Permittee shall include the provisions of this Special Endorsement in each contract or subcontract entered into under and pursuant to the provisions of this Permit.

(e) The Permittee certifies that it has not made any offers or agreements or given or agreed to give anything of value (as defined in this Special Endorsement) or taken any other action with respect to any Port Authority employee or former employee or immediate family member of either which would constitute a breach of ethical standards under the Code of Ethics and Financial Disclosure dated as of April 11, 1996 referred to in this Special Endorsement nor does the Permittee have any knowledge of any act on the part of a Port Authority employee or former Port Authority employee relating either directly or indirectly to the Permittee which constitutes a breach of the ethical standards set forth in said Code.

17. Prior to the execution of the Permit by either party, the following changes were made in the foregoing terms and provisions and the following substitutions shall be deemed to have been made:

(a) The words "and with or without prior notice" appearing in the third (3rd) line of Section 1 of the foregoing Terms and Conditions shall be deemed deleted and the words "upon thirty (30) days' notice to the Permittee" shall be deemed inserted in lieu thereof.

(b) That portion of the second paragraph of Section 5 of the foregoing Terms and Conditions following the word "Facility" was deleted.

(c) Section 6 of the foregoing Terms and Conditions was deleted in its entirety and the following was substituted therefor:

> "6. The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees from (and shall reimburse the Port Authority for the Port Authority's costs or expenses including legal expenses incurred in connection with the defense of) 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 any default of the Permittee in performing or observing any term or provision of this Permit, or out of the use or occupancy of the concession areas by the Permittee or by others with its consent, or out of

any of the acts or omissions of the Permittee, its officers, members, employees, agents, representatives, contractors, customers, guests, invitees and other persons who are doing business with the Permittee's consent where such acts or omissions are on any concession area or elsewhere at the Facility, or arising out of any acts or omissions of the Permittee, its officers, members, employees, agents and representatives where such acts or omissions are elsewhere at the Facility, except for claims arising solely out of the willful or affirmative negligent acts of the Port Authority."

(d) The second sentence of the first paragraph of Section 8 of the foregoing Terms and Conditions was deleted in its entirety.

(e) Wherever in this Permit, including any endorsements thereto, the word "Airport" occurs, it was deleted and the word "Facility" was inserted in lieu thereof.

For the Port Authority

Initialed:

For the Permittee

EXHIBIT X

CONSENT AGREEMENT

Port Authority Permit No. PBT-104
Port Authority Facility –
Port Authority Bus Terminal

THIS AGREEMENT, dated _____, 200___ by and among **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority"), **PORTS OF CALL MANAGEMENT, INC.** (hereinafter called the "Permittee") and

,

a corporation organized and existing under and by virtue of the laws of the State of ;
having an office and place of business at

whose representative is

an individual, residing at

a partnership consisting of

whose residential address(es) is(are)

(hereinafter called the "Licensee");

WITNESSETH, That:

WHEREAS, the Port Authority and the Permittee have heretofore entered into a permit agreement dated as of December 31, 2002 identified above by Port Authority Permit Number (which permit agreement, as the same has been or may hereafter be supplemented and amended, is hereinafter called the "Permit") covering the use and occupancy of certain areas of the Port Authority Facility identified above (hereinafter referred to as the "Facility") (each such area being hereinafter referred to as a "concession area") and the exercise of certain privileges therein; and

WHEREAS, pursuant to the provisions of the Permit, the Permittee has granted permission to the Licensee to use and occupy one of the concession areas covered by the Permit and to exercise certain privileges in the concession area so used and occupied, and has requested the consent of the Port Authority to the proposed use of such concession area by the Licensee; and

WHEREAS, the Port Authority is willing to consent thereto on certain terms and conditions as hereinafter set forth;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Permittee and the Licensee hereby agree as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the use and occupancy by the Licensee of one of the concession areas designated pursuant to the Permit.

2. The permission herein granted and the effective period of the Port Authority's consent, as herein granted, shall terminate, without notice to the Licensee, on the date preceding the date of expiration or earlier revocation or termination of the Permit, or on such earlier date as the Permittee and the Licensee may agree upon, or on the effective date of any revocation of this Consent by the Port Authority. The Licensee shall cease its use and occupancy of the concession area and shall quit such concession area and remove its property and property for which it is responsible therefrom on or before the expiration or earlier revocation or termination of the period of the permission granted with respect to the use thereof.

3. In case of difference between the provisions of the Permit or of this Consent and the provisions of the permission granted to the Licensee by the Permittee, the provisions of the Permit, or of this Consent, as the case may be, shall be controlling, it being the intention of the Port Authority merely to permit the exercise of the Permittee's rights (to the extent permitted by the permission granted by the Permittee) by the Licensee and not to enlarge or otherwise change the rights granted to the Permittee by the Permit. All of the terms, provisions, covenants and conditions of the Permit shall be and remain in full force and effect.

4. The Licensee, in its operations under or in connection with the permission granted by the Permittee and in its occupancy of the concession area covered by such permission, agrees to assume, observe, be bound by and comply with all of the terms, provisions, covenants and conditions of the Permit. Without limiting the generality of the foregoing, the Licensee shall use the concession area solely for the following purpose and for no other purpose whatsoever:

5. Without in any way affecting the obligations of the Permittee under the Permit and under this Consent Agreement, the Licensee agrees with respect to its acts and omissions to indemnify the Port Authority and to make repairs and replacements as if it were the Permittee under the Permit. However, all acts and omissions of the Licensees shall be deemed to be acts and omissions of the Permittee under the Permit and the Permittee shall be severally responsible therefor, including but not limited to, the obligations of indemnification and repair.

6. (a) Without in any wise affecting the obligations of the Permittee under the Permit and under this Consent Agreement, the Licensee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including attorneys' fees and other legal expenses incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death or personal injuries or for property damages arising out of the interest of the Licensee in its use and occupancy of the concession area, any default of the Licensee in the performance or observance of any term or

provision hereof or out of the use, operation, control, occupancy by or presence of the Licensee or others with its consent at the Facility or out of any of the acts or omissions of the Licensee, its officers, employees, guests, invitees and business visitors, in said concession area or elsewhere at the Facility.

(b) If so directed, the Licensee 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 such it 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, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority.

(c) In addition to the insurance required to be maintained by the Permittee under the Permit, the Licensee during the period this Consent Agreement shall remain in effect shall in its own name as insured and including the Port Authority as an additional insured obtain, maintain and pay the premiums on a policy of Commercial General Liability Insurance, including but not limited to premises operations, products liability and completed operations and covering bodily injury, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the limit set forth below. The aforesaid policy of insurance shall also provide or contain an endorsement providing that the protections afforded the Licensee thereunder with respect to any claim or action against the Licensee by a third person shall pertain and apply with like effect with respect to any claim or action against the Licensee by the Port Authority but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority as an additional insured. In addition, the insurance required hereunder shall provide or contain an endorsement providing that the protections afforded the Port Authority thereunder as an additional insured with respect to any claim or action against the Port Authority by the Licensee shall be the same as the protections afforded the Licensee thereunder with respect to any claim or action against the Licensee by a third person as if the Port Authority were the named insured thereunder. Further, the said policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Licensee under subparagraphs (a) and (b) above.

	Minimum Limit
Commercial General Liability Combined single limit per occurrence for death, bodily injury and property damage liability:	$1,000,000.00

(d) Without limiting the provisions hereof, in the event the Licensee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured to the full extent of all such insurance in accordance with all terms and provisions hereof.

(e) All insurance coverages and policies required under this paragraph of this Consent Agreement 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 period this Consent Agreement remains in effect. The Port Authority at any such time may make additions, deletions, amendments to or modifications of the above-scheduled insurance requirements, including an increase in such minimum limits, and may require such other and additional

insurance in such reasonable amounts or against such other insurable hazards as the Port Authority may deem advisable and the Licensee shall promptly comply therewith.

(f) As to the insurance required by the provisions of this paragraph, a certified copy of the policy or a certificate or binder satisfactory to the Port Authority evidencing the existence thereof shall be delivered by the Permittee to the Port Authority within fifteen (15) days after delivery of this Consent Agreement to the Port Authority. Each policy, 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 certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement unqualifiedly committing the insurer not to cancel, terminate, change or modify the policy without giving thirty (30) days' written advance notice thereof to the Port Authority. Each such copy or certificate shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express written 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, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority. 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 expiration of the term of this Consent Agreement. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Licensee shall promptly obtain and deliver to the Port Authority a new and satisfactory policy in replacement or evidence thereof satisfactory to the Port Authority. If the Port Authority at any time so requests, a certified copy of each of the policies shall be delivered to the Port Authority.

7. The Licensee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary or as required by law), supplies, materials and other facilities and replacements necessary or proper therefor. The Licensee shall furnish all services hereunder on a fair, equal and non-discriminatory basis to all users thereof.

8. (a) The Licensee shall sell only such items of merchandise and/or render only such services as may be approved in writing from time to time by the Port Authority. The Port Authority may at any time and from time to time withdraw its approval as to any items or services without affecting the continuance of this Consent Agreement.

(b) The Licensee shall furnish all merchandise and/or all services at reasonable prices and at the times and in a manner which will be fully satisfactory to the public and to the Port Authority. All prices charged by the Licensee shall be subject to the prior written approval of the Port Authority provided, however, that such approval will not be withheld if the proposed prices do not exceed reasonable prices for similar merchandise and/or services in the municipality in which the Facility is located. The Licensee shall remain open for and conduct business during such hours of the day and on such days of the weeks as may properly serve the needs of the public. The Port Authority's determination of reasonable prices and proper business hours and days shall control.

THIS SUPPLEMENTAL AGREEMENT SHALL NOT BE BINDING UPON THE PORT AUTHORITY UNTIL DULY EXECUTED BY AN EXECUTIVE OFFICER THEREOF AND DELIVERED TO THE LESSEE BY AN AUTHORIZED REPRESENTATIVE OF THE PORT AUTHORITY

Port Authority Permit No. PBT-104
Supplement No. 1
Port Authority Bus Terminal

SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, dated as of May 26, 2005, by and between THE PORT AUHTORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority") and PORTS OF CALL MANAGEMENT, INC., a New York corporation (hereinafter called the "Permittee").

WITNESSTH, That:

WHEREAS, the Port Authority and the Permittee heretofore and as of the 31st day of December, 2002, entered into an agreement of Permit, identified by the above-referenced Port Authority Permit Number, as heretofore supplemented or amended (hereinafter called the "Permit") covering premises at the Port Authority Bus Terminal, in the Borough of Manhattan, City, County and State of New York, all as more particularly described in the Permit; and

WHEREAS, the Port Authority and the Permittee desire to amend the terms of the Permit in certain respects.

NOW THEREFORE, for and in consideration of the mutual agreements hereinafter contained the Port Authority and the Permittee hereby agree as follows:

1. Special Endorsement No. 2 in the Permit is hereby deleted in its entirety and replaced with the following:

"Effective as of the Effective Date set forth on page 1 of this Permit, the Permittee shall pay to the Port Authority for the privilege granted hereunder in an amount equivalent to the sum of: (i) One Hundred Forty-Five ($145.00) Dollars per week for each concession area located on the main floor in the South Wing of the Facility; and (ii) Ninety-Two ($92.00) Dollars per week for each concession area located elsewhere at the Facility, which amount shall be payable in advance on the Commencement Date and on the first day of each and every month thereafter occurring.

2. Except as hereby amended all of the terms, covenants, conditions and provisions of the Permit shall be and remain in full force and effect.

3. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof, shall be charged personally by the Permittee with any liability or held liable to the Permittee under any term or condition of this Agreement, or because of its execution or attempted execution or because of any breach or attempted or alleged breach thereof.

4. This Agreement, together with the Permit (to which it is supplementary) constitutes the entire agreement between the Port Authority and the Permittee on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both 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 the Permit or this Agreement.

IN WITNESS WHEREOF, the Port Authority and the Permittee have executed these presents as of the date first above written.

ATTEST:

ASSISTANT Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By:

Name: Francis A. DiMola

Title Director, Real Estate Department

ATTEST:

PORT OF CALL MANAGEMENT, INC.

By: Wendy Johnson Sutter

Name: Wendy Johnson Sutter

Title: President

PD

TCL-8/8/73 Lease No. L-BT-616

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

BUS AND TRUCK TERMINAL

STORE AND CONCESSION LEASE

AGREEMENT OF LEASE

between

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

and

PORTS-OF-CALL MANAGEMENT, INC.

Dated as of August 31, 2000

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THIS AGREEMENT, made as of the 31st day of August, 2000 by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called the "Port Authority"), a body corporate and politic created by Compact between the States of New York and New Jersey with the consent of Congress of the United States of America, and having an office at One World Trade Center, in the Borough of Manhattan, City, County and State of New York, and **PORTS-OF-CALL MANAGEMENT, INC.** (hereinafter called the "Lessee"), a corporation organized and existing under the laws of the State of New York and having an office and place of business at 825 Eighth Avenue, New York, New York, whose representative is Thomas Hall,

WITNESSETH, That:

The Port Authority and the Lessee, for and in consideration of the rents, covenants and agreements hereinafter contained, mutually covenant and agree as follows:

SECTION 1. *Letting*

The Port Authority hereby lets to the Lessee and the Lessee hereby hires and takes from the Port Authority, at the Port Authority Bus Terminal in the Borough of Manhattan, City, County and State of New York, the space on the Main Concourse of the South Wing thereof shown in diagonal cross-hatching on the sketch annexed hereto, made a part hereof and marked "Exhibit A", together with the fixtures, improvements and other property of the Port Authority located or to be located therein or thereon, all the said space, fixtures, improvements and other property of the Port Authority being hereinafter collectively referred to the "premises". The Port Authority and the Lessee hereby acknowledge that the aforesaid premises constitute non-residential real property.

SECTION 2. *Term*

The term of the letting under this Agreement shall commence at 12:01 o'clock a.m. on September 1, 2000 (which date is sometimes hereinafter referred to as the "Commencement Date") and shall, unless sooner terminated or unless extended, expire at 11:59 o'clock p.m. on the ninetieth (90th) day following the tenth (10th) anniversary of the Rental Payment Start Date established pursuant to the provisions of subparagraph (1) of paragraph (a) of Item 1 of Exhibit B annexed to this Agreement.

SECTION 3. *Rights of User by the Lessee*

The Lessee shall use the premises solely for the operation of a kiosk for the sale, at retail, of New York City souvenirs and other gift and novelty items as shall be approved in writing by the Port Authority. The premises shall be used solely for the purpose hereinabove set forth and for no other purpose or purposes whatsoever.

SECTION 4. *Rental*

(a) The Lessee agrees to pay to the Port Authority a basic rental for the premises as stated in Item 1 of Exhibit B attached to this Agreement and hereby made a part hereof.

~~(b) The Lessee agrees to pay to the Port Authority the percentage rental, if any, stated in Item 1 of Exhibit B, attached hereto and made a part hereof.~~

(c) The time for making payments of rental and the method of computation and abatement thereof are set forth in Item 1 of Exhibit B.

~~SECTION 5. *Obligations in Connection with Any Percentage Rental.*~~

~~If any rental hereunder is measured by a percentage of the Lessee's gross receipts, the Lessee~~ shall:

(a) Take all reasonable measures in every proper manner to maintain, develop and increase the business conducted by it hereunder;

(b) Not divert or cause or allow to be diverted any business from the Terminal;

(c) Maintain in accordance with accepted accounting practice during the letting and for one year thereafter and for such further period until the Lessee shall receive written permission from the Port Authority to do otherwise, records and books of account recording all transactions at, through or in anywise connected with the Terminal, which records and books of account shall be kept at all times within the Port of New York District and permit, in ordinary business hours during such time, the examination and audit by the officers, employees and representatives of the Port Authority of such records and books of account and also any records and books of account of any company which is owned or controlled by the Lessee, if said company performs services, similar to those performed hereunder by the Lessee, anywhere in the Port of New York District;

(d) Permit in ordinary business hours the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Lessee, including but not limited to cash registers and recording tapes;

(e) Furnish on or before the twentieth day of each month following the commencement date of the letting a sworn statement of gross receipts arising out of the operations of the Lessee hereunder for the preceding month;

(f) Install and use such cash registers, sales slips, invoicing machines and any other equipment or devices for recording orders taken or services rendered as may be appropriate to the Lessee's business ~~and necessary or desirable to keep accurate records of gross receipts.~~

SECTION 6. *Governmental Requirements*

(a) The Lessee shall procure from all governmental authorities having jurisdiction over the operations of the Lessee at the premises all licences, certificates, permits or other authorization which may be necessary for the conduct of its operations.

(b) The Lessee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operation hereunder or on the gross receipts or income therefrom, and shall make all applications, reports and returns required in connection therewith.

(c) The Lessee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the operations of the Lessee on the premises or its occupancy thereof, and the Lessee shall, in accordance with and subject to the provisions of Section 15 hereof, make any and all structural and nonstructural improvements, alterations or repairs of the premises that may be required at any time hereafter by any such present or future law, rule, regulation, requirement, order or direction.

(d) The obligation of the Lessee to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property on the premises and a proper operation by the Lessee. 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 7. *Rules and Regulations*

The Lessee covenants and agrees to observe and obey (and to compel its officers, members, employees, agents, representatives, contractors, customers, guests, invitees and those doing business with it to observe and obey) the special rules and regulations of the Port Authority for the government of the conduct and operations of the Lessee, a copy of which is attached hereto, made a part hereof and marked "Exhibit R", and such further reasonable rules and regulations as may from time to time during the letting 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 premises and the Terminal.

The Port Authority agrees that, except in cases of emergency, it will give notice to the Lessee of every such further rule or regulation adopted by it at least five (5) days before the Lessee shall be required to comply therewith.

SECTION 8. *Various Obligations of the Lessee*

(a) The Lessee shall conduct its operations in an orderly and proper manner and so as not to annoy, disturb or be offensive to others at the Terminal. The Lessee shall take all reasonable measures to eliminate vibrations tending to damage the premises and to keep the sound level of its operations as low as possible.

(b) The Lessee shall control the conduct, demeanor and appearance of its officers, members, employees, agents, representatives, contractors, customers, guests, invitees and those doing business with it, and upon objection from the Port Authority concerning the conduct, demeanor or appearance of any such shall immediately take all steps necessary to remove the cause of the objection.

(c) No garbage, debris or other waste materials (whether solid or liquid) shall be allowed to collect or accumulate in the premises and the Lessee shall remove from the premises and the Terminal all garbage, debris and other waste materials (whether solid or liquid) arising out of its occupancy or use of the premises. The Lessee shall use extreme care when effecting removal of all such waste and in no event shall use any facilities of the Port Authority without its prior consent in writing and shall effect such removal only during such hours as are prescribed by the Superintendent of the Terminal.

(d) If the premises have an entrance or exit opening out on a sidewalk the Lessee shall keep all sidewalks and curbs adjacent to the premises and all exclusive lobbies, vestibules and steps free from snow, ice, dirt and rubbish.

(e) The Lessee shall provide and its employees shall wear or carry badges or other suitable means of identification which shall be subject to the prior written approval of the Superintendent of the Terminal.

(f) If the Lessee is permitted under this Agreement to sell food and/or beverages, it shall, in connection with any preparation, packaging, handling, storage, delivery and dispensing of such food and/or beverages, comply with the following:

(1) Its employees shall wear clean, washable uniforms and female employees shall wear caps or nets. The employees shall be clean in their habits and shall thoroughly wash their hands before beginning work and immediately after each visit to the toilet and shall keep them clean during the entire work period. No person affected with any disease in a communicable form or who is a carrier of such disease shall work or be permitted to work for the Lessee.

(2) All food and beverages shall be clean, fresh, pure, of first-class quality and safe for human consumption.

(3) The premises and all equipment and materials used by the Lessee shall at all times be clean, sanitary, and free from rubbish, refuse, dust, dirt, offensive or unclean material, flies and other insects, rodents and vermin. All apparatus, utensils, devices, machines and piping used by the Lessee shall be constructed so as to facilitate the cleaning and inspection thereof and shall be properly cleaned after each period of use (which shall at no time exceed eight hours) with hot water and a suitable soap or detergent and shall be rinsed by flushing with hot water. Where deemed necessary by the Port Authority, final treatment by live steam under pressure or other sterilizing procedure shall be used. All trays, dishes, crockery, glassware, cutlery, and other equipment of such type shall be cleaned and sterilized immediately before using same.

(4) All packing materials, including but not limited to wrappers, stoppers, caps, enclosures and containers, shall be clean and sterile and shall be so stored as to be protected from dust, dirt, flies and other insects, rodents, vermin, unsanitary handling and unclean materials.

(5) It is intended that the standards and obligations imposed by this subdivision (f) shall be maintained or complied with by the Lessee in addition to its compliance with all applicable governmental laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, the Lessee agrees that it will comply with such laws, ordinances and regulations in its operations hereunder.

SECTION 9. *Prohibited Acts*

The Lessee shall not: (a) commit any nuisance on the premises, or do or permit to be done anything which may result in the creation or commission of a nuisance on the premises; (b) cause or produce or permit to be caused or produced upon the premises, or to emanate therefrom, any unusual,

noxious or objectionable smokes, gases, vapors, or odors; (c) use the premises for lodgings or sleeping purposes or for any immoral purposes; (d) install window shades or venetian blinds on the windows of the premises unless and until the type, size and color of same shall have been previously approved in writing by the Port Authority; (e) do or permit to be done anything which may interfere with the effectiveness or accessibility of existing and future utilities systems or portions thereof on the premises or elsewhere at the Terminal, including therein without limitation thereto systems for the supply of heat, water hot and cold, gas, electricity and fuel and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, air-conditioning, telephone, telegraph, tele-register, pneumatic-tube dispatch and inter-communications services, including lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to all such systems, nor do or permit to be done anything which may interfere with free access and passage in the premises, elsewhere in the Terminal or in the streets and sidewalks adjacent to the Terminal; (f) do or permit to be done anything which may interfere with the effectiveness or accessibility of elevators or escalators at the Terminal, including lines, pipes, wires, conduits and equipment connected with or appurtenant thereto; (g) overload any floor in the premises; (h) place any furniture, machine or equipment over any expansion or contraction joint unless one end of such furniture, machine or equipment is free to permit expansion or contraction; (i) place any additional lock of any kind upon any window or interior or exterior door in the premises unless a key therefor is delivered to the Port Authority, nor make any change in any existing door or window lock or the mechanism thereof, except with the prior written approval of the Port Authority, and upon the expiration or sooner termination of the letting hereof, the Lessee shall surrender to the Port Authority any and all keys to interior and exterior doors on the premises, whether said keys were furnished to or were otherwise procured by the Lessee, and in the event of the loss of any keys furnished by the Port Authority to the Lessee, the Lessee shall pay to the Port Authority on demand the cost of replacement thereof; (j) do or permit to be done any act or thing upon the premises which will invalidate or conflict with any fire insurance policies covering the premises or any part thereof, or the Terminal, or any part thereof, 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 3 hereof, and the Lessee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange, or if the premises are located in New Jersey of the National Board of Fire Underwriters, the Fire Insurance Rating Organization of N. J., or of any other board or organization exercising or which may exercise similar functions, which may pertain or apply to the operations of the Lessee on the premises, and the Lessee shall, subject to and in accordance with the provisions of Section 15 hereof, make any and all non-structural improvements, alterations or repairs of the premises that may 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 Lessee to comply with the provisions of this subdivision, any fire insurance rate on the premises or any part thereof, or on the Terminal or any part thereof shall at any time be higher than it otherwise would be, then the Lessee shall pay to the Port Authority on demand that part of all fire insurance premiums paid by the Port Authority which shall have been charged because of such violation or failure by the Lessee; (k) unless otherwise expressly permitted so to do, install, maintain or operate, or permit the installation, maintenance or operation on the premises of any vending machine or device designed to dispense or sell food, beverages, tobacco products or merchandise of any kind, whether or not included in the above categories, or of any restaurant, cafeteria, kitchen, stand or other establishment of any type for the preparation, dispensing or sale of food, beverages, tobacco or tobacco products, or of any telephone pay-stations.

SECTION 10. *Maintenance and Repair*

(a) The Lessee shall at all times keep in a clean and orderly condition and appearance the premises and all the Lessee's fixtures, equipment and personal property.

(b) The Lessee shall repair, replace, rebuild and paint all or any part of the Terminal and the premises, including therein, without limitation thereto, walls, partitions, floors, ceilings, columns, windows, doors, glass of every kind, fixtures, systems for the supply of heat, water hot and cold, gas, electricity and fuel and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, air-conditioning, telephone, tele-register, pneumatic-tube dispatch and intercommunication services, including lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to all such systems, which may be damaged or destroyed by the acts or omissions of the Lessee, its officers, members, employees, agents, representatives, contractors, customers, guests, invitees or other persons doing business with it. All non-structural repair, replacement, rebuilding and painting shall be made or done by the Lessee and structural repair, replacement and rebuilding may be made or done by the Port Authority, the cost thereof to be paid by the Lessee on demand.

(c) The Lessee shall take good care of the premises, including therein, without limitation thereto, walls, partitions, floors, ceilings, columns, windows, doors, glass of every kind, fixtures and shall make or do all non-structural repairs, replacements, rebuilding and painting necessary to keep the premises

in the condition existing as of the commencement date of the letting and to keep all improvements and fixtures made or installed subsequent to the commencement date of the letting in the condition existing as of the date such improvements are made and such fixtures installed.

(d) In the event the Lessee fails to commence so to make or do non-structural repairs, replacements, rebuilding or painting within a period of ten (10) days after notice from the Port Authority so to do or fails diligently to continue to completion the repair, replacement, rebuilding or painting of all the premises required to be repaired, replaced, rebuilt or painted by the Lessee under the terms of this Agreement, the Port Authority may, at its option, and in addition to any other remedies which may be available to it, repair, replace, rebuild or paint all or any part of the premises included in the said notice, the cost thereof to be paid by the Lessee on demand.

(e) The Lessee shall not lay any linoleum, asphalt tile or other such affixed floor covering in direct contact with the floor of the premises. If the Lessee lays any linoleum, asphalt tile or other such affixed covering on the floor of the premises, an interlining of builder's deadening felt shall first be affixed to the floor with water-soluble paste or other water-soluble material, the use of cement or other adhesive non-soluble in water being expressly prohibited.

(f) The Lessee shall maintain and pay the premiums on a policy of plate and mirror glass insurance covering all plate and mirror glass which is a part of or is located on or in the premises.

(g) In the event that, as a result of any casualty, the premises are damaged, without the fault of the Lessee, its officers, members, employees, agents, representatives, contractors, customers, guests, invitees or other persons doing business with it, so as to render them untenantable in whole or part, then

(1) if in the opinion of the Port Authority the necessary repairs or rebuilding can be completed within ninety (90) days after the occurrence of the damage, the Port Authority shall repair or rebuild with due diligence, and the rental hereunder shall, if so provided in Item 1 of Exhibit B, be abated only for the period from the occurrence of the damage to the completion of the repairs or rebuilding, whether or not the work of repair or rebuilding is actually completed within the said ninety (90) days; or

(2) if in the opinion of the Port Authority such repairs or rebuilding cannot be completed within ninety (90) days after the occurrence of the damage or if the entire premises require rebuilding, then the Port Authority shall have options: (i) to proceed with due diligence to repair or to rebuild as necessary; or (ii) to terminate the letting as to the damaged portion of the premises only, or (iii) to cancel this Agreement and terminate the letting as to the entire premises; and the rental hereunder shall, if so provided in Item 1 of Exhibit B, be abated, either, as the case may require, for the period from the occurrence of the damage to the completion of repairs and rebuilding or for the period from the occurrence of the damage to the effective date of termination.

(h) The parties hereby stipulate that if the premises are in the State of New Jersey neither the provisions of Titles 46:8-6 and 46:8-7 of the Revised Statutes of New Jersey nor those of any other similar statute shall extend or apply to this Agreement, and if the premises are in the State of New York, neither the provisions of Section 227 of the Real Property Law of New York nor those of any other similar statute shall extend or apply to this Agreement.

(i) In the event of a partial or total destruction of the premises, the Lessee shall immediately remove any and all of its property and/or debris from the premises or the portion thereof destroyed and if the Lessee does not promptly so remove, the Port Authority may remove such property to a public warehouse for deposit or retain the same in its own possession and sell the same at public auction, the proceeds of which shall be applied first to the expenses of removal, storage and sale, second to any sums owed by the Lessee to the Port Authority, with any balance remaining to be paid to the Lessee; if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the Lessee shall pay such excess to the Port Authority upon demand.

SECTION 11. *Indemnity; Liability Insurance*

(a) The Lessee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, agents 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 use or occupancy of the premises by the Lessee or out of any of the acts or omissions of the Lessee, its officers, members, employees, agents, representatives, contractors, customers, guests, invitees and other persons doing business with it where such acts or omissions are on the premises or arising out of any acts or omissions of the Lessee, its officers, members, employees, agents and representatives where such acts or omissions are elsewhere at the Terminal.

(b) In addition to the obligations set forth in the above subdivision, the Lessee in its own name as assured shall maintain and pay the premiums on a policy or policies of comprehensive public liability insurance, including products liability, which shall cover its operations hereunder and shall be effective throughout the letting, in limits not lower than those set out in Item 2 of Exhibit B.

(c) The Port Authority shall not be named as an insured in any policy of liability insurance required by this Section, unless the Port Authority shall, at any time during the letting, direct otherwise in writing, in which case the Lessee shall cause the Port Authority to be so named. As to any insurance required by the provisions of this or any other Section of this Agreement to be secured by or at the direction of the Lessee, a certified copy of each of the policies or a certificate or certificates evidencing the existence thereof or binders shall be delivered to the Port Authority within ten (10) days after the execution of this Agreement or, in the case of insurance required under the provisions of Section 15, prior to the commencement of the work. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving ten (10) days' written advance notice thereof to the Port Authority. A 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 letting. If at any time [illegible] of the policies shall be or become unsatisfactory to the Port Authority as to form or substance [illegible] any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority [illegible] Lessee shall promptly obtain a new and satisfactory policy in replacement.

SECTION 12. *Sales and Services by Lessee*

(a) A principal purpose of the Port Authority in entering into this Agreement is to have available for travelers and other users of the Terminal, all other members of the public, and persons employed at the Terminal, the merchandise and/or services which the Lessee is permitted to sell and/or 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 Lessee agrees that it will conduct a first class operation and will furnish and install all necessary or proper equipment, fixtures, improvements (subject to Section 15), personnel, supplies, materials and other facilities and replacements therefor and all such fixtures and improvements (except trade fixtures removable without injury to the premises) shall on installation become the property of the Port Authority and a part of the premises, *provided, however*, that the Port Authority shall have the option, exercisable by notice delivered to the Lessee on or before a date sixty (60) days after expiration or termination hereof, to require the Lessee to remove any or all such fixtures, equipment and improvements and to restore the premises to the condition thereof prior to any installation and in the event of a failure on the part of the Lessee so to remove and restore, the Port Authority may do so, and the Lessee shall pay the cost thereof to the Port Authority on demand. All equipment, fixtures and improvements to be used in the premises and the installation [illegible] hereof shall be subject to the prior written approval of the Port Authority as to type and quality. T[illegible] Port Authority may by written authorization allow the Lessee to enter and occupy the premises, pri[illegible] to the commencement date of the letting stated or referred to in Sections 2 or 33, solely for the pu[illegible]se of installing fixtures and making improvements. In the event that the Lessee receives such writte[illegible] authorization the Lessee shall use and occupy the premises in accordance with and shall be subject to a[illegible] the provisions of this Agreement other than those relating to the conducting of a business and the payment of rental.

(b) The Lessee shall furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Terminal; shall furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and shall charge fair, reasonable and non-discriminatory prices for all items and/or services which it is permitted to sell and/or render hereunder.

(c) The Lessee shall, prior to selling any items or rendering any services hereunder, prepare schedules of prices and rates for said items and services. Such schedules shall be submitted to the Port Authority for its prior written approval as to compliance by the Lessee with its obligations under this Agreement. The Port Authority shall examine such schedules and make such modifications therein as may be necessary. Any changes thereafter in the schedules shall be similarly submitted to the Port Authority for its prior written approval, and, if necessary, modification. All such schedules shall be made available to the public by the Lessee at locations designated from time to time by the Port Authority. The Lessee agrees to adhere to the prices and rates stated in the approved schedules. If the Lessee charges any price or applies any rate in excess of the approved prices or rates, the amount by which the actual price or the charge based on such actual rate deviates from the approved price or a charge based on the approved rates shall constitute an overcharge which will, upon demand of the Port Authority or the Lessee's customer, be promptly refunded to the customer. If the Lessee charges any price or applies any rate which is less than the approved prices or rates, the amount by which the actual price or the

charge based on such actual rate deviates from the approved price or a charge based on the approved rates shall constitute an undercharge and an amount equivalent thereto shall be included in any gross receipts hereunder and the percentage rental, if any, shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Lessee or any inclusion of undercharges in gross receipts, any such overcharge or undercharge shall constitute a breach of the Lessee's obligations hereunder and the Port Authority shall have all remedies consequent upon breach which would otherwise be available to it at law, in equity or by reason of this Agreement.

(d) In the event that the Lessee in its operations hereunder offers for sale such a variety of items that the submission of schedules, under the preceding subdivision of this Section, is not feasible in the opinion of the Port Authority, then the Lessee shall be under no obligation to submit such schedules of prices but the Lessee shall not then sell any items hereunder at a price other than the manufacturer's or distributor's recommended retail price, *provided, however*, that if the price charged for the same item at any other establishment within the Port of New York District which has any ownership, financial or management connection with the Lessee or any majority stockholder thereof is lower than the manufacturer's or distributor's recommended retail price, the Lessee shall notify the Port Authority in writing of that fact and shall charge only the lower price. If the Lessee wishes to charge a price different from the manufacturer's or distributor's recommended retail price or different from the lower price at any other establishment, as the case may be, then the Lessee shall prepare and submit to the Port Authority schedules therefor in the same manner and subject to the same conditions as set forth in the preceding subdivision of this Section. Any overcharge or undercharge resulting from a breach by the Lessee of its obligations under this subdivision shall be respectively refunded to the customer or included in gross receipts, all in the same manner and subject to the conditions as set forth in the preceding subdivision of this Section for overcharges or undercharges.

(e) The Lessee shall be open for and shall conduct business and furnish services twenty-four hours a day, seven days a week, or for such other hours and days as the Port Authority, from time to time by notice to the Lessee, may determine to properly serve the needs of the public. The determination of proper business hours and days made by the Port Authority shall be controlling.

SECTION 13. *Signs*

(a) Except with the prior written consent of the Port Authority, the Lessee shall not erect, maintain or display any signs or any advertising at or on the exterior parts of the premises or in the premises so as to be visible through the windows or exterior doors thereof.

(b) Upon the expiration or termination of the letting, the Lessee shall remove, obliterate or paint out, as the Port Authority may direct, any and all signs and advertising on the premises or elsewhere at the Terminal if pertaining to the Lessee, and in connection therewith shall restore the premises and the Terminal to the same condition as prior to the placement of any such signs or advertising. In the event that there is a failure by the Lessee so to remove, obliterate or paint out each and every sign or advertising and so to restore the premises and the Terminal, the Port Authority may, at its option, perform the necessary work at the expense of the Lessee, and the charge therefore shall be paid by the Lessee to the Port Authority on demand.

SECTION 14. *Services*

(a) Unless otherwise stated in Item 3 of Exhibit B, the Port Authority, shall, without additional charge, heat the premises to an even and comfortable working temperature during the hours and days stated in said Item 3.

(b) The Port Authority shall also, without additional charge, furnish non-exclusive toilet and washroom facilities for the employees of the Lessee if toilet and washroom facilities are not a part of the premises.

(c) The Port Authority agrees to sell, furnish and supply to the Lessee in the premises and the Lessee agrees to take and pay the Port Authority for the following:

(1) Unless otherwise stated in Item 3 of Exhibit B, electricity, in reasonable quantities, for illumination (all bulbs to be supplied and installed by the Lessee) and power; said electricity unless otherwise specified in said Item 3 to be 60 cycle, alternating current, single phase, at 110 volts, and to be paid for by the Lessee at the rates specified in said Item 3.

(2) Unless otherwise stated in Item 3 of Exhibit B, cold water, in reasonable quantities, of the character furnished by the municipality or utility company supplying in the vicinity and to be paid for by the Lessee at the rates specified in said Item 3.

(3) Unless otherwise stated in Item 3 of Exhibit B, hot water, in reasonable quantities, at the temperature stated in said Item 3 and to be paid for by the Lessee at the rates specified in said Item 3.

(4) Unless otherwise stated in Item 3 of Exhibit B, steam, in reasonable quantities, of the character specified in said Item 3 and to be paid for by the Lessee at the rates specified in said Item 3.

(5) Unless otherwise stated in said Item 3 of Exhibit B, air conditioning sufficient to maintain the premises to the temperature stated in said Item 3 during the hours and days stated in said Item 3 and to be paid for by the Lessee at the rates specified in said Item 3.

(d) The above utilities may be charged for at a flat rate as provided in Item 3 of Exhibit B or at a metered rate as provided in Item 3 of Exhibit B. In the latter event, the quantity thereof shall be measured by a meter or meters installed in the Terminal for that purpose, *provided, however* that, if for any reason any meter fails to record the consumption thereof, the consumption during any such period that the meter is out of service will be considered to be the same as the consumption for a like period immediately before or immediately after the interruption, as selected by the Port Authority.

(e) Charges by the Port Authority for the above services shall be paid for by the Lessee on demand; and, unless otherwise specified in Item 3 of Exhibit B the services shall be supplied through existing wires, fixtures conduits outlets pipes or vents if any

(f) If any federal state municipal or other governmental body authority or agency or ar public utility assesses levies, imposes, makes or increases any charge fee or rent on the Po: Authority for any service, system or utility now or in the future supplied to or available to tr. premises or to any occupants or users thereof or to the structure or building of which the premises form a part (including but not limited to any sewer rent or charge for the use of sewer systems), the Lessee shall, at the option of the Port Authority exercised at any time and from time to time by notice to the Lessee pay, in accordance with said notice, such charge, fee or rent or increase thereof (or the portion thereof allocated by the Port Authority to the premises or the Lessee's operations hereunder) either directly to the governmental body, authority or agency or to the public utility or directly to the Port Authority.

(g) Notwithstanding that the Port Authority may have agreed to supply a service hereunder to the Lessee where such service is to be metered, the Port Authority shall be under no obligation to provide or continue any such service if the Port Authority is prevented by law from submetering such service or has agreed with the supplier of such service not to submeter such service.

(h) The Port Authority shall have the right to temporarily discontinue the supply of any 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 premises or elsewhere in the Terminal including all systems for the supply of services.

(i) No failure, delay or interruption in any of the above services shall be or shall be construed to be an eviction of the Lessee, shall be grounds for any diminution or abatement of the rentals payable hereunder, or shall constitute grounds for any claim by the Lessee for damages consequential or otherwise unless due to the negligence of the Port Authority, its employees or agents. The Lessee shall not be entitled to receive any of the above services during any period during which the Lessee vastes any of the said services or is in default under any of the provisions of this Agreement.

SECTION 15. *Construction by the Lessee*

(a) Except as hereinafter expressly provided, the Lessee shall not erect any structures, make any improvements or do any other construction work on the premises or elsewhere at the Terminal, or alter, modify or make additions, improvements or repairs to or replacements of any structure now existing or built at any time during the letting, or install any fixtures (other than trade fixtures, removable without injury to the premises) without the prior written consent of the Port Authority, and in the event any construction, improvement, alteration, modification, addition, repair or replacement is made without such approval, then, upon notice given at any time during the letting or within sixty (60) days after expiration or termination of the term of the letting, the Lessee will 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 Lessee to comply with such notice, the Port Authority may effect the removal or change, and the Lessee shall pay the cost thereof to the Port Authority on demand.

(b) In the event that Item 4 of Exhibit B provides that the Lessee is required (or is permitted to) build a structure or make repairs, alterations, improvements or additions to the premises, the structure, repairs, alterations, improvements or additions described the said Item 4 shall be built or made strictly in accordance with the following terms and conditions

(1) The Lessee shall, to the extent allowed under the l the insurer of the Port Authority, its Commissioners, officers, agents and employees, at the following distinct and several risks, whether they arise from acts or omissions of the Lessee, of the Port Authority, its Commissioners, officers, agents and employees or of third persons, or from acts of God or of the public enemy, or otherwise, excepting only risks which result solely from affirmative, wilful acts done by the Port Authority subsequent to the commencement of the work of construction, repair, alteration, improvement or addition

(i) The risk of loss or damage to all such required repairs, alterations, additions, improvements, or structures prior to the completion thereof. In the event of such loss or damage, the Lessee shall forthwith repair, replace and make good the work without cost to the Port Authority.

(ii) The risk of death, injury or damage, direct or consequential, to the Port Authority, its Commissioners, officers, agents and employees, and to its or their property, arising out of or in connection with the performance of the work. The Lessee shall indemnify the Port Authority, its Commissioners, officers, agents and employees, for all such deaths, injuries and damages, and for all loss suffered by reason thereof.

(iii) The risk of claims and demands, just or unjust, by third persons against the Port Authority, its Commissioners, officers, agents and employees arising or alleged to arise out of the performance of the work. The Lessee shall indemnify the Port Authority, its Commissioners, officers, agents and employees, against and from all such claims and demands, and for all loss and expense incurred by it and by them in the defense, settlement or satisfaction thereof.

(2) All construction work done pursuant to this Section shall be done in accordance with drawings and specifications to be submitted to and approved by the Chief Engineer of the Port Authority prior to the commencement of the work, shall be done to his satisfaction and shall be subject to his inspection during the progress of such work and after completion thereof; and the Lessee shall re-do or replace at its own expense any work not approved by the said Chief Engineer. Unless otherwise expressly provided herein, all workmanship and materials are required to be first class.

(3) The Lessee shall pay all claims lawfully made against it by its contractors, subcontractors, materialmen and workmen and all claims lawfully made against it by other third persons 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.

(4) The Lessee shall procure and maintain comprehensive public liability insurance, or, if the work is to be done by an independent contractor, the Lessee shall require such contractor to procure and maintain such insurance in the name of the contractor, in either case, in limits not lower than those set forth for such categories of insurance in Item 5 of Exhibit B.

(5) As soon as such structure, repair, alteration, improvement or addition shall have been completed to the satisfaction of the Chief Engineer of the Port Authority, then (subject to the provisions of the following subdivision (c)) title thereto shall immediately and without execution of any further instrument vest in the Port Authority, and every said structure and all such repairs, alterations, improvements or additions, shall thereupon become and thereafter be part of the premises.

(c) The Port Authority shall have the option, exercisable by notice delivered on or before a date sixty (60) days after expiration, cancellation or termination hereof, to require the Lessee to remove any or all such structures, alterations, improvements or additions, and to restore the premises to the condition thereof prior to the construction or installation thereof. In the event of a failure on the part of the Lessee so to remove and restore, the Port Authority may do so, and the Lessee shall pay the cost thereof to the Port Authority on demand.

SECTION 16. *Injury and Damage to Person or Property*

The Port Authority shall not be liable to the Lessee, or to any person, for injury or death to any person or persons whomsoever, or damage to any property whatsoever at any time in the premises or elsewhere in the Terminal, including but not limited to any such injury, death or damage from falling material, water, rain, hail, snow, gas, steam, and/or electricity, whether the same may leak into, or fall, issue, or flow from any part of the Terminal, or from any other place or quarter, unless said damage, injury or death shall be due to the negligence of the Port Authority, its employees or agents.

SECTION 17. *Additional Rent and Charges*

(a) If the Port Authority has paid any sum or sums or has incurred any obligations or expense which the Lessee has agreed to pay or reimburse the Port Authority for, or if the Port Authority is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement or as a result of an act or omission of the Lessee contrary to the said conditions, covenants and agreements, the Lessee agrees to pay the sum or sums so paid or the expense so incurred, including all interest, costs, damages and penalties, and the same may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the basic rental, or if there is no basic rental as a part of the percentage rental, all as set forth in Section 4 hereof.

(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 sum or sums by the Port Authority for any work done or material furnished shall be *prima facie* evidence against the Lessee that the amount of such payment was necessary and reasonable. Should the Port Authority elect to use its own operating and maintenance staff in making any repairs, replacements, and/or alterations and to charge the Lessee with the cost of 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 Lessee that the amount of such charge was necessary and reasonable.

SECTION 18. *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 premises for the purpose of inspecting the same, for observing the performance by the Lessee of its obligations under this Agreement, and for the doing of any act or thing which the Port Authority may be obligated or have the right to do under this Agreement or otherwise.

(b) Without limiting the generality of the foregoing, the Port Authority, by its officers, employees, representatives, and contractors, shall have the right, for the benefit of the Lessee or for the benefit of others at the Terminal, to maintain existing and future utilities systems or portions thereof on the premises, including therein without limitation thereto systems for the supply of heat, water hot and cold, gas, electricity and fuel and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, air-conditioning, telephone, telegraph, tele-register, pneumatic-tube dispatch and intercommunication services, and to maintain elevator and escalator systems, including lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to all such systems, and to enter upon the premises 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 premises new lines, pipes, mains, wires, conduits and equipment; *provided, however*, that such repair, alteration, replacement or construction shall not unreasonably interfere with the use of the premises by the Lessee.

(c) Nothing in this Section shall or shall be construed to impose upon the Port Authority any obligations so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do.

(d) At any time and from time to time during ordinary business hours within the six (6) months next preceding the expiration of the letting, the Port Authority, by its agents and employees, whether or not accompanied by prospective lessees, occupiers or users of the premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same and during such six-month period the Port Authority may place and maintain on the premises, the usual "To Let" signs, which signs the Lessee shall permit to remain without molestation.

(e) If, during the last month of the letting, the Lessee shall have removed all or substantially all the Lessee's property from the premises, the Port Authority may immediately enter and alter, renovate and redecorate the premises.

(f) No abatement of rental shall be claimed by or allowed to the Lessee by reason of the exercise of any or all of the foregoing rights by the Port Authority or others.

SECTION 19. *Condemnation*

(a) 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 part of the premises, the Lessee 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, except the possible claim to an award for loss of fixtures furnished and installed by the Lessee (and for the purpose of such possible claim alone, title to such fixtures shall revert to the Lessee), it being understood and agreed between the Port Authority and the Lessee that, except for the possible claim to an award for loss of fixtures, 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 Lessee.

(b) In the event of a taking of the entire premises by any governmental agency or agencies, then this Agreement shall be cancelled and the letting shall, as of the date possession is taken from the Port Authority by such agency or agencies, cease and determine in the same manner and with the same effect as if the term of the letting had on that date expired.

(c) In the event of a taking by any governmental agency or agencies of a part of the premises, then the letting as to such part only shall, as of the date possession thereof is taken from the Port Authority by such agency or agencies, cease and determine, and the rentals thereafter to be paid by the Lessee to the Port Authority shall, if so provided in Item 1 of Exhibit B, be abated from and after the date of such taking.

SECTION 20. *Assignment and Sublease*

(a) The Lessee shall not assign, sell, convey, transfer, mortgage, or pledge this Agreement, or the letting, or any part thereof.

(b) The Lessee shall not sublet the premises or any part thereof.

(c) If the Lessee assigns, sells, conveys, transfers, mortgages, pledges or sublets in violation of subdivisions (a) or (b) of this Section or if the premises are occupied by anybody other than the Lessee, the Port Authority may collect rent from any assignee, sublessee or anyone who claims a right to this Agreement or letting or who occupies the premises, and shall apply the net amount collected to the rental herein reserved; and no such collection shall be deemed a waiver by the Port Authority of the covenants contained in subdivisions (a) and (b) of this Section nor an acceptance by the Port Authority of any such assignee, sublessee, claimant or occupant as Lessee, nor a release of the Lessee by the Port Authority from the further performance by the Lessee of the covenants contained herein.

(d) The Lessee shall not use, or permit any person to use, the premises or any portion thereof, except for the purposes set forth in Section 3 hereof.

SECTION 21. *Termination*

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

(1) The Lessee 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 Lessee shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or, if the Lessee is a corporation, by any of the stockholders of the Lessee, 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 Lessee and shall not be dismissed within thirty (30) days after the filing thereof; or

(4) The letting hereunder or the interest or estate of the Lessee under this Agreement shall be transferred to, pass to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

(5) The Lessee, if a corporation, shall, without the prior written approval of the Port Authority, become a possessor or merged corporation in a merger, a constituent corporation in a consolidation, or a corporation in dissolution; or

(6) The Lessee is, or the Lessees collectively are doing business as, or constitute a copartnership, and the said copartnership shall be dissolved as the result of any act or omission of its copartners 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 having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the property of the Lessee, and such possession or control shall continue in effect for a period of fifteen (15) days; or

(8) Any type of strike or other labor activity is directed against the Lessee at the Terminal resulting in picketing or boycott for a period of at least forty-eight (48) hours which, in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of the Terminal or the operations of other lessees or licensees thereat, whether or not the same is due to the fault of the Lessee, and whether caused by the employees of the Lessee or by others; or

(9) Any lien is filed against the premises because of any act or omission of the Lessee and is not removed within ten (10) days; or

(10) The Lessee shall voluntarily abandon, desert, vacate or discontinue its operations in the premises; or

(11) The Lessee shall fail duly and punctually to pay the rentals or to make any other payment required hereunder when due to the Port Authority; or

(12) The Lessee shall fail to keep, perform and observe each and every other promise, covenant and agreement set forth in this Agreement 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 Lessee 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);

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 letting and the rights of the Lessee hereunder, 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 subdivision (a) of this Section shall occur prior to the letting, the Lessee shall not be entitled to enter into possession of the premises and the Port Authority upon the occurrence of any such event or at any time thereafter during the continuance thereof by twenty-four hours' notice may cancel the interest of the Lessee under this Agreement, such cancellation to be effective upon the date specified in such notice.

(c) No acceptance by the Port Authority of rentals, fees, charges or other payments in whole or in part for any period or periods after a default of any of the terms, covenants and conditions to be performed, kept or observed by the Lessee shall be deemed a waiver of any right on the part of the Port Authority to terminate the letting.

(d) No waiver by the Port Authority of any default on the part of the Lessee in performance of any of the terms, covenants or conditions hereof to be performed, kept or observed by the Lessee shall be or be construed to be a waiver by the Port Authority of any other or subsequent default in performance of any of the said terms, covenants and conditions.

SECTION 22. *Right of Re-entry*

The Port Authority shall, as an additional remedy upon the giving of a notice of termination as provided in Section 21 hereof, have the right to re-enter the premises and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry, or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the Lessee under this Agreement, and shall in no event constitute an acceptance of surrender.

SECTION 23. *Waiver of Redemption*

The Lessee hereby waives any and all rights of redemption, granted by or under any present or future law, arising in the event it is evicted or dispossessed for any cause, or in the event the Port Authority obtains or retains possession of the premises in any lawful manner.

SECTION 24. *Survival of the Obligation of the Lessee*

(a) In the event that the letting shall have been terminated in accordance with a notice of termination as provided in Section 21 hereof, or the interest of the Lessee cancelled pursuant thereto, or in the event that the Port Authority has re-entered, regained or resumed possession of the premises in accordance with the provisions of Section 22 hereof, all the obligations of the Lessee under this Agreement shall survive such termination or cancellation, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Port Authority to the same extent, at the same time or times and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. The Port Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term.

(b) The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) shall be:

(1) On account of the Lessee's basic rental obligation, the amount of the total of all annual basic rentals, less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first day of the month in which the termination is effective shall be prorated for the part of the month the letting remains in effect, on the basis of a 30-day month;

(2) On account of the Lessee's percentage rental obligation in the event that a basic rental is also reserved under this Agreement, an amount equal to the percentage stated in Item 1 of Exhibit B applied to the amount of gross receipts in excess of the annual exemption amount or amounts, which gross receipts would have been received by the Lessee during the balance of the term if there had been no termination or cancellation (or re-entry, regaining or resumption of possession), and for the purpose of calculation hereunder (i) the said amount of gross receipts shall be derived by multiplying the number of days in the balance of the term originally fixed, by the Lessee's average daily gross receipts; (ii) the average daily gross receipts shall be the total actual gross receipts of the Lessee during that part of the effective period of the letting (including all annual periods falling within the effective period) in which no abatement was in effect, divided by the number of days included in such part of the effective period; (iii) the annual exemption amount for any period of less than a year shall be the product of the original annual exemption amount multiplied by a fraction, the numerator of which shall be the number of days from the effective date of termination to the end of the annual period and the denominator shall be 365;

~~(3) On account of the Lessee's percentage rental obligation in the event that no basic rental~~ is reserved under this Agreement, an amount equal to the percentage stated in Item 1 of Exhibit B applied to the amount of gross receipts which would have been received by the Lessee during the balance of the term if there had been no termination or cancellation (or re-entry, regaining or resumption of possession), and for the purpose of calculation hereunder (i) the said amount of gross receipts shall be derived by multiplying the number of days in the balance of the term originally fixed, by the Lessee's average daily gross receipts; (ii) the average daily gross receipts shall be the total actual gross receipts of the Lessee during that part of the effective period of the letting (including all annual periods falling within the effective period) divided by the number of days included in such part of the effective period.

(c) It is understood and agreed that the statement of damages under the preceding subdivision (b) shall not affect or be construed to affect the Port Authority's right to damages in the event of termination or cancellation (or re-entry, regaining or resumption of possession) where the Lessee has not received any actual gross receipts under this Agreement.

SECTION 25. *Reletting by the Port Authority*

The Port Authority, upon termination or cancellation pursuant to Section 21 hereof, or upon any re-entry, regaining or resumption of possession pursuant to Section 22 hereof, may occupy the premises or may relet the premises, and shall have the right to permit any person, firm or corporation to enter upon the premises and use the same. Such reletting may be of part only of the premises or of the premises or a part thereof together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. The Port Authority shall also, upon termination or cancellation pursuant to the said Section 21, or upon its re-entry, regaining or resumption of possession pursuant to the said Section 22, have the right to repair or to make structural or other changes in the premises, including changes which alter the character of the premises and the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder. In the event either of any reletting or of any actual use and occupancy by the Port Authority (the mere right to use and occupy not being sufficient however) there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said premises or portion thereof during the balance of the letting as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the premises as the Port Authority may during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by the Port Authority in connection therewith. No such reletting shall be or be construed to be an acceptance of surrender.

SECTION 26. *Thirty Day Termination*

(a) The Port Authority shall have the right to terminate this Agreement and the lettir -re- under, without cause, at any time, on thirty (30) days' notice to the Lessee. In the event of na- tion pursuant to this Section, this Agreement and the letting hereunder shall cease and expire . the effective date of termination stated in the notice were the date originally stated herein for the expiration of this Agreement.

~~(b) The Lessee is obligated by this Agreement to furnish and install all fixtures and equipment~~ and make all improvements in the premises, necessary or proper for its operations hereunder. In the event of termination by the Port Authority under this Section, the Port Authority shall pay the Lessee a *pro rata* share of the Lessee's cost in supplying and installing all such fixtures and equipment and making all such improvements excluding any replacements thereof. The cost and the *pro rata* share thereof shall be ascertained as stated in Item 6 of Exhibit B, *provided, however*, that tender of payment of said prorated cost by the Port Authority to the Lessee shall not be prerequisite to the exercise of the right of termination under this Section, but the Lessee shall be entitled to 4% interest per annum on said prorated cost for the period between the effective date of termination and the date of tender of payment (excluding any portion of the period prior to the rendering by the Lessee to the Port Authority of a statement and other documents of cost). On the payment by the Port Authority of said prorated cost and any interest due thereon, all fixtures, equipment and improvements including replacements furnished by the Lessee in the premises and all interest of the Lessee therein which have not already become property of the Port Authority shall be and become the property of the Port Authority and the Lessee shall execute any and all instruments necessary to transfer title to any such interest, *provided, however*, that the Port Authority may by notice relinquish its right to any such fixtures, equipment or improvements ~~and the provisions of Sections 12, 15 and 28 shall apply thereto~~.

SECTION 27. *Remedies to Be Non-exclusive*

All remedies provided in this Agreement shall 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 28. *Surrender*

(a) The Lessee covenants and agrees to yield and deliver peaceably to the Port Authority possession of the premises on the date of the cessation of the letting, whether such cessation be by termination, expiration or otherwise, promptly and in good condition such reasonable wear excepted as would not adversely affect or interfere with a first-class, efficient and proper operation such as is required under this Agreement.

(b) Subject to the provision of Sections 12 and 26 the Lessee shall have the right at any time during the letting to remove its equipment, inventories, removable fixtures and other personal property from the premises. If the Lessee shall fail to remove its property on or before the termination or expiration of the letting, the Port Authority may remove such property to a public warehouse for deposit or retain the same in its own possession, and sell the same at public auction, the proceeds of which shall be applied first to the expenses of removal, storage and sale, second to any sums owed by the Lessee to the Port Authority, with any balance remaining to be paid to the Lessee; if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the Lessee shall pay such excess to the Port Authority upon demand.

SECTION 29. *Acceptance of Surrender of Lease*

No agreement of surrender or to accept a surrender shall be valid unless and until the same shall have been reduced to writing and signed by the duly authorized representatives of the Port Authority and of the Lessee. Except as expressly provided in this Section, neither the doing of, nor any omission to do, any act or thir by any of the officers, agents or employees of the Port Authority, shall be deemed an acceptance of a surrender of the letting or of this Agreement.

SECTION 30. *Requirement of Deposit or Bond*

(a) Unless Item 7 of Exhibit B indicates that no deposit is required, then, prior to the commencement of the letting, the Lessee shall deposit with the Port Authority the sum stated in the said Item 7, in negotiable bonds of the United States of America, or of The Port of New York Authority or in cash, as security for the full, faithful and prompt performance of and compliance with, on the part of the Lessee, all the covenants, terms and conditions of this Agreement on its part to be fulfilled, kept, performed and observed. The said cash or bonds shall remain on deposit with the Port Authority throughout the letting. If bonds are deposited, the fair market value thereof shall be equivalent at the time of the deposit to the sum stated in the said Item 7; and, if at any time throughout the letting the fair market value thereof declines, the Lessee shall, upon ten (10) days' notice from the Port Authority, deposit additional bonds to the extent necessary to maintain the sum stated in the said Item 7. In addition to any and all other remedies available to it under this Agreement or otherwise, the Port Authority shall have the right, at its option at any time and from time to time, to use the deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Lessee. There shall be no obligation on the Port Authority to exercise such right, and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach on the part of the Lessee. In the event that the Port Authority shall at any time or times so use the deposit or a part thereof, the Lessee shall, on demand of the Port Authorityand within two (2) days thereafter, deposit with the Port Authority additional bonds satisfactory to the Port Authority or additional cash so as to maintain the deposit at all times to the full amount stated in the said Item 7; all such additional deposits shall be subject to all the conditions of this Section. After the expiration of the letting and upon written request therefor by the Lessee, the Port Authority will return the deposit to the Lessee, less the amount of any and all unpaid claims and damages of the Port Authority under this Agreement. Upon a termination of the letting, the Port Authority may, at its option, retain the deposit until the date fixed in Section 2 hereof for the expiration of the letting (or until the final date of any extended term, as the case may be) and shall thereafter upon demand of the Lessee return the same to the Lessee less the amount of any and all unpaid claims and damages, including but not limited to estimated damages of the Port Authority under this Agreement. The Lessee agrees that it will not assign, mortgage or encumber the deposit. The Lessee may collect or receive annually any interest or income earned on bonds and interest paid on cash deposited in interest-bearing bank accounts less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of administrative expense or custodial charge, or otherwise, provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest-bearing bank accounts. Without limiting the foregoing provisions of this Section, with respect to any bonds deposited by the Lessee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Lessee, to sell the same in whole or in part, at any time and from time to time, with or without prior notice, at public or private sale, all as determined by the Port Authority together with the right to purchase the same at such sale free of any claims, equities or rights of redemption of the Lessee. The Lessee hereby waives any right to participate therein or any right to prior notice or demand of the amount or amounts of the Port Authority's claims or demands against the Lessee. The proceeds of any such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to any advertising or commission expenses) and then to the amounts due the Port Authority from the Lessee. Any balance remaining shall be retained in cash toward bringing the security deposit to the sum specified in said Item 7 provided that this shall not relieve the Lessee from maintaining the deposit in the full amount stated in said Item 7.

(b) Unless Item 8 of Exhibit B indicates that no performance band is required, the Lessee shall furnish and pay the premium for a bond in the sum stated in the said Item 8, conditioned upon the full, faithful and prompt performance of and compliance with, on the part of the Lessee, all the covenants, terms and conditions of this Agreement on its part to be fulfilled, kept, performed and observed. The bond so furnished shall be in the form attached hereto, hereby made a part hereof and marked "Exhibit U", shall be effective throughout the letting and shall be made either by a surety company or companies qualified to carry on a surety business in the State of New Jersey if the premises are in New Jersey or in the State of New York if the premises are in New York, and satisfactory to the Port Authority or by an individual or individuals satisfactory to the Port Authority.

(c) In the event Items 7 and 8 of Exhibit B indicate that both a deposit and a performance bond are required, the Lessee shall, unless said Items 7 and 8 state otherwise, have the option of fulfilling either the provisions of subdivision (a) or those of subdivision (b) of this Section.

Section 31. *Brokerage*

The Lessee represents and warrants that no broker has been concerned in the negotiation of this Agreement and that there is no broker who is or may be entitled to be paid a commission in connection therewith. The Lessee 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 corporations whatsoever for services in connection with the negotiation and execution of this Agreement.

SECTION 37. *Place of Payments*

All payments required of the Lessee by this Agreement ~~shall be made at the office of the Treasurer of the Port Authority, One World Trade Center, New York, New York 10048,~~* or to such other officer or address as may be substituted therefor.

SECTION 38. *Quiet Enjoyment*

The Port Authority covenants and agrees that as long as it remains the owner of the Terminal, the Lessee, upon paying all rentals hereunder and performing all the covenants, conditions and provisions of this Agreement on its part to be performed, shall and may peaceably and quietly have, hold and enjoy the premises free of any act or acts of the Port Authority except as expressly permitted in this Agreement.

SECTION 39. *Headings*

The section headings and the paragraph 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 40. *Construction and Application of Terms*

(a) Wherever in this Agreement a third person singular neuter pronoun or adjective is used, referring to the Lessee, the same shall be taken and understood to refer to the Lessee, regardless of the actual gender or number thereof.

(b) Whenever in this Agreement, the Lessee is placed under an obligation or covenants to do or to refrain from or is prohibited from doing, or is entitled or privileged to do, any act or thing, the following shall apply:

(1) If the Lessee is a corporation, its obligations shall be performed or its rights or privileges shall be exercised only by its officers and employees; or

(2) If the Lessee is an unincorporated association or a business or "Massachusetts" trust, the obligation shall be that of its members or trustees, as well as of itself, and shall be performed only by its members or trustees, and officers and employees, and the rights or privileges shall be exercised only by its members or trustees, and its officers and employees; or

(3) If the Lessee is a copartnership, the obligation shall be that of its partners and shall be performed only by its partners and employees and the rights or privileges shall be exercised only by its partners and employees; or

(4) If the Lessee is an individual, the obligations shall be that of himself (or herself) and shall be performed only by himself (or herself) and his (or her) employees and the rights or privileges shall be exercised only by himself (or herself) and his (or her) employees.

(5) None of the privileges of this subdivision (b) shall be taken to alter, amend or diminish any obligation of the Lessee assumed in relation to its invitees, customers, agents, representatives, contractors or other persons, firms or corporations doing business with it.

(c) In the event that more than one individual or other legal entity are the Lessee under this Agreement, then and in that event each and every obligation under this Agreement shall be the joint and several obligation of each such individual or other legal entity.

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

*shall be made by mail to the Port Authority of New York and New Jersey, P. O. Box 17309, Newark, New Jersey 07194.

~~Section 43. Grease Traps and Ventilation Ducts~~

~~Without in anywise limiting the Lessee's other obligations under this Agreement, the Lessee shall supply, replace, install, repair, maintain and keep clean all grease traps in all drainage pipes exclusively used by it in its operations hereunder whether such pipes are located on the premises or elsewhere at the Terminal. The Lessee shall also keep clean, repair and maintain (other than structurally) all ventilation ducts including the replacement of all filters where such ducts are exclusively used by it in its operations hereunder and whether such ducts are located on the premises or elsewhere at the Terminal.~~

Section 44. Limitation on the Supply of Services

Notwithstanding that the Port Authority may have agreed to supply any service under Section 14 of this Agreement, the Port Authority shall be under no obligation to supply any such service if and to the extent and during any period that the supplying of any such service or the use of any component necessary therefor 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. If by operation of this Section any service for which the Lessee has agreed to pay a flat sum in Section 14 is discontinued for any period of the letting, the Lessee shall be relieved of its obligation to pay for such service for any such period or if any such service is supplied during fewer hours or in lesser amounts than agreed during any period of the letting, the Lessee shall be relieved proportionately of its obligation to pay for any such service for any such period.

Section 45. Governmental Compliance

In the event that all or any portion of the premises is required by the Port Authority to comply with any present or future governmental law, rule, regulation, requirement, order or direction, the Port Authority shall give the Lessee notice that all or any such portion of the premises is so required and the Lessee shall deliver all or any such portion of the premises so required on the date specified in such notice and, if the Lessee does not so deliver, the Port Authority may take the same. No such taking or delivery shall be or be construed to be an eviction of the Lessee or a breach of this Agreement. In the event that the Lessee has received a notice hereunder it shall deliver all or any such portion of the premises so required in the same condition as that required hereunder for the delivery of the premises on the cessation of the letting. In the event of the taking or delivery of all the premises, this Agreement and the letting hereunder shall on the day of such taking or delivery cease and expire as if that day were the date originally stated herein for the expiration of this Agreement; and, in the event of the taking or delivery of any portion of the premises, then, from and after such taking or delivery, such portion of the premises shall cease to be a part of the premises hereunder. There shall be an abatement of the rental in the event of any such taking or delivery of a portion of the premises if so provided in Item 1 of Exhibit B.

SECTION 46. *Extermination Service*

The Lessee shall pay the Port Authority upon demand the cost of extermination service, if any, actually provided by the Port Authority in the enclosed portion of the premises provided, however, that the Port Authority shall not be required hereby to furnish such service.

SECTION 47. *Force Majeure*

The Port Authority shall not be liable for any failure, delay or interruption in performing its obligations hereunder due to causes or conditions beyond its control. Further, the Port Authority shall not be liable unless the failure, delay or interruption shall result from failure on the part of the Port Authority to use reasonable care to prevent or reasonable efforts to cure such failure, delay or interruption.

SECTION 48. *Premises*

The Lessee acknowledges that it has not relied upon any representations or statements of the Port Authority or of its Commissioners, officers, agents or employees as to the condition of the premises or the suitability thereof for the Lessee's operations hereunder. The Lessee agrees that no portion of the premises will be used initially or at any time during the letting which is in a condition unsafe or improper for the conduct of the Lessee's operations hereunder so that there is a possibility of injury or damage to life or property and the Lessee further agrees that before any use it will immediately correct any such unsafe or improper condition. Without limiting the generality of any of the provisions of this Agreement, the Port Authority shall not be liable to the Lessee for any claims for loss, theft or damage involving any property stored or placed in the premises.

SECTION 49. *Finishes and Decorating by the Lessee*

(a) The Port Authority shall deliver the premises to the Lessee in its "as is" condition with certain finishes and utilities. The Lessee acknowledges that it has thoroughly inspected the premises and agrees to take the same in such "as is" condition and the Port Authority shall have no obligation hereunder for finishing work or preparation of the premises for the Lessee's use. Nothing contained herein shall or shall be construed to release the Lessee of its obligations under the section of this Agreement entitled "*Sales and Services by the Lessee*" to install in the premises all necessary or proper equipment or fixtures required for its operations in the premises. Subject to the provisions of this Section and the section of this Agreement entitled "*Construction by the Lessee*", the Lessee agrees to perform at its sole cost and expense all construction and installation work necessary or proper for its operations therein including, but not limited to, trade fixtures, signage, walls, ceilings, floors and lighting and the installation of a storefront gate (such work being hereinafter referred to as the "Construction Work"). Prior to commencing the performance of any of the Construction Work, the Lessee shall submit to the Port Authority for its approval an Alteration Application, in the form supplied by the Port Authority, and containing such terms and conditions as the Port Authority may include, setting forth in detail and by appropriate plans and specifications the work the Lessee proposes to perform and the manner and time periods for the performance of the same. The data to be supplied by the Lessee shall identify separately each of the items constituting the Construction Work and shall describe in detail the improvements, fixtures, equipment and systems, if any, to

be installed by the Lessee including electrical and other systems, and shall show the proposed method of tying in such systems to the utility lines or connections provided by the Port Authority on or off the premises at such points as determined by the Port Authority. The Lessee shall be responsible at its sole expense for retaining all architectural, engineering and other technical consultants and services as may be directed by the Port Authority and for developing, completing and submitting detailed plans and specifications for the work. The plans and specifications to be submitted by the Lessee to the Port Authority shall bear the seal of a qualified architect or professional engineer who shall be responsible for the administration of the work in accordance with the Port Authority's requirements and shall be in sufficient detail for a contractor to perform the work. In connection with review by the Port Authority of the Lessee's submissions under this paragraph, the Lessee shall submit to the Port Authority, at the Port Authority's request, such additional data, detail or information as the Port Authority may require for such review. The Lessee shall not engage any contractor or permit the use of any subcontractor unless and until each such contractor or subcontractor, and the contracts such contractors and subcontractors are operating under, have been approved by the Port Authority. The Lessee shall include in any such contract and subcontract such provisions as the Port Authority may approve or require including, without limitation thereto, provisions relating to labor harmony. The Lessee shall cause each such contractor and subcontractor to obtain and maintain in force such insurance coverage and performance bonds as the Port Authority shall specify. All work to be performed by the Lessee hereunder shall be done in accordance with the Alteration Application and final plans and specifications approved by the Port Authority, the provisions of this Agreement and in compliance with all applicable governmental laws, ordinances, enactments, resolutions, rules, regulations and orders, shall be subject to inspection by the Port Authority during the progress of the work and after the completion thereof, and the Lessee shall redo or replace at its own expense any work not done in accordance therewith. Upon completion of the Construction Work, the Lessee shall supply the Port Authority with a certificate signed by the architect or engineer who sealed the Lessee's plans pursuant to the provisions of this paragraph that all of the work performed has been performed in accordance with the plans and specifications covering such work approved by the Port Authority and the provisions of this Agreement and in compliance with all applicable governmental laws, ordinances, enactments, resolutions, rules, regulations and orders, and the Lessee shall supply the Port Authority with as-built drawings in form and number requested by the Port Authority.

(b) The Lessee shall not commence any portion of the Construction Work until the Alteration Application and plans and specifications covering the work to be performed, referred to in paragraph (a) of this Section, have been finally approved by the Port Authority. In the event of any inconsistency between the provisions of this Agreement and those of the Alteration Application, the provisions of this Agreement shall control.

(c) The Lessee shall be solely responsible for the plans and specifications used by it and for the adequacy or sufficiency of such plans, specifications and all the improvements, fixtures, equipment and supplies depicted thereon or covered thereby, regardless of the consent thereto or approval thereof by the Port Authority or the incorporation therein of any Port Authority requirements or recommendations. The Port Authority shall have no obligations or liabilities in connection with the performance of finishing, decorating or installation work performed by the Lessee or on its behalf or the contracts for the performance thereof entered into by the Lessee. Any warranties extended or available to the Lessee in connection with the aforesaid work shall be for the benefit of the Port Authority as well as the Lessee. The Lessee recognizes that its obligation to pay basic rental shall commence on the Rental Payment Start Date established pursuant to Item 1 of Exhibit B annexed to this Agreement whether or not the Lessee's work is then completed and regardless of whether the Lessee is then conducting any public operations in the premises. The Lessee shall conduct no

public operations in the premises until the Port Authority shall have notified the Lessee in writing that the Lessee's work has been completed or substantially completed to its satisfaction.

(d) Without limiting or affecting any other term or provision of this Agreement, the Lessee shall be solely responsible for the design, adequacy and operation of all utility, mechanical, electrical, communications and other systems installed by it in the premises by the Lessee and shall do all preventive maintenance and make all repairs, replacements and rebuilding (ordinary or extraordinary, structural or non-structural) and painting necessary to keep such systems and all other improvements, additions, fixtures, finishes and decorations made or installed by the Lessee (whether the same involves structural or non-structural work) in the condition they were in when made or installed except for reasonable wear which does not adversely affect the watertight condition or structural integrity of the building or adversely affect the efficient or proper utilization or appearance of any part of the premises.

(e) Title to and property in the Construction Work and to all improvements, fixtures, equipment and systems installed pursuant to this Section and any replacement or replacements thereof except for trade fixtures removable without injury to the premises and equipment and systems constituting personalty shall vest in the Port Authority upon the construction, installation or replacement thereof and the Lessee shall execute such necessary documents confirming the same as the Port Authority may require.

SECTION 50. *Operating Names*

Any name, designation or any service mark proposed to be used or displayed at the premises or at the Facility or for the Lessee's operations therein shall be approved in advance in writing by the Port Authority and the Lessee shall have the right to use and display the name, designation or mark only so long as this Agreement is in force and effect. If for any reason the Lessee ceases its operations in the premises, the Lessee's right to use such name, designation or service mark shall immediately cease and come to an end and the Port Authority or its designee shall have the sole right to use such name, designation or service mark and the Lessee hereby consents to such use thereof. Any registration or filing by the Lessee with respect to such name, designation or service mark shall indicate the Port Authority's interest therein and the form thereof shall be approved in advance by the Port Authority in writing. The Lessee agrees to assign and transfer to the Port Authority any such registration or filing and any other rights in or to the use of such name, designation or service mark promptly upon written request therefor from the Port Authority.

SECTION 51. *Late Charges*

If the Lessee shall fail to pay any amount required under this Agreement when due to the Port Authority including, without limitation, any payment of basic, percentage or other rental or any payment of utility or other charges or fees 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 (.8%) of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods during each calendar year; each late charge period shall be for a period of at least fifteen (15) calendar days except one (1) late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) 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 Agreement. 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. Each late charge shall be recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the basic rental as set forth in the section of this Agreement entitled *"Basic Rental"* and Item 1 of Exhibit B annexed hereto. 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 Agreement including, without limitation, the Port Authority's rights set forth in the section of this Agreement entitled "*Termination*" or (ii) any obligations of the Lessee under this Agreement. 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 Agreement shall be payable instead at such legal maximum.

SECTION 52. *Affirmative Action*

Without limiting any of the terms and conditions of this Agreement, the Lessee agrees, and agrees to require its contractors, to make every good faith effort, to the maximum extent feasible, to seek meaningful participation by minorities and women both as to Minority Business Enterprise (MBE) and Women-owned Business Enterprise (WBE) participation as contractors and subcontractors and as to the composition of the labor force on contracts and subcontracts entered into with respect to any construction work performed on the premises. The Port Authority has a long-standing practice of making its contracting opportunities available to MBEs and WBEs. The affirmative steps the Port Authority takes to maximize opportunities for MBEs and WBEs to participate in the performance of Port Authority construction contracts either directly or as subcontractors are hereby set forth for the Lessee's consideration in the schedule attached hereto, hereby made a part of this Agreement and marked "Schedule E".

SECTION 53. *Ethics*

(a) During the term of the letting under this Agreement, the Lessee shall not offer, give or agree to give anything of value either to a Port Authority employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority or to a member of the immediate family (i.e., a spouse, child, parent, brother or sister) of any of the foregoing, in connection with the performance by such employee, agent, job shopper, consultant, construction manager or other person or firm representing the Port Authority of duties involving transactions with the Lessee on behalf of the Port Authority, whether or not such duties are related to this Agreement or any other Port Authority lease, contract or matter. Any such conduct shall be deemed a material breach of this Agreement.

(b) As used herein, "anything of value" shall include, but not be limited to, any (1) favors, such as meals, entertainment, transportation (other than that contemplated by this Agreement or any other Port Authority lease or contract), etc., which might tend to obligate the Port Authority employee to the Lessee, and (2) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of

employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include compensation contemplated by this Agreement or any other Port Authority lease or contract.

(c) In addition, during the term of the letting under this Agreement, the Lessee shall not make an offer of employment or use confidential information in a manner proscribed by the Code of Ethics and Financial Disclosure dated as of April 11, 1996 (a copy of which is available upon request to the Office of the Secretary of the Port Authority).

(d) The Lessee shall include the provisions of this Section in each contract or subcontract entered into under and pursuant to this Agreement.

(e) The Lessee certifies that it has not made any offers or agreements, or given, or agreed to give, anything of value (as defined in paragraph (b) of this Section) or taken any other action with respect to any Port Authority employee or former employee or immediate family member of either which would constitute a breach of ethical standards under the Code of Ethics and Financial Disclosure dated as of April 11, 1996, referred to in paragraph (c) of this Section, nor does the Lessee have any knowledge of any act on the part of a Port Authority employee or former Port Authority employee relating either directly or indirectly to the Lessee which constitutes a breach of the ethical standards set forth in said Code.

SECTION 54. *Liability Insurance*

(a) The Lessee in its own name as assured shall secure and keep in full force and effect throughout the term of the letting under this Agreement, at the Lessee's sole cost and expense (i) a policy of comprehensive general liability insurance for such coverage as may reasonably be stipulated from time to time by the Port Authority covering the Lessee's operations hereunder which shall be effective throughout the term of the letting under this Agreement and shall initially be in a combined single limit of not less than Two Million Dollars and No Cents ($2,000,000.00) for liability for bodily injury, for wrongful death and for property damage arising from any one (1) occurrence; and (ii) a fire or other casualty policy insuring the full replacement value of all construction, installation and finishing work performed by the Lessee in the premises and the Lessee's furniture, trade fixtures, equipment and other personal property, such insurance to include a replacement cost endorsement with a deductible of no more than One Thousand Dollars and No Cents ($1,000.00) against loss or damage by fire and theft and such other risks or hazards as are insurable under present or future forms of "All Risk" insurance policies.

(b) Each policy of liability insurance described in paragraph (a) of this Section shall include the Port Authority as an additional insured for both ongoing operations and completed operations and each such policy 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, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority. Such policies shall not exclude or except from their coverage damages arising out of injury to or destruction of property occupied or used by or rented to the Lessee, and shall include products liability, completed operations and premises operations coverage and a contractual liability endorsement covering the obligations assumed by the Lessee under the Section of this Agreement entitled "*Indemnity*". Such policies shall not contain any care, custody or control exclusions or any exclusion for bodily injury to or sickness, disease or

death of any employee of the Lessee or of any of its contractors which would conflict with or in any way impair the coverages resulting from the Port Authority's status as additional insured or the coverage under the contractual liability endorsement described in this paragraph. Such insurance shall also contain an endorsement providing that the protection afforded the Lessee thereunder with respect to any claim or action against the Lessee by a third party shall pertain and apply with like effect with respect to any claim or action against the Lessee by the Port Authority and against the Port Authority by the Lessee, but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority as an additional insured.

(c) As to any insurance of any type whatsoever required or permitted by any provision of this Agreement, a certified copy of each of the policies or a certificate or certificates evidencing the existence thereof (including all required endorsements and evidence of the waivers of subrogation required by paragraph (e) of this Section), or binders, shall be delivered to the Port Authority within twenty (20) days after the commencement date of the term of the letting hereunder. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate including said endorsements and such waiver of subrogation. Within thirty (30) days after request of the Port Authority made at any time during the term of the letting under this Agreement, the Lessee shall deliver a certified copy of the policy to the Port Authority. Each such copy or certificate shall contain a valid provision or endorsement that: (i) the policy may not be cancelled, terminated, changed or modified without giving ten (10) days' written advance notice thereof to the Port Authority; and (ii) the Lessee shall be solely responsible for the payment of premiums therefor notwithstanding that the Port Authority is named as an additional insured. A 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 letting. If at any time any of the policies shall be or become unsatisfactory to the Port Authority as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Lessee shall promptly obtain a new and satisfactory policy in replacement. A carrier shall be deemed satisfactory to the Port Authority if it has and maintains a rating by Best's Insurance Reports, or any successor publication of comparable standing, of "A-X" or better or the then equivalent of such rating. The Port Authority will not find a policy issued by a satisfactory carrier to be unsatisfactory as to form or substance unless it contains provisions not generally included in commercial general liability policies which landlords in the City of New York owning comparable first-class office buildings at the time of such determination require to be maintained by tenants conducting operations similar to those conducted by the Lessee in the premises. Notwithstanding anything contained in this Section, it is specifically understood and agreed that the Port Authority shall have the right upon notice to the Lessee given from time to time and at any time to require the Lessee to increase any or all of the limits set forth in this Section and the Lessee shall promptly comply therewith and shall promptly submit a certificate or certificates evidencing the same to the Port Authority.

(d) The Lessee shall have the right to insure and maintain the insurance coverages set forth in this Section under blanket insurance policies covering the premises and other space occupied by the Lessee, if any, so long as such blanket policies comply in all respects with the insurance provisions set forth in this Agreement, provided that upon request, the Lessee shall deliver to the Port Authority a certificate of the Lessee's insurer evidencing the portion of such blanket policy of insurance allocated to the premises.

(e) Each party shall include in each of its insurance policies covering loss, damage or destruction by fire or other casualty (insuring the Facility and the Port Authority's property therein in the case of the Port Authority, and insuring the Lessee's property required to be insured by Lessee under paragraph (b) of this Section in the case of the Lessee) a waiver

of the insurer's right of subrogation against the other party or, if such waiver should be unobtainable or unenforceable: (i) an express agreement that such policy shall not be invalidated if the insured waives before the casualty the right of recovery against any party responsible for a casualty covered by such policies; or (ii) any other form of permission for the release of the other party. If any party hereto is unable to obtain such waiver, agreement or permission without additional charge, then such party shall be relieved from providing such waiver, agreement or permission unless the other party shall so elect and shall pay the carrier's additional charge therefor.

(f) Each party hereby releases the other party with respect to any claim (including a claim for negligence) which it might otherwise have against the other party for loss, damage or destruction with respect to its property (including business interruption) occurring during the term of the letting under this Agreement and with respect and to the extent to which it is insured under a policy or policies containing a waiver of subrogation or permission to release liability as provided in paragraph (e) above.

(g) Nothing contained in said paragraphs (e) or (f) above of this Section shall be deemed to impose upon either party any duty to procure or maintain any of the kinds of insurance referred to therein except as otherwise required in this Section. At the time of the execution of this Agreement, there is in effect a policy of insurance under which the Port Authority is the insured covering damage to the premises and the Facility, and permitting the release described in paragraphs (e) and (f) of this Section. The Port Authority does not represent or warrant that it will continue to maintain such insurance. In the event that the Port Authority elects to act as self-insurer with respect to any loss caused by damage to the premises resulting from risks that are or would have been covered under the New York Standard Form of Fire Insurance Policy including the standard form of Extended Coverage Endorsement, (the term "self insurer" meaning that the Port Authority either: (i) purchases no insurance covering such loss; (ii) purchases insurance with a deductible provision applicable to such loss; or (iii) insures for less than the full replacement value of such loss to the Facility), then solely with respect to the self-insured portion of such loss for which the Port Authority does not actually receive the proceeds of insurance, the amount the Lessee shall be obligated to pay to the Port Authority pursuant to the provisions of paragraphs (b) or (c) of the Section of this Agreement entitled "*Maintenance and Repair*" with respect to any single occurrence of damage resulting from such risks, both to the premises and the Facility, shall be limited to Two Million Dollars and No Cents ($2,000,000.00) so long as the release described in paragraphs (e) of this Section shall remain available on commercially reasonable terms to owners of first-class office buildings in the City of New York containing at least one million (1,000,000) rentable square feet of space. Nothing herein shall or shall be deemed to limit the Lessee's liability for either the portion of such loss which does not exceed Two Million Dollars and No Cents ($2,000,000.00), or for the insured portion of such loss, and with respect to both the portion of such loss which does not exceed Two Million Dollars and No Cents ($2,000,000.00), and the insured portion of such loss the provisions of paragraphs (b) and (c) of the Section of this Agreement entitled "*Maintenance and Repair*" shall control, and nothing contained in this paragraph shall or shall be deemed to limit or affect the Lessee's liability with respect to damage not insurable under the New York Standard Form of Fire Insurance Policy and the New York Standard Form of Extended Coverage Endorsement. If the Lessee shall fail to maintain insurance in effect as required in this Section, the release by the Lessee set forth in paragraph (f) above of this Section shall be in full force and effect to the same extent as if such required insurance (containing a waiver of subrogation) were in effect. Notwithstanding anything to the contrary contained in this Agreement, the carrying of insurance by the Lessee in compliance with this Section shall not modify, reduce, limit or impair the Lessee's obligations and liability under the Section of this Agreement entitled "*Indemnity*".

SECTION 55. *Amendments*

Prior to the execution of this Agreement by either of the parties hereto, the following changes, additions and deletions were made:

(a) Paragraph (b) of Section 4 was deleted in its entirety.

(b) Section 5 was deleted in its entirety.

(c) Subparagraph (3) of paragraph (b) of Section 24 was deleted in its entirety.

(d) Paragraph (b) of Section 26 was deleted in its entirety.

(e) The following paragraph was added to Section 30:

"(d) For the purposes of this Agreement, the Lessee states that its federal taxpayer identification number is

(f) The words "shall be made at the office of the Treasurer of the Port Authority, One World Trade Center, New York, New York 10048" appearing in the first and second lines of Section 37 shall be deemed deleted and the words "mailed to the Port Authority of New York and New Jersey, P. O. Box 17309, Newark, New Jersey 07194" shall be deemed inserted in lieu thereof.

(g) Section 43 was deleted in its entirety.

It shall not be necessary to physically make the aforesaid changes in the aforesaid Sections of this Agreement.

SECTION 56. *Entire Agreement*

This Agreement consists of the following: Pages 1 through 28, inclusive, plus Exhibits A, B and R and Schedule E.

It 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 Lessee. The Lessee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in this Agreement.

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

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

Secretary

By

(Title) DIRECTOR OF REAL ESTATE

(Seal)

ATTEST:

PORTS-OF-CALL MANAGEMENT, INC.

Thomas A Hall
Secretary

By Wendy Johnson Salter

(Title) President

(Corporate Seal)

"APPROVED"
FORM TERMS

EXHIBIT B

Item 1: Rental Provisions:

(a) Definitions:

(1) "Rental Payment Start Date" shall mean the Commencement Date established pursuant to the provisions of the Section of this Agreement entitled "*Term*", as such date may be postponed pursuant to the provisions of paragraph (b) of the Section of this Agreement entitled "*Term*". The Lessee recognizes and understands that the occurrence of the Commencement Date shall not be deemed to authorize the Lessee to commence any work in the premises unless the Port Authority's final approval of the Alteration Application and plans and specifications referred to in the Section of this Agreement entitled "*Finishes and Decorating by the Lessee*" has been obtained by the Lessee. The Lessee further recognizes that its obligations to pay basic rental shall commence on the Rental Payment Start Date established pursuant to this subparagraph whether or not the Lessee is conducting public operations in the premises on such date.

(2) "Annual period" shall mean, as the context requires, the twelve- (12-) month period commencing with the Rental Payment Start Date established pursuant to the provisions of this Agreement and each of the twelve- (12-) month periods thereafter occurring during the initial term of the letting under this Agreement commencing on the first anniversary of the Rental Payment Start Date and on each anniversary of that date thereafter occurring during the initial term of the letting under this Agreement provided, however, that if the Rental Payment Start Date shall occur on a day other than the first day of a calendar month, the first annual period shall include the portion of the month in which the Rental Payment Start Date shall occur following such date plus the succeeding twelve (12) calendar months and each subsequent annual period shall commence on the anniversary of the first day of the first full calendar month following the calendar month in which the Rental Payment Start Date shall occur provided further, however, that the last annual period shall expire in any event on the expiration date of the initial term of the letting under this Agreement.

(b) Basic Rental:

(1) The Lessee agrees to pay to the Port Authority a basic rental for the premises at the rate of Six Thousand Dollars and No Cents ($6,000.00) per annum for the period from the Rental Payment Start Date and continuing to the last day of the third (3rd) annual period, both dates inclusive, payable in advance in monthly installments each in the amount of Five Hundred Dollars and No Cents ($500.00) on the Rental Payment Start Date and on the first day of each and every month thereafter occurring during such period provided, however, that, if the Rental Payment Start Date occurs on other than the first day of a month, the installment of basic rental payable on the Rental Payment Start Date shall be the amount of the monthly installment set forth in this subparagraph prorated on a daily basis over the number of days in

that month from the Rental Payment Start Date to the last day of that month, both dates inclusive.

(2) The Lessee shall pay to the Port Authority a basic rental for the premises at the rate of Six Thousand Nine Hundred Dollars and No Cents ($6,900.00) per annum for the period from the commencement of the fourth (4th) annual period and continuing to the end of the sixth (6th) annual period, both dates inclusive, payable in advance in monthly installments each in the amount of Five Hundred Seventy-five Dollars and No Cents ($575.00) on the first day of the fourth (4th) annual period and on the first day of each and every month thereafter occurring during such period.

(3) The Lessee shall pay to the Port Authority a basic rental for the premises at the rate of Seven Thousand Eight Hundred Dollars and No Cents ($7,800.00) per annum for the period from the commencement of the seventh (7th) annual period and continuing to the expiration date of the term of the letting under this Agreement, both dates inclusive, payable in advance in monthly installments each in the amount of Six Hundred Fifty Dollars and No Cents ($650.00) on the first day of the seventh (7th) annual period and on the first day of each and every month thereafter occurring during such period.

(4) If the expiration date of the initial term of the letting shall occur on a day other than the last day of a calendar month, the installment of basic rental payable on the first day of the calendar month in which the expiration date of the initial term of the letting shall occur shall be an amount equal to the amount of the monthly installment described in subparagraph (3) above multiplied by a fraction, the numerator of which shall be the number of days from the first day of the calendar month in which the expiration date of the initial term of the letting shall occur to the expiration date of the initial term of the letting, both dates inclusive, and the denominator of which shall be the full number of days in that calendar month.

(5) If the letting hereunder shall terminate on a day other than the last day of a calendar month, the installment of basic rental payable on the first day of the calendar month in which the effective date of termination shall occur shall be an amount equal to the amount of the applicable monthly installment described above in this paragraph multiplied by a fraction, the numerator of which shall be the number of days from the first day of the calendar month in which the effective date of termination shall occur to the effective date of termination, both dates inclusive, and the denominator of which shall be the full number of days in that calendar month.

(c) Abatement:

(1) For every calendar day or major fraction thereof that the Lessee shall be entitled to abatement during the period commencing on the Rental Payment Start Date and continuing through the last day of the third (3rd) annual period, both dates inclusive, the basic rental established for such period shall be reduced by the product of Sixteen Dollars and Forty-four Cents ($16.44) multiplied by a fraction, the numerator of which shall be the number of square feet of floor space as to which the abatement applies and the denominator of which shall be the total number of square feet in the premises.

(2) For every calendar day or major fraction thereof that the Lessee shall be entitled to abatement during the period commencing on the first day of the fourth (4th) annual period and continuing through the last day of the sixth (6th) annual period, both dates inclusive, the basic rental established for such period shall be reduced by the product of Eighteen Dollars and Ninety Cents ($17.90) multiplied by a fraction, the numerator of which shall be the number of square feet of floor space as to which the abatement applies and the denominator of which shall be the total number of square feet in the premises.

(3) For every calendar day or major fraction thereof that the Lessee shall be entitled to abatement during the period commencing on the first day of the seventh (7th) annual period and continuing through the expiration date of the term of the letting, both dates inclusive, the basic rental established for such period shall be reduced by the product of Twenty-one Dollars and Thirty-seven Cents ($21.37) multiplied by a fraction, the numerator of which shall be the number of square feet of floor space as to which the abatement applies and the denominator of which shall be the total number of square feet in the premises.

(4) For the purpose of abatement, the ascertainment of the number of square feet contained in the premises to be measured shall be in accordance with the following: Areas of the premises and parts thereof will be computed by measuring from the inside plaster surface of outer building walls to the plaster surfaces of the corridor side of corridor partitions and to the center of partitions that separate the premises from adjoining rentable area; no deduction will be made for columns, pilasters or projections necessary to the building or for toilets, porter's closets and slop sinks used exclusively by the Lessee and contained within the premises. Permanent partitions enclosing elevator shafts, stairs, fire towers, vents, pipe shafts, meter closets, flues, stacks and any vertical shafts have the same relation to rentable area as do outer building walls.

(5) Nothing contained in the foregoing shall affect the survival of the obligations of the Lessee as set forth in the section of this Agreement entitled *"Survival of the Obligations of the Lessee"*.

Item 2: Liability Insurance Limits:

THERE IS NO ITEM 2 TO THIS AGREEMENT

Item 3: (a) Heating and Air-Cooling: Not to be sold, furnished or supplied by the Port Authority.

(b) Electricity: Subject to all of the terms and conditions of this Agreement, the Port Authority shall, without additional charge, furnish to the Lessee in the premises electricity for illumination only by which is meant the energizing of incandescent and fluorescent bulbs (to be supplied and installed by the Lessee) through existing wires, conduits and outlets, if any.

(c) Domestic Cold Water: Not to be sold, furnished or supplied by the Port Authority.

(d) Domestic Hot Water: Not to be sold, furnished or supplied by the Port Authority.

(e) Steam: Not to be sold, furnished or supplied by the Port Authority.

(f) Gas: Not to be sold, furnished or supplied by the Port Authority.

Item 4: New Construction: Per the section of this Agreement entitled "*Finishes and Decorating by the Lessee*".

Item 5: Construction Liability Insurance Limits: The limits of liability insurance shall be not less than the amounts specified in the Alteration Application referred to in the section of this Agreement entitled "*Finishes and Decorating by the Lessee*".

Item 6: Cost and Proration Thereof:

THERE IS TO ITEM 6 TO THIS AGREEMENT

Item 7: Cash Security: ~~One Thousand Five Hundred Dollars and No Cents ($1,500.00).~~ NOT REQUIRED

Item 8: Performance Bond: Not applicable.

For the Port Authority

Initialled:

For the Lessee

RULES AND REGULATIONS FOR THE PORT AUTHORITY BUS TERMINAL

PURPOSE

1. Purpose. These rules are established by the Port Authority of New York and New Jersey to facilitate the proper use of the Port Authority Bus Terminal and to protect the terminal and its patrons.

DEFINITIONS

2. Definitions. As used herein:

(a) Bus shall mean a self-propelled highway vehicle designed and constructed for the carriage of passengers for hire, employing as a source of motive power (either directly or by electrical transmission) a reciprocating internal-combustion or a turbine engine (not including a jet-propulsion engine) utilizing as fuel gasoline, diesel oil, or any other substance utilized by highway vehicles for fuel and permitted both by the laws of New York and by those of New Jersey then in effect and also under the then existing rules and regulations governing the use of the Lincoln Tunnel (and then only in strict compliance with the requirements of such laws, rules and regulations), and having Overall dimensions not in excess of the following: length, 60 feet; width, 102 inches; height, 11 feet six inches and having a maximum gross loaded weight not in excess of 42,000 (unladen weight) pounds avoirdupois, distributed to provide not more than 20,000 pounds per axle. Articulated buses up to 65 feet overall length shall, for the purposes of these regulations, be included in the definition.

(b) Carrier shall mean an operator of one or more vehicles for the transportation of passengers for hire.

(c) Driver shall mean the person who is in actual physical control of a vehicle.

(d) Express shall mean and include property other than baggage, mail, manifest baggage and newspapers, transported or to be transported by a carrier in accordance with its published tariffs, and shall be defined as defined in the published tariffs of any carrier, except that it shall not include acid, animals, articles packed in wet ice or water, dangerous articles, explosives, gases, inflammable materials, intoxicating beverages, jewelry, lottery tickets, materials having or capable of producing strong, offensive odors, meat, meat products, money, securities, watches, or wet batteries; provided, however, that by notice given within 60 days after the effective date of any reissue, revision or supplement of a tariff of any carrier, the Port Authority may exclude therefrom any article, material or thing listed therein for the first time; and provided, further, that express shall not include any parcel or piece the overall dimensions of which are greater than 24 inches by 24 inches by 45 inches.

(e) Highway vehicle shall mean and include an automobile, a bus, a truck, a tractor equipped with rubber tires, a trailer, or a semi-trailer.

(f) I.C.C. regulations shall mean regulations of the Interstate Commerce Commission in effect on the effective date hereof issued under the authority of the Interstate Commerce Commission.

(g) Manifest baggage shall mean and include property checked through on the line of any carrier (or of a carrier connecting with any carrier) on a ticket or tickets for passenger transportation, in accordance with and as defined by local and joint baggage tariff 500-G of the Interstate Commerce Commission, issued June 15, 1949 and effective July 20, 1949, as the same may be hereafter supplemented or amended; provided, however, that by notice given to the carrier within 60 days of any supplement, revision or reissue of the tariff of such carrier, the Port Authority may exclude any article, material or thing therein listed for the first time.

(h) Parking shall mean the halting of a vehicle on a roadway or other area while not actually engaged in receiving or discharging passengers, except when halted in obedience to traffic regulations, signs or signals, and without regard to the presence or absence of the driver.

(i) Permission shall mean permission granted by the manager except where otherwise specifically provided.

(j) Person shall mean any individual, firm, partnership, corporation, or incorporated or unincorporated association, and shall include any assignee, receiver, trustee, executor, administrator or similar representative appointed by a court, and shall mean the United States of America or any department of the government thereof, any state or political subdivision thereof, or any foreign government or political subdivision thereof or the United Nations.

(k) Port Authority shall mean The Port Authority of New York and New Jersey.

(l) Port Authority rules and regulations shall mean the rules and regulations set forth in this Part and all amendments and supplements thereto.

(m) Published tariff; see tariff.

(n) Stand shall mean to halt a bus for the purpose of loading or unloading or for Waiting in position for loading or unloading.

(o) Manager of the terminal or manager shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the said manager by these rules and regulations, and shall mean the manager or acting manager of the terminal for the time being or his duly designated representative or representatives.

(p) Tariff or published tariff shall mean the schedule of rates, terms and conditions of transportation under which a carrier conducts its operation and which has been approved by the Interstate Commerce Commission or by other governmental regulatory body having jurisdiction over the operations of the carrier.

(q) Terminal shall mean the two buildings that represent the North and South Wing of the bus facility which are connected above and below West 41st Street. The South Wing shall mean the building on the block bounded by West 40th Street, Ninth Avenue, West 41st Street and Eighth Avenue in the borough of Manhattan, in the City, County and State of New York. The North Wing shall mean the building on a portion of the block bounded by East 42nd Street, Eighth Avenue, West 41st Street and the east face of the building at 330 West 42nd Street in the borough of Manhattan, in the

City, County and State of New York. The terminal also includes the overhead viaducts from the South Wing to the west side of 9th Avenue as well as the tunnel leading from the North Wing to Dyer Avenue.

(r) Vehicle shall mean and include automobiles, trucks, buses, tractors, trailers, semi-trailers, horse-drawn carts or wagons and any other devices in or upon or by means of which any person or property is or may be transported, carried or drawn upon land only, except railroad rolling equipment or other devices designed to operate on stationary rails or tracks.

(s) Vehicular level shall mean and include any floor or story at the terminal designed for use by highway vehicles.

GENERAL

3. Permission to use terminal conditional. Any permission granted by the Port Authority directly or indirectly, expressly or by implication, to any person or persons to enter upon or use the terminal or any part thereof, is conditioned upon acceptance of and compliance with the Port Authority rules and regulations, as from time to time may be changed, and entry upon or into the terminal by any person shall be deemed to constitute an agreement by such person to comply with the said rules and regulations; provided, however, that such rules and regulations will not apply to premises or space occupied or used under the provisions of a written agreement made with the Port Authority unless provision is made therein for the application of the said rules and regulations.

4. Use of terminal may be denied persons violating law or rules. The Manager of the terminal shall have authority to deny the use of the terminal to any individual violating Port Authority rules and regulations or laws, ordinances or regulations of the United States government, the State of New York, or the City of New York.

5. Permission to enter certain areas of the building.

(a) Closed Areas - No person except person assigned to duty therein shall enter without permission any area of the terminal posted as being closed to Public.

(b) Restricted Areas - No person shall enter without authorization any area of the terminal posted as restricted unless such person complies with such restriction.

(c) Persons entering the terminal when not fully open for business - During such days and hours as the terminal is partially closed such as late hours of the night and early hours of the morning, any person shall, when entering, remaining, or leaving the terminal, if requested by a Port Authority representative, exhibit such authorization as prescribed by the manager.

6. Abandonment of property prohibited. No person shall abandon any property at the terminal.

7. Permission required to carry on commercial activity. No person shall carry on any commercial activity at the terminal without permission.

8. Gambling prohibited. No person shall gamble or conduct or engage in any game of chance at the terminal unless such game of chance is permitted by local state and federal law and has been approved by the manager.

9. Permission required to solicit funds or contributions. No person shall solicit funds or contributions for any purpose at the terminal without permission.

10. Permission required to post or distribute commercial signs, advertisements, etc. No person shall post, distribute or display commercial signs, advertisements, circulars or printed or written material within the terminal without permission. The manager of the terminal reserves the right to set standards for the location, appearance, size and content of all signs, posters, notices, displays and advertisements and may prohibit installation of such or subsequent removal, if necessary.

11. Lost Articles. All persons findi lost articles at the terminal shall deliver them to the Parcel Check Room. Articles nclaimed by the owner or owners within three months after the finding thereof will turned over to the finders, except when found by Port Authority employees on duty.

12. Trash, garbage, waste, etc. to be deposited in receptacles provided therefor. No persons shall throw, discharge or deposit trash, garbage, waste, oil or other petroleum products or any other waste material into or upon any portion of the terminal except by depositing such material in receptacles provided therefor. All such receptacles shall be subject to the approval of the manager.

13. Defacing, damaging, etc. terminal or property therein prohibited. No person shall deface, mark, break, or otherwise damage any part of the terminal, or any property thereat.

14. Non-commercial distribution of leaflets, carrying of placards and holding of discussions restricted.

(a) The non-commercial distribution of leaflets, the setting up of card tables to aid in that distribution, the carrying of placards and the holding of discussions with terminal patrons shall be permitted in the following manner at the locations on the subway mezzanine passageway, main floor, second floor and fourth floor and not within 10 feet of an escalator or elevator as designated on a diagram of the terminal on display in the manager's office and on file in the secretary's office. All areas shall be unavailable during major holiday periods, i.e., the periods commencing on the day preceding major holidays (e.g. Friday before Labor Day, day before Thanksgiving, the day before three-day weekends) through and including the concluding day of the holiday period. The manager may grant exception to this rule for holidays which do not give rise to three-day weekends and for which traffic forecasts indicate that traffic in the terminal shall not substantially exceed that which occurs on a normal day.

(1) Subway mezzanine passageway between North and South Wings. Five persons shall be permitted to distribute leaflets and/or carry placards and hold discussions in this area.

(2) Main Floor

(i) Area A. Six persons shall be permitted to distribute leaflets, carry placards and hold discussions. Additionally, these persons may set up two card tables at the location in this area designated on the diagram of the terminal on display in the manager's office and on file in the secretary's office.

(ii) Area B. This area shall be available to eight persons for the distribution of leaflets, the carrying of placards and the holding of discussions. Additionally, these persons may set up two card tables in the location in this area designated on the diagram of the terminal displayed in the manager's office and on file in the secretary's office.

(3) Second Floor

(i) Area A. This area shall be available to six persons for the distribution of leaflets, the carrying of placards and the holding of discussions with patrons of the terminal at all times when the area is open to the general public, except when this area is being used as a passenger holding area.

(ii) Area B. Two persons may distribute leaflets and set up one card table to aid in this distribution in the location designated as area B on the diagram of the terminal displayed in the manager's office and on file in the secretary's office. Because of the small size of this area and its proximity to escalators, the area shall be unavailable to these Persons for discussions with terminal patrons.

(iii) Area C.

(a) This area shall be available to three persons for the distribution of leaflets, the carrying of placards and the holding of discussions with terminal patrons. Additionally, one card table may be set up for the distribution of leaflets at the specified location within area C shown on the diagram displayed in the manager's office and on filed in the secretary's office.

(b) This area will be unavailable for these activities when being used as a passenger holding area.

4. Fourth Floor

(i) Area A. This area shall be available at all times to three persons for the distribution of leaflets, carrying of placards and the holding of discussions with terminal patrons. Additionally, one card table may be set up for the distribution of leaflets by these persons in the location designated on area A of the upper bus level shown on the diagram of the terminal displayed in the manager's office and on file in the secretary's office.

(ii) Area B. This area shall be available at all times to two persons for the distribution of leaflets, the carrying of placards and the holding of discussions with terminal patrons.

(b) In addition to the above, a total of 10 persons shall be permitted to walk on the concourses and walkways within the terminal which are open to the public, for the purpose of distributing noncommercial leaflets at all times, provided that such activities shall be subject to the limitations described above.

(c) (1) Any person or group who wishes to conduct any of the above activities at the locations specified shall apply to the manager on forms provided by him for this purpose. Application shall be made not less than 36 hours nor more than one week before commencement of the activities. The application shall set forth the type of activities to be conducted, the time, location and duration of the activities, and the name, address and telephone number of the person making the application (in case of a group it shall be sufficient to supply the name, address and telephone number of one person who can be contacted if problems arise concerning the grant of the application).

(2) The manager shall grant all such applications on a first come, first served basis so long as the number of persons, the activities and the time, duration and location applied for are in compliance with the provisions set forth in subdivision (a).

(3) The grant of the application by the manager shall be in the form of a permit which shall set forth the number of persons covered by the permit, the activities which are permitted, the permitted time and dura: of those activities, and the location at which the activities may be conducted.

(4) The duration of each permit issued shall not be in excess of two weeks. Any person or group may renew a permit for successive two week periods. Renewal applications shall be made on the same form as new applications and shall be processed as if they were new applications.

(d) No signs, placards or other material shall be affixed to the bus terminal. No leaflets or other material shall be distributed by leaving them unattended throughout the terminal.

(e) The manager may refuse the grant of any permit or suspend any permit already granted in the event of emergencies, such as snowstorms, traffic accidents, power failures, transportation strikes or other conditions which render the traffic flow in any of the areas covered by the permit such that conduct of the activities would create a dangerous condition or substantially interfere with traffic in the terminal.

15. Creation of obnoxious odors, noxious gases, smoke or fumes prohibited. No person shall create, or permit any vehicle or machine of which he is in charge to create, obnoxious odors, noxious gases, smoke or fumes in the terminal. The creation of internal-combustion engine exhaust-fumes by vehicles in the terminal, so long as such vehicles are maintained and are being operated in a proper manner, shall not be an infraction of this section. No person shall spit, urinate or defecate on any part of the terminal other than in a urinal or toilet intended for that purpose.

16. Vehicular use of terminal restricted. No person shall travel, or remain on, or shall permit any vehicle of which he has charge to travel, or remain on, any portion of the terminal except upon the roadways, walks or other places or areas provided for the particular class of traffic. No person shall occupy or shall permit any vehicle of which he has charge to occupy the walks, roadways, entrances, exits, waiting rooms or other areas of the terminal in such a manner as to hinder or obstruct their use by others. Only parties authorized by the manager are permitted to operate vehicles on terminal premises; unauthorized vehicular operation on terminal premises may be considered trespass.

17. Loitering in or about terminal prohibited. No person shall loiter in or about the terminal or any part thereof.

18. Authorization required for sale of merchandise, solicitation of trade, entertainment of persons or solicitation of alms. No person, unless duly authorized by the Port Authority, shall, in or upon any area, platform, stairway, station, waiting room or any other appurtenance of the terminal:

(a) sell, offer for sale any article of merchandise; or

(b) solicit any business or trade, including the carrying of baggage for hire; the shining of shoes or boot blacking; or

(c) entertain any persons by singing, dancing or playing any musical instrument; or

(d) solicit alms

19. Persons unable to give satisfactory explanation of presence prohibited from loitering in terminal. No person, who is unable to give satisfactory explanation of his presence, shall loiter in or about any toilet, area, station, station platform, waiting room or any other appurtenance of the terminal. No person shall bathe, shower, shave, launder or change clothes or remain undressed in any public restroom, sink, washroom or any other area within the terminal.

20. Animals barred from terminal. No person except a police officer or another person authorized by the manager shall enter in the terminal with any animal except a "seeing eye" dog or an animal properly confined for shipment.

21. Passage through loading gates restricted. No person shall pass through the loading gates on any vehicular level except:

(a) persons employed by or doing business with a carrier whose duties require such passage;

(b) authorized representatives of the Port Authority;

(c) persons having permission; and

(d) passengers immediately prior to boarding. buses or immediately after leaving buses

22. Photography and filming in the terminal. No person may make drawings or take still photograghs or action pictures for commercial use within the terminal without permission from the manager.

23. Alcoholic beverages. No person shall drink or carry any open alcoholic beverage in any public part of the terminal.

SAFETY

24. Permission required to bring into or carry firearms or other weapons in terminal; exceptions. No persons, except authorized law-enforcement officers, post-office, customs and express employees, licensed armed guards, employees of a carrier, and members of the armed services of the United States or of any State thereof on official duty, shall bring into or carry in the terminal any firearms or other weapons, without permission.

25. Permission required to bring into or carry explosives, acids, inflammables, compressed gases, etc. in terminal; exceptions. No person shall bring into or carry in the terminal any explosives, acids, inflammables, compressed gases or articles or materials having or capable of producing strong offensive odors, or articles or materials likely to endanger persons or property, except with permission. No person shall bring or cause to be brought into or kept in the terminal any signal flare or any container filled with or which has been emptied or partially emptied of oil, gas petroleum products, paint or varnish, except with permission. When permission is given to bring into or keep at the terminal any such articles or materials it shall be conditioned upon the use of appropriate receptacles in rooms or areas approved therefor by the manager. Bringing in or keeping at the terminal without special permission gasoline or other motor fuel contained in tanks permanently attached to vehicles and not contained under pressure shall not be an infraction of this regulation. Bringing into and keeping in the terminal without special permission kerosene signal flares in good condition, of the type required or permitted by Interstate Commerce Commission regulations and properly stowed in buses, shall not be an infraction of this regulation.

26. Permission required to use inflammable liquids for cleaning at terminal. No person shall use inflammable liquids for cleaning at the terminal without permission.

27. Smoking or carrying lighted cigars, cigarettes, pipes, etc. in certain areas of terminal prohibited. No person shall smoke or carry lighted cigars, cigarettes, pipes, matches or any naked flame in areas of the terminal where smoking is prohibited by the Port Authority.

28. Unauthorized interference with or use of terminal systems or equipment prohibited. No person shall do or permit to be done anything which may interfere with the effectiveness or accessibility of the fire protection system, sprinkler system, drainage system, alarm system, telephone system, public announcement and intercommunication system, plumbing system, airconditioning system, ventilation system, fire hydrants, hoses, fire extinguishers, Port Authority towing equipment or

other mechanical system, facility or equipment installed or located at the terminal including closed circuit television cameras and monitors, signs and notices; nor shall any person operate, adjust or otherwise handle or manipulate, without permission, any of the aforesaid systems or portions thereof, or any machinery, equipment or other devices installed or located at the terminal. Tags showing date of last inspection attached to units of fire extinguishing and fire fighting equipment shall not be removed therefrom. Nor shall any person plug a TV, radio or other electrical device into any outlet or connect any device to any utility at or in the terminal.

29. All persons required to exercise care to avoid or prevent injury to persons or damage to property. All persons at the terminal shall exercise the utmost care to avoid or prevent injury to persons or damage to property. Neither any inclusion in nor any omission from these rules and regulations set forth in this Part shall be construed to relieve any person from exercising the utmost care to avoid or prevent injury to persons or damage to property.

30. Permission and accompaniment by Port Authority employee required for entry into all designated Port Authority areas. No person shall enter any Port Authority area at the terminal except with permission and then only when accompanied by an employee of the Port Authority. This includes emergency stairwells except when an emergency conditions exists.

31. No sleeping in terminal. No person on or in the facility shall sleep, doze, lie, or sit down on the floors, hallways, platforms, stairs, landings or other places where such activity may be hazardous to such person or to others, or may interfere with the operation of the terminal's transportation system, pedestrian flow or comfort of its users or tenants.

32. No skateboarding, rollerskating, or bicycle riding. No person shall skateboard, roller skate or ride a bicycle, scooter or any other self-propelled vehicle or device on or through any part of the terminal.

33. Noise. No person shall make, continue, cause or permit to be made or continued any unauthorized noise in the terminal.

34. Fire. No person shall cook, light a fire or otherwise create a fire in any part of the terminal.

35. Storage. No Person shall store bundles, paper, cloth, cardboard or any other material in solid, liquid or gas form that could in any way pose a fire or life safety hazard or obstruct or hinder passage without the approval of the manager.

36. No sound reproduction devices. Except with prior permission, no person shall operate or use any personal radio, television, phonograph, tape recorder or other sound reproduction device in the terminal in such a manner that the sound emanating from such sound reproduction device is audible to another person.

37. Use of lighting or sound reproduction equipment. No person shall without specific authorization from the manager operate or use or cause to be operated or use any lighting or sound reproduction device for commercial or business advertising purposes or for the purpose of attracting attention to any performance, show, sale or display of merchandise, or any commercial or business enterprise, in front or outside of any building, place or premises in the terminal.

38. Inspection of freight, articles and packages. The manager reserves the right to inspect all freight and other articles including hand-carried packages brought into or out of the Bus Terminal and to exclude therefrom all articles which violate any of these rules and regulations, and to require the occupants of space and others regularly doing business at the terminal to issue package passes (in such form as may be approved by the manager) for packages being carried to or from, or from one location to another within the terminal.

BAGGAGE AND EXPRESS

39. Leaking, loose, improperly packaged and marked baggage or express not accepted for handling. No piece of baggage or express will be accepted for handling at the terminal, if in a leaking or loose conditions. No piece of express will be accepted for handling if it is not properly packaged and parked.

40. Express, baggage or manifest baggage producing or capable of producing offensive odor or likely to cause damage or injury to persons or property not accepted for handling and subject to removal from terminal. No piece of express, baggage or manifest baggage will be accepted for handling at the terminal if it has or is capable of producing an offensive odor or is likely to damage other express or baggage or to endanger persons or property or to take any portion of the terminal untenantable; and the same shall be subject to immediate removal by the Port Authority from the terminal or to another location or locations within the terminal, such removal to be at the risk and expense of the carrier involved.

41. Express, baggage and manifest baggage subject to I.C.C. regulations not handled unless in compliance with applicable provisions of such regulations. Express, baggage, and manifest baggage, subject to I.C.C. regulations, will not be handled at the terminal, unless it complies with the said regulations in every respect including without limiting the generality of such regulations proper condition for transportation, containers of adequate strength, packing, marking, labeling, description, certification, and quantity and loading limitations.

VEHICLES

42. Vehicles not maintained, operated and registered in accordance with Port Authority rules and applicable laws, ordinances or regulations may be denied access to or removed from terminal. The manager of the terminal shall have authority to deny access to the terminal for any bus or other vehicle not maintained, operated and registered in accordance with these regulations, or which is otherwise in violation of the Port Authority Bus Terminal rules and regulations or the laws, ordinances or regulations of the United States government, the State of New York, or City of New York; and shall have authority to require removal of any such vehicle from the terminal on five minutes notice. In the event the vehicle is not so removed, the Port Authority may remove it under the provisions of section 59 herein.

43. Vehicles so loaded, constructed, operated, equipped or maintained as to endanger persons or property or obstruct traffic barred from terminal. No vehicle which is loaded in such a manner, or with such materials, or which is so constructed, operated, equipped or maintained as to endanger or to be likely to endanger persons or property, or to obstruct traffic, shall be permitted in or upon the terminal.

44. Vehicles having weights or dimensions in excess of described maxima or using prohibited fuels barred from terminal. No vehicle will be permitted in or upon the

terminal which has a weight or dimensions larger than the maxima described herein for buses or which utilizes any fuel not permitted as a source of motive power for buses under the provisions of section 2 herein.

45. Vehicles lacking valid registration plate barred; exceptions. Except for vehicles owned by the government of the United States, and horse-drawn vehicles, no highway vehicle shall be permitted in the terminal unless a currently effective registration plate duly issued by appropriate governmental authority is attached thereto.

46. Persons driving highway vehicles within terminal required to be duly licensed to operate such vehicles. No person shall drive any highway vehicle (except a horse-drawn vehicle) in the terminal without a motor vehicle operator's or chauffeur's license issued by appropriate governmental authority permitting the driving by such person of the particular type of vehicle driven and valid within the State of New York.

47. Passenger boarding and discharge areas to be used so as to avoid blocking bus traffic. Except when standing a bus in space, the use of which has been licensed specifically to the operator of such bus by written agreement with the Port Authority, drivers shall stand vehicles in the terminal only at space designated for such vehicles by the manager or other Port Authority representative. Where space is used in common by the buses of more than one carrier, such as on the unloading platforms, the drivers will cause their buses to stand in the most forward portion of such space available upon arrival and will continually move their buses forward, toward, and to the most forward vacant portion of the space. No buses shall discharge passengers on any active roadways including the viaducts leading to and from the terminal unless specifically directed by a terminal representative.

48. Procedure to be followed by driver in event of accident involving his vehicle. The driver of any vehicle involved in an accident resulting in injury or death to any person or damage to any property shall immediately stop such vehicle at the scene of the accident, render such assistance as may be needed, and give his name, address and driver's license, and the registration number of the vehicle to the person injured or to a Port Authority officer or representative. The driver, Operator, or owner of such vehicle shall make a report of such accident in accordance with the law of the State of New York.

49. Unauthorized tampering, starting, movement or interference with vehicles prohibited. No unauthorized person shall tamper with any vehicle, start the motor thereof, move the vehicle, or otherwise interfere with the operation thereof at the terminal.

50. Permission required to fuel, defuel, lubricate, clean or repair vehicles within terminal. No person shall fuel, defuel, lubricate, clean or repair a vehicle or any part thereof, at the terminal, without permission.

51. Vehicles entering terminal required to extinguish headlights. Every driver of a vehicle entering the terminal shall extinguish the headlights thereof and shall not relight them until leaving the terminal.

52. Prolonged sounding of vehicle horns prohibited. Prolonged sounding of the horns of vehicles in the terminal is forbidden.

53. Leaving vehicles unattended without turning off motor, locking vehicle and setting brakes prohibited. No person shall leave a vehicle unattended in the terminal without having first turned off its motor, locked all doors, and set its parking brakes.

54. Vehicles prohibited from remaining in terminal for more than 15 minutes. No vehicle shall remain in the terminal for longer than the time necessary for permitted operations in connection therewith, and, unless a shorter time limitation is elsewhere imposed, no vehicle shall remain in the terminal for longer than 15 minutes unless at a designated gate or parking space and so as not to obstruct the operation of the terminal. The manager shall have authority to require, by five minutes' notice, which may be given orally to the driver, the removal from the terminal of any vehicle which shall have been standing or parked at the terminal for so long as 15 minutes; in the event the vehicle is not so removed, the Port Authority may remove it under the provisions of section 59 herein.

55. Operation of vehicles within terminal regulated. No person shall operate a vehicle in the terminal in a careless and negligent manner or in disregard of the right or safety of others, or without due caution, or at a speed in excess of speed limits posted in the area where the vehicle is being operated, or in any event at a speed in excess of 5 miles per hour, or at any speed or in any manner which endangers or is likely to endanger persons or property, or while under the influence of intoxicating liquor or any narcotic or habit-forming drug.

56. Compliance with authorized traffic orders, signals, signs or directions required. Drivers of vehicles in the terminal must at all times comply with any traffic order, signal or direction, given by voice or by hand, of an authorized representative of the Port Authority. When traffic is controlled by traffic lights or signs or by mechanical or electrical signals, such lights, signs and signals shall be obeyed unless an authorized representative of the Port Authority directs otherwise.

57. Drivers required to report arrival and departure and pay fees. Unless other applicable provision for reports is made in an agreement with a carrier, each driver of a bus of any carrier shall report to the Port Authority representative immediately upon arrival at the terminal, shall pay all fees required shall give information of the expected time of departure, and shall, immediately before departure, check out as directed by the Port Authority representative.

58. Disabled vehicles subject to removal. Unless other provisions for the removal of disabled vehicles has been made by agreement, the Port Authority shall have the right to require, by five minutes' notice which may be given orally to the driver, the removal from the terminal (or to a different location in the terminal), of any vehicle which has become disabled in the terminal. In the event such vehicle is not so removed, the Port Authority may remove it under the provisions of section 59 herein.

59. Removal of vehicles from terminal to be at owner's or operator's risk and expense. In the event the Port Authority is empowered to remove any bus or other vehicle from the terminal by any provision of the rules and regulations set forth in this Part, such removal shall be at the risk of the owner or operator of such vehicle, and the cost thereof shall be for the account of such owner or operator and payable to the Port Authority on demand.

60. Time limit for engine idling. Every driver who causes a vehicle to park or stand in the terminal for three (3) or more minutes shall turn off its motor.

PARCEL CHECK ROOM

61. The Port Authority parcel check room will be operated as a public check room at which services will be provided to the public subject to regulations and fees established by the Executive Director or his representative.

PORTER SERVICE

62. The Port Authority of New York and New Jersey will furnish porter service to the public free of charge at the Port Authority Bus Terminal.

CHARTER BUS OPERATIONS

63. Use of terminal by charter buses permitted; restrictions; fees. Operators of charter bus transportation service between the City of New York and points outside the city who have not entered into agreements for space and services at the Port Authority bus terminal will be Permitted to use the enclosed vehicular levels of the terminal, such use to be limited to one-way and through operations originating at points outside New York City, and to round-trip operations, the initial portions of which originate at points outside New York City, the charge for each bus arrival or departure with passengers to be $12.50.

PUBLIC VEHICULAR PARKING

64. The Port Authority public vehicular parking area. The Public vehicular parking area is operated and charges fees as established by the Executive Director of the Port Authority of New York and New Jersey or his designated representative.

ELEVATORS, ESCALATORS, AND LOADING DOCKS

65. Elevator Schedule. Elevators for passengers and freight handling service will be operated in accordance with a schedule established by the manager, unless the arrangements are made with the manager for operation at other times.

66. Prohibition. Passenger elevators and escalators may not be used to carry freight.

67. Controls. The use of any escalator, elevator, private right-of-way or truck loading dock at the terminal will be subject to the direct control of the manager.

68. Causing an elevator or escalator to stop. No unauthorized person shall cause an elevator or escalator to stop by means of any emergency stopping device unless continued operation would appear to result in probable injury to a person or persons. Any such stopping should be reported immediately to a terminal representative.

69. Truck loading docks. Truck loading docks located in the terminal are designed to accomplish the immediate transfer of merchandise between the freight elevators and trucks. All person will confine their use of docks to such purpose as directed by the manager. No storage or holding of merchandise on the truck loading docks awaiting the arrival of trucks or awaiting transfer to premises or space at the terminal will be permitted.

SCHEDULE E

For purposes hereof, Minority Business Enterprise (MBE) shall mean any business enterprise which is at least fifty-one percentum owned by one or more citizens or permanent resident aliens who are minorities and such ownership is real, substantial and continuing, or in the case of a publicly owned business, at least fifty-one percentum of the stock of which is owned by citizens or permanent resident aliens who are minorities and such ownership is real, substantial and continuing. As used herein minority shall mean an individual member of any of the following racial groups

(i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin;

(ii) Hispanic (all persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asian, the Indian Subcontinent, or the Pacific Islands) 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, the Northern Marianas, India, Pakistan, Bangladesh, and Sri Lanka; and

(iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification) which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians.

For the purposes hereof, Women-owned Business Enterprise (WBE) shall mean any business enterprise which is at least fifty-one percentum owned by one or more women and such ownership is real, substantial and continuing, or in the case of a publicly owned business, at least fifty-one percentum of the stock of which is owned by one or more women and such ownership is real, substantial and continuing. "Meaningful participation" shall mean that at least seventeen percent (17%) of the total dollar value of the contracts (including subcontracts) are for the participation of Minority Business Enterprises and Women-owned

Business Enterprises. Good faith efforts to include meaningful participation by MBEs and WBEs shall include at least the following:

(1) Dividing work into smaller portions where feasible.

(2) Actively and affirmatively soliciting bids and proposals for contracts or subcontracts to provide commodities and services from MBEs and WBEs including circulation of solicitations to minority and female contractor associations. The Lessee shall maintain records detailing the efforts it and its contractors have made to provide for meaningful MBE and WBE participation, including the names and addresses of all MBEs and WBEs contacted and, if any such MBE or WBE is not selected, the reason for such decision. The Lessee shall supply to the Port Authority such information, data, and documentation with respect to the efforts the Lessee has made to provide for meaningful MBE and WBE participation in contracts and subcontracts as the Port Authority may from time to time and at any time request.

(3) Providing prospective MBEs and WBEs with plans, specifications, and other necessary background materials with regard to prospective work available to MBEs and WBEs in sufficient time for review.

(4) Meeting regularly with representatives of the Port Authority to identify forthcoming business opportunities and suitable MBEs and WBEs, following up on specific recommendations made by such representatives, and utilizing the list of eligible MBEs and WBEs hereinafter described in this Schedule, maintained by the Port Authority, or seeking minorities and women from other sources for the purpose of soliciting contractors, subcontractors, and suppliers.

(5) Encouraging the formation of joint ventures, partnerships or other similar arrangements among contractors, where appropriate, to insure that the Lessee and its contractors will meet their obligations hereunder.

(6) Insuring that provision is made to provide progress payments to MBEs and WBEs on a timely basis, where appropriate.

(7) Not requiring bonds from and/or providing bonds and insurance for MBEs and WBEs, where appropriate.

The Port Authority has compiled a list, which may be supplemented and revised from time to time by the Port Authority, of the firms the Port Authority has determined satisfy the criteria for MBE and WBE certification. Such list shall be made available to the Lessee and its contractors upon request. The Port Authority makes no representation as to the financial responsibility of such firms, their technical competence to perform, or any other performance-related qualifications. Only listed MBEs and WBEs and such firms as are not so listed but as are certified by the Port Authority as MBEs and WBEs hereunder will count toward the MBE and WBE goals.

Certification of MBE's and WBEs hereunder shall be made by the Office of Business and Job Opportunity of the Port Authority. If the Contractor wishes to utilize a firm not so listed but which the Contractor believes should be certified because it is an MBE or WBE the Contractor 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 Mr. John Alexander or other designee of the Office of Business and Job Opportunity, the Port Authority of New York and New Jersey, One World Trade Center, 37 South, New York, N.Y. 10048. If any such firm is determined eligible for certification it shall only be by a writing over the name of the Director in charge of such Office. The determination of the Port Authority shall be final and binding on the Contractor. For inquiries or assistance, please contact Mr. John Alexander at (212) 432-4188.

The following organizations may be able to refer the Contractor to firms which the referring organization has a reasonable basis to believe may meet the Port Authority's criteria for certification as an MBE or WBE. 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

2. N.Y./N.J. Minority Purchasing Council
   1412 Broadway - 11th floor
   New York, N.Y. 10018
   (212) 944-2442

3. Newark, Paterson, Jersey City Business Development Center
   60 Park Place, Suite 1307
   Newark, N.J. 01702
   (201) 623-7712

4. The Council For Airport Opportunity
   2 World Trade Center
   Suite 2228
   New York, N.Y. 10048
   (212) 466-1091

5. Assoc. of Minority Enterprises of N.Y. (AMENY)
   165-40A Baisley Blvd.
   Suite #3
   Jamaica, N.Y., 11434

6. Air Services Development Office
   90-04 161st Street
   Jamaica, N.Y. 11432
   (718) 262-9012

In the event that the participation of any MBE or WBE selected by the Lessee or any of its contractors to participate in any contracts or subcontracts entered into with respect to any construction work performed on the premises, is cancelled or terminated for any reason, the Lessee agrees and agrees to require its contractors to make every good faith effort, to the maximum extent feasible, and consistent with the Lessee's exercise of good business judgment, including, without limitation, the consideration of cost competitiveness, to utilize other MBEs and WBEs so as to maintain appropriate participation by MBEs and WBEs in such contracts.

Labor Force Utilization

Without limiting the foregoing provisions of this Schedule, and without limiting any of the terms and conditions of the Agreement to which this Schedule is attached, the Lessee agrees and agrees to require its construction and maintenance contractors and subcontractors at each tier of any construction undertaken pursuant to the provisions of the Agreement to which

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this Schedule is attached to make good faith efforts to achieve a supervisory and non-supervisory work force on each contract that is representative of the local community labor force with respect to minority and female participation and will work with the Port Authority's Office of Business and Job Opportunity to identify referral sources when needed. The Lessee will cooperate with the Port Authority to develop on the job training programs and will participate in apprenticeship and other training programs that expressly include minority and female workers. The Lessee agrees to require its contractors and subcontractors to participate in such programs and to make a good faith effort to utilize apprentices or other trainees in the work as appropriate. The Lessee agrees to and shall require its contractors and subcontractors to appoint an executive of their respective companies to assume the responsibility for the implementation of the contractors' good faith efforts to achieve minority and female participation in the work force under the contract.

The goals for minority and female participation, expressed in percentage terms for the aggregate workforce in each trade on all construction work are as follows:

Journey level trade workers

Minority participation: 30%

Female participation: 6.9%

Laborers and other unskilled workers

Minority participation: 40%

Female participation: 6.9%

These goals are applicable to all construction work performed in and for the premises. Compliance with the goals will be measured against the total work hours performed.

(a) The Lessee agrees to require its contractors and subcontractors to provide written notification to the Lessee and the Lessee agrees to provide written notification to the Office of Business and Job Opportunity of the Port Authority within 10 working days of award of any construction contract or subcontract in excess of $10,000.00 at any tier for construction work. The notification shall list the name, address, telephone number and employer identification number of the contractor or subcontractor; and the estimated starting and completion dates of the contract or subcontract. As used herein, "Employer

identification number" shall mean the Federal Social Security Number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941. The term minority shall mean an individual member of any of the racial groups described in this Schedule.

(b) The Lessee agrees to require its contractors and subcontractors, at any tier, whenever they subcontract a portion of the construction work involving any construction trade, to physically include in each subcontract in excess of $10,000 those provisions which include the applicable goals for minority and female participation.

(c) The Lessee agrees to require its contractors and subcontractors to implement the specific affirmative action standards provided in subparagraphs (1) through (16) of paragraph (f) hereof. The goals set forth above are expressed as percentages of the total hours of employment and training of minority and female utilization the Lessee's contractors and subcontractors should reasonably be able to achieve in each construction trade in which it has employees on the premises. The Lessee agrees and agrees to require its contractors and subcontractors to use good faith efforts to make substantially uniform progress toward its goals in each craft during the period specified.

(d) The Lessee agrees to provide in its construction contracts that neither the provisions of any collective bargaining agreement, nor the failure by a union with which the contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the contractor's obligations thereunder.

(e) The Lessee further agrees to provide in its agreements with its contractors that in order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees shall be employed by the contractor during the training period, and the contractor shall have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees shall be trained pursuant to training programs approved by the U. S. Department of Labor.

(f) The Lessee agrees to require its contractors and subcontractors to take specific affirmative actions to ensure equal employment opportunity ("EEO"). The Lessee's evaluation of the contractor's compliance with these provisions shall be based

upon the contractor's good faith effort to achieve maximum results from its actions. The Lessee agrees to require its contractors and subcontractors to document these efforts fully, and to implement affirmative action steps at least as extensive as the following:

(1) Ensure and maintain a working environment free of harassment, intimidation, and coercion at all portions of the premises at which the contractor's employees are assigned to work. The contractor, where possible, will assign two or more women to each phase of the construction project. The contractor shall specifically ensure that all foremen, superintendents, and other supervisory personnel at the premises are aware of and carry out the contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at the premises.

(2) Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.

(3) Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the contractor by the union or, if referred, not employed by the contractor, this shall be documented in the file with the reason therefor, along with whatever additional action the contractor may have taken.

(4) Provide immediate written notification to the Lessee when the union or unions with which the contractor has a collective bargaining agreement has not referred to the contractor a minority person or woman, sent by the contractor, or when the contractor has other information that the union referral process has impeded the contractor's efforts to meet its obligations.

(5) Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the contractor's employment needs, especially those programs funded or approved by the Department of Labor. The contractor shall provide notice of these programs to the sources compiled under subparagraph (2) above.

(6) Disseminate the contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the contractor's newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the contractor's EEO policy on bulletin boards accessible to all employees at each location where the construction work is performed.

(7) Review, at least every six months, the contractor's EEO policy and affirmative action obligations hereunder with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with on-area supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at the premises. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

(8) Disseminate the contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the contractor's EEO policy with other contractors and subcontractors with whom the contractor does or anticipates doing business.

(9) Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students, to minority and female recruitment and training organizations and to State certified minority referral agencies serving the contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

(10) Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the premises and in other areas of a contractor's workforce.

(11) Tests and other selection requirements shall comply with 41 CFR Part 60-3.

(12) Conduct, at least every six months, an inventory and evaluation of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

(13) Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the contractor's obligations hereunder are being carried out.

(14) Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

(15) Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

(16) Conduct a review, at least every six months, of all supervisors' adherence to and performance under the contractor's EEO policies and affirmative action obligations.

(g) The Lessee shall encourage its contractors to participate in voluntary associations which assist in fulfilling one or more of the affirmative action obligations set forth in subparagraphs (1)-(16) of paragraph (f) of this Section. The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under paragraph (f) hereof provided that: the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the contractor. The requirement for good faith efforts to comply, however, shall remain with the contractor and the Lessee shall provide in its agreements with the contractor that failure of such a group to fulfill an obligation shall not be a defense for the contractor's non-compliance.

(h) Goals for minorities and a separate single goal for women have been established. The Lessee, however, agrees to require its contractors and subcontractors to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority, and to provide that consequently, the contractor may be in violation of its agreement with the Lessee if a particular group is employed in a substantially disparate manner (for example, even though the contractor has achieved its goals for women generally, the contractor may be in violation if a specific minority group of women is under-utilized).

(n) Nothing herein provided shall be construed as a limitation upon the application of any laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

(o) Without limiting any other term or provision of this Agreement, the Lessee agrees and agrees to require its contractors and subcontractors to cooperate with all federal, state, or local agencies established for the purpose of implementing affirmative action compliance programs and the Lessee agrees and agrees to require its contractors and subcontractors to comply with all procedures which may be agreed to by and between the Port Authority and the Lessee.

(p) In addition to and without limiting any of the terms and provisions of this Agreement, the Lessee agrees to provide in its contracts and all subcontracts covering construction work, or any portion thereof, that:

(i) The contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and shall undertake or continue existing programs of affirmative action to ensure that minority group persons are afforded equal employment opportunity without discrimination. Such programs shall include, but not be limited to, recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, rates of pay or other forms of compensation, and selections for training or retraining, including apprenticeships and on-the-job training;

(ii) At the request of either the Port Authority or the Lessee, the contractor shall request such employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding and which is involved in the performance of the contract with the Lessee to furnish a written statement that such employment agency, labor union or representative shall not discriminate because of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will cooperate in the implementation of the contractor's obligations hereunder;

(iii) The contractor will state, in all solicitations or advertisements for employees placed by or on behalf of the contractor in the performance of the contract, that all qualified applicants will be afforded equal employment opportunity without discrimination because of race, creed, color, national origin, sex, age, disability or marital status;

(iv) The contractor will include the provisions of subdivisions (i) through (iii) of this paragraph in every subcontract or purchase order in such a manner that such provisions will be binding upon each subcontractor or vendor as to its work in connection with the contract;

(v) "Contractor" as used in subdivisions (i) through (iv) of this paragraph shall include each contractor and subcontractor at any tier of construction.

For the Port Authority

Initialled:

For the Lessee

(Port Authority Acknowledgment)

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

On the 12th day of October in the year 2000, before me, the undersigned, a Notary Public in and for said state, personally appeared Cherrie Nunnings

personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged that he executed the same in his capacity as Director, Real Estate Dept for the Port Authority of New York and New Jersey, and that by his signature on the instrument, the individual, or the corporation upon behalf of which the individual acted, executed the instrument.

Sylvia Shepherd
(Signature of Notary Public)

SYLVIA SHEPHERD
Notary Public, State of New York
No. 41-4952176
Qualified in Queens County
Commission Expires June 12, 2001

(Corporate Acknowledgment)

STATE OF New York)
)ss.:
COUNTY OF New York)

On the 13 day of September in the year 2000, before me, the undersigned, a Notary Public in and for said state, personally appeared Wendy Johnson-Salter

personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged that he executed the same in his capacity as President of Ports-of-Call Management, Inc., and that by his signature on the instrument, the individual, or the corporation upon behalf of which the individual acted, executed the instrument.

Mary Percival
(Signature of Notary Public)

MARY PERCIVAL
Notary Public, State of New York
No. 01 PE 4678375
Qualified in Bronx County
Term Expires 12/7/00