Torres Rojas, Genara FOI# 13551

From: admin@petromg.com
Sent: Thursday, November 01, 2012 12:31 PM
To: Duffy, Daniel
Cc: Torres Rojas, Genara; Van Duyne, Sheree
Subject: Freedom of Information Online Request Form

Information:

First Name: Dawn
Last Name: Lee
Company: Petroleum Marketing Group
Mailing Address 1: 12680 Darby Brooke Court
Mailing Address 2:
City: Woodbridge
State: VA
Zip Code: 22192
Email Address: admin@petromg.com
Phone: 443-510-2082
Required copies of the records: Yes

List of specific record(s):
We request a copy of the document Lease ANB-862 between Newark Liberty International Airport and GAZ Realty, Inc. for the construction and management of fuel and restaurant station, effective July 2008. In addition, we request the bid submitted by GAZ in response to this proposal.

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

April 9, 2013

Ms. Dawn Lee
Petroleum Marketing Group
12680 Darby Brooke Court
Woodbridge, VA 22192

Re: Freedom of Information Reference No. 13551

Dear Ms. Lee:

This is a response to your November 1, 2012 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code") for a copy of Lease No. ANB-862 between EWR and GAZ Realty, Inc. for the construction and management of fuel and restaurant station, effective 7/08, and a copy of the bid submitted by GAZ in response to this proposal.

Material responsive to your request and available under the Code can be found on the Port Authority's website at http://www.panynj.gov/corporate-information/foi/13551-LPA.pdf. Paper copies of the available records are available upon request.

Certain material responsive to your request is exempt from disclosure pursuant to exemptions (1), (2.a.) and (4) of the Code.

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

Very truly yours,

Daniel D. Duffy
FOI Administrator

225 Park Avenue South, 17th Floor
New York, NY 10003
T: 212 435 3642
F: 212 435 7555

GAZ REALTY
commercial real estate
development & management

366 North Broadway Suite 206
Jericho, New York 11753
Phone (516) 513-0155
Fax (516) 908-4999
www.gazrealty.com

October 11, 2007

The Port Authority of NY & NJ
c/o Michell Yonkler, CPPO
Purchasing Services Division
One Madison Avenue, 7th Floor
New York, NY 10010

Re: Multi-Fuel Vehicle Service Station at Newark Liberty International Airport

Number: Collective 13747

Executive Summary:

GAZ Realty is proud to present its response to the RFP issued by the Authority. GAZ Realty is able to meet all obligations outlined in the RFP with minimal exceptions as outlined in the Exceptions Letter. The company believes that it has the breadth of experience, financial resources and a positive track record resulting in what it believes to be a leading candidate for the project.

Fifteen years of first hand experience in the business has afforded the management team the benefit of witnessing the trends of the industry. Years ago major oil companies owned much of the property and leased it to individuals to operate. Soon the oil companies realized that it was a greater benefit to leave this task to the operators and as a result the majority of the oil companies have divested their interests in these properties. At that time the only interest and revenue was mainly from the sale of their branded fuel and in some cases oil products; therefore these properties were small in size.

Over the past several years small fuel only service stations have begun to disappear and have been replaced by larger "Super Stations". The reason for this shift has been the decreasing margins afforded to operators. Land especially in expensive markets like the New York metro area combined with increasing taxes forced the business model to shift. GAZ Realty realized this change and began selling off it smaller properties and upgrading to newer larger properties. With a larger property GAZ Realty was able to construct what it calls a "Super Station" model. The model offered a replacement for the

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declining margins. These Super Stations include automated car washes and convenience stores. These elements have proven to be critical to the continued success of GAZ Realty.

As noted in the proposal the GAZ Realty plan is NOT contingent upon any third party financing. This key factor enables GAZ Realty to execute its obligation in a more timely fashion. In addition the lack of third party funding allows for a healthier operation benefiting both GAZ Realty and the Authority.

Even though the RFP do not address it, I strongly recommend to the Authority for this project to be a healthy and successful one to allow a small c-store (under 1000 sq ft.) and have an entrance from Express Road, the entrance to be located at the end of the property, not at the bend where there is limited visibility.

The artist rendering reflects Citgo as the brand name. This station does not have to be Citgo, it could be any other brand name oil company but we do have an excellent relationship with Exxon and Citgo.

Our awareness of the growing environmental concern has prompted us to allocate $250,000 toward the landscaping adding back some of the "green" that is being taken away. The two automated car wash bays also make use of a "zero discharge" system whereby the water is recycled and only the rinse cycle makes use of fresh water. This aspect together with our offering of Bio Diesel and landscaping are seen as positive steps.

Our experience in building and operating similar projects in the New York metro area combined with a strong financial position should make GAZ Realty the leading candidate. We eagerly await your feedback and to setting a time to meet with the Authority in order to discuss the plan in detail.

Sincerely,

George Abi Zeid
President & CEO
GAZ Realty, Inc.

GAZ REALTY
commercial real estate
development & management

366 North Broadway Suite 206
Jericho, New York 11753
Phone (516) 513-0155
Fax (516) 908-4999
www.gazrealty.com

LETTER OF TRANSMITTAL
Collective 13747

(1) Proposer: GAZ Realty
366 North Broadway
Suite 206
Jericho, New York 11753
www.gazrealty.com

(2) Authorized Persons:

Mr. George Abi Zeid, President & CEO
(Office) 516-513-0155 ext 333
(Mobile)

(3) Port Authority Contact Persons:

Mr. George Abi Zeid, President & CEO
(Office) 516-513-0155 ext 333
(Mobile)

(4) Proposed Sub Contractor:

(5) GAZREWR LLC

Mr. George Abi Zeid (General Partner)

Mr. Alan Abi Zeid

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List of Exceptions

Section 3 "Rights of User", addition of item (xiii) convenience store and lottery items. We have presented (Ex. 2.a.)to give the Authority an idea of the benefits of opening a c-store in this site for both the proposer and the Authority. We do have the space, and it will be a great convenience for our customers to pick up snacks, soft drinks or cigarettes while washing or servicing their car. The c-store at this location would be small (1000 sq ft) and loitering would not be tolerated.

Section 2 "Term" addition of an option to renew for an additional years. It is difficult to invest (Ex. 2.a.) for only a term, we are looking for an option

Section 4 item 4(a) "Gross Receipts" to exclude gas and lottery revenues, as margins are very tight on these items. (Ex. 2.a.) will apply to all other items sold, plus on all items sold in the c-store (if we are allowed to have a c-store).

Section 57 (a) (i) "Thirty Day Termination" Lessor shall pay lessee an amount equal to (Ex. 2.a.)the remaining unamortized expense.

Section (11) (i) Comprehensive General Liability insurance of $25,000,000 million, not sure if this is a type because it seems very high for this type of operation.

Multi-Fuel Service Station
At Newark Liberty International Airport
RFP

Collective 13747

Submitted by: GAZ Realty, Inc.
October, 2007

Introduction:

In order to insure that all the details outlined in the aforementioned RFP have been captured, GAZ Realty has elected to mirror the outline of the RFP itself and provide commentary where needed.

It is with great pleasure and effort that GAZ Realty is responding to this RFP and believes that after careful study of the information provided by The Port Authority, together with years of business experience in the field, it is putting forth a proposal that will be mutually beneficial to the parties.

I. A. **General Information**: (noted)

I. B. **Brief Summary of Scope of Work**

(i) **Environmentally friendly fuel** – GAZ Realty has studied this market closely to the extent of evaluating investment in alternative fuel companies. On this point we have drawn the following conclusions:

a. **Bio Diesel** – In our opinion it is the most proven and feasible product for the market. According to the leading auto manufacturers their plans call for a greater introduction of diesel engine cars. In Europe 50% of the cars is diesel.
b. **Hydrogen** – At least 15-20 years away from reality in the consumer market
c. **Ethanol** – Has been proven to be a failure due to its impact on the commodities market and net "green" benefit in production
d. **Compressed Natural Gas** – CNG so far has only been used in larger commercial vehicles.

(ii) **Automated Car Wash** – With time being of the essence for many vehicles passing through the airport, the automated car wash is the perfect solution for livery and other passenger vehicles that need a quick cleaning before picking up a client or family member. GAZ Realty will include ***two automated car wash bays***. The primary reason is to service what it believes to be a market with a high demand. The second reason will be to have redundancy in the event that one of the machines is off-line.

(iii) **Maintenance Bays** – It is only natural that vehicles will require repair and maintenance. The plan of GAZ Realty includes a single bay that will hold (2) vehicles. The MFVSS will perform a broad range of services from oil change and lube, to tire repair and basic mechanical repairs in order to aid visitors to EWR to keep their vehicles running and in emergency situations get them back on the road.

(iv) **Parking** – The GAZ plan provides for adequate disabled and towed parking. The total number of spaces are (2) Handicap, (16) Auto and (9) 55 ft. truck spaces.

(v) **Restrooms** – GAZ Realty will provide separate men's and women's ADA restroom facilities.

(vi) **Space For Public Phones** – The plan includes space for public phones

(vii) **Air Pump** – GAZ Realty shall provide such a facility.

(viii) **Emergency Towing** – GAZ Realty will offer a non-exclusive emergency towing service and will be a member of AAA towing service.

(ix) **Vacuum** – GAZ Realty will also provide vacuums for cars.

Lease Term – The Authority has requested a lease term of (Ex. 2.a.) GAZ Realty accepts an initial term of and requests the right to have an option for an additional (Ex. 2.a.) at the end of the initial term.

Initial Occupancy Term – GAZ Realty agrees to use its "best efforts" to achieve beneficial occupancy within 6 months of the execution of the lease. GAZ Realty will depend on the approval of permits for construction which could create unforeseen delays.

Termination Of Lease – GAZ Realty does accept the termination of the lease at will by the Authority without cause. GAZ Realty does *not* accept a simple reimbursement of capital based upon a straight line depreciation model. GAZ Realty is requesting a payment of (ex. 2.a.) the remaining depreciation over the 15 year term.

C. **Deadline for RFP** – GAZ Realty has complied with the latest date.

D. **Submission of Proposals** GAZ Realty has complied.

E. **Communications Regarding this RFP** – (noted)

F. **Proposal Acceptance or Rejection** – (noted)

G. **Pre-Proposal Site Inspections** – (attended)

H. **Available Documents** – (noted)

Rental Payments to the Port Authority

Fixed Rental

(a) Ground Rental

(i) "*Constant Factor*" – GAZ Realty accepts the amount of $58,352 and annual increase of 4% or one half the CPI which ever is greater.

(ii) "*Variable Factor*" – GAZ Realty accepts the amount of $ 94,170 per acre.

(b) ***Sublease Fees*** – GAZ Realty agrees to pay the Authority (Ex. 2 of) the sublease rent and agrees that the Authority shall provide written consent that will not be unreasonably withheld.

(c) ***Participatory Rentals*** – GAZ Realty agrees to provide of gross receipts excluding revenues generated by lottery and fuel sales. The sale of fuel in a volatile market produces single digit profits and at time losses of revenue.

Design and Construction Reviews and Approvals- GAZ Realty will comply.

I. **Union Jurisdiction** – GAZ Realty and DSC Construction are non union however they do pay the prevailing labor rates.

J. **City Payroll Taxes** – GAZ Realty will comply

2. **SCOPE OF WORK** – GAZ Realty has detailed in this RFP

3. **PROPOSER PREREQUISITS –**

A. GAZ Realty has more than (15) years of continuous experience. An overview of existing GAZ Realty related sites can be found on www.gazrealty.com. It is important to note that certain GAZ Realty properties have been featured on the cover of annual reports of oil companies and have been awarded for being the best maintained properties on Long Island.

B. GAZ Realty MFVSS properties are by majority owned properties. Only two properties are currently leased. Each property has been built from the ground up.

4. **FINANCIAL INFORMATION**

A. See **Annex I** – George Abi Zeid Statement of Net Worth & **Annex IA** – Copy of recent Federal Tax Return

5. **EVALUATION CRITERIA**

1. *Development Plan*- Noted
2. *Management and Operation Plan* Noted
3. *Team Experience* – Noted
4. *Revenue* – Noted

6. **M/WBE SUBCONTRACTING PROVISIONS**

A. *Previous M/WBE Participation* – Although GAZ Realty has made use of MBE in past projects it has not had a formal procedure in place to track actual usages on a percentage basis.

B. *Scope Of Work to be Performed* – The scope of work will be defined at a later date subject to the awarding of the project to GAZ Realty and receipt of competitive bids.

C. *Identification of M/WBE's* – GAZ Realty intends to offer aspects of the project for bid to the Authority list of certified M/WBE companies.
D. *Level of Participation* – As noted will vary.

7. PROPOSAL SUBMISSION REQUIREMENTS

A. Letter of Transmittal – Attached
B. Executive Summary – Attached
C. Agreement on Terms of Discussion Form – Signed and attached
D. Certifications with Respect to the Proposer's Integrity Provision - Attached
E. Documentation of Proposer Prerequisites - Attached
F. Form and Submission of Proposals - Complied

1. **Development Plan**

a. Narrative *of Graphics*

The site plan includes a number of key components:

- Fuel Pumps

(6) Gas Pumps located on the south side of the property (supports 12 cars simultaneously)
(1) Diesel Pumps located on opposite sides of the south west (supports 2 trucks simultaneously)
(1) Bio Diesel Pumps located on opposite sides of the south east (supports 2 trucks simultaneously)

- The MFVSS facility will feature a 3,200 sq ft building that will include:

(2) Automated carwash bays
(1) Auto repair and lube bay of double depth
(1) Waiting area complete with flat screen TV
(2) ADA restrooms
(1) 1,300 sq ft second floor for office and storage
(1) Ground floor customer counter

- A 4,098 sq ft canopy covering the fuel pumping area.

- 19,321 sq ft of landscaping

- Access and Egress

The MFVSS has been designed to support trucks and passenger vehicles. There are separate access and egress to the property from the westbound side of Lindbergh Rd. As noted in the exception letter the design plan was finalized prior to our receipt of feedback

regarding access from "RAMP-O". Further to the exceptions sited in the letter GAZ Realty would like to propose that the current "No U Turn" sign be removed and allow for vehicles traveling eastbound on Lindberg Rd to have access to the MFVSS.

- Parking

There are a total of 27 parking spaces. The parking includes (2) Handicap spaces, (16) Auto parking spaces and (9) 55 ft truck parking spaces. GAZ Realty intends to use one of the spaces to park (2) tow trucks.

- Car Wash Facility

The car wash facility has a separate lane created on the western end of the property that is capable of queuing (10) passenger cars while (2) cars occupy the automated washing facilities. The patrons have the option of purchasing single use codes from the fuel pump, or the office. The office will also make available pre-paid cards that will cater more to limo drivers. The intent is to create a fluid process. Maximum capacity is 40 cars per hour.

- Service Bay

The service bay is 16 ft deep and able to accommodate (2) cars. The purpose of the service bay is to perform the following services:

  - Tire repair/replacement
  - Oil & Lube service
  - Light repair work

- Brand of Fuel

The rendering illustrates the CITGO brand. GAZ Realty could select a different brand at its discretion. GAZ Realty currently uses both CITGO and Sunoco brands.

- Power Requirement and Telecom

The site plan will require 800 amps of power 3 phase and (6) telephone lines. DSL or cable TV service combined with high speed Internet access is also required.

b. *Development Cost Estimate* - Attached

c. *Development Schedule & Construction Phasing* – Attached

d. *Financing Plan*

GAZ Realty will make use of existing liquid capital in order to meet the construction costs and initial operating cash flow. There is no requirement for third party financing.

2. Management and Operations Plan

Environmental -The facility will make use of the latest alarm systems for underground tank storage. The design also includes an emergency shut off system that is fully automated. The car wash facility is a zero discharge system where by the water is recycled; fresh water is only used during the final rinse process.

Management – GAZ Realty will work with DSC Construction, which is a construction company with 40 years of experience in the construction of fuel service stations. The design and construction phases are carried out by DSC Construction under the guidance of GAZ Realty. Once the facility has been completed a fully trained General Manager from an existing GAZ Realty location will be deployed to stock, train and manage the site. The General Manager will work with the executive staff of GAZ Realty on a daily basis for the first four weeks of operation. Once the executive team of GAZ Realty believes that the staff and facility are operating at an acceptable level members of GAZ Realty will gradually withdraw their daily participation. The process is one that has been proven to be critical in the experience and success of GAZ Realty.

Organizational Structure

A new legal entity GAZREWR LLC will be formed and will be a wholly owned entity of GAZ Realty. This entity will enter into the lease with the Authority

The design and construction of the facility will be performed by DSC Construction. DSC is an entity that has worked with GAZ Realty on seven different projects and has 40 years of experience.

3. **Team Experience**

a. Company Profiles - Attached

b. Principal members - Attached
c. Track Record - Attached

4. Revenue to the Port Authority

GAZ Realty employs a fully automated Point Of Sale system (POS). The POS produces detailed reports that GAZ Realty will e-mail to a designated group at the Authority. These reports can be produced on an ad hoc basis in order to comply with any "spot checks" conducted by the Authority

On a monthly basis the Authority will receive a copy of the gross receipts together with a detailed payment report breaking down; (a) Constant Factor (b) Variable Factor (c) Participatory Rental royalty.

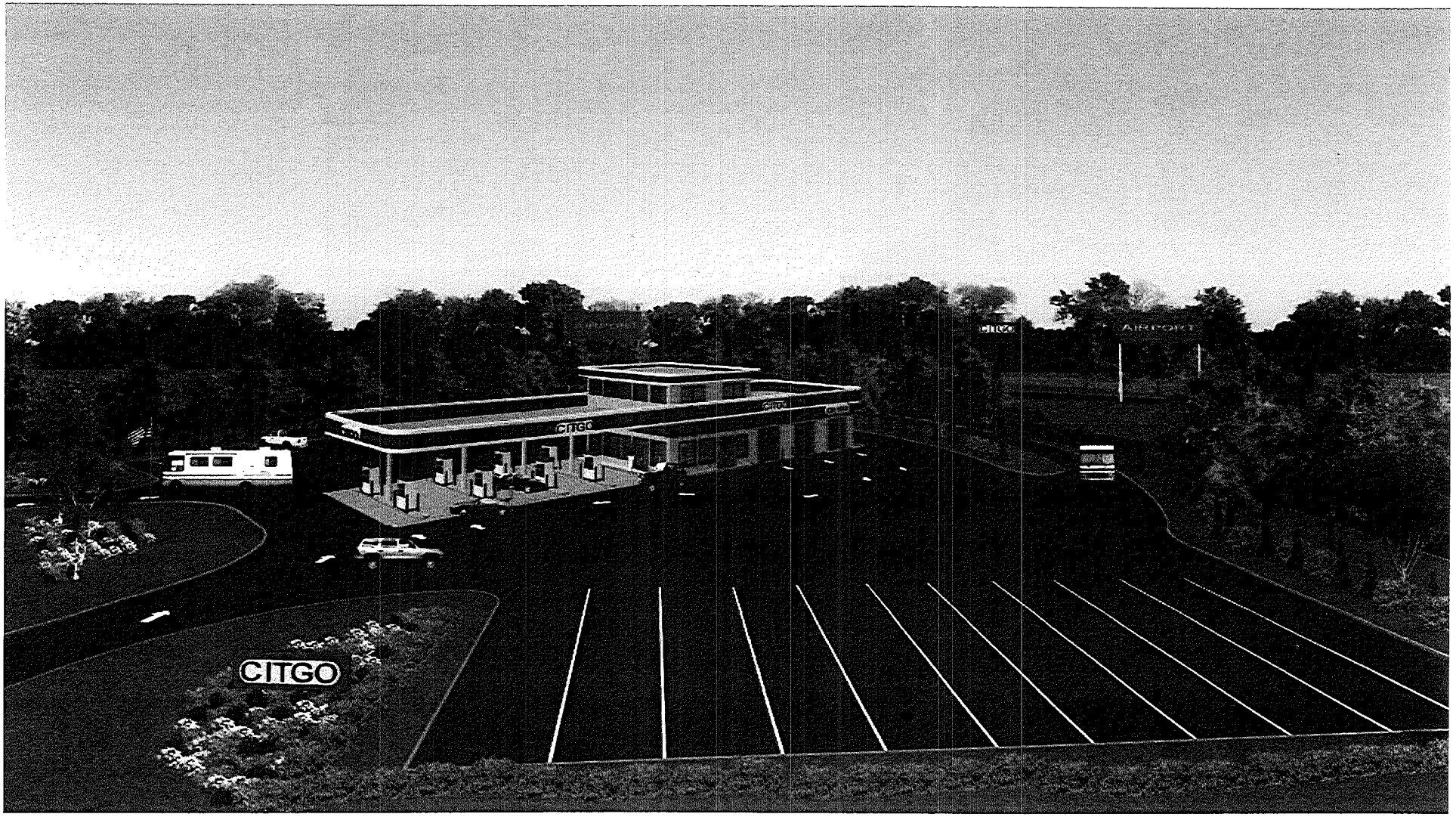
The attached pro forma financial projections highlight the narrow profits attained from the sale of fuels. With the sale of fuel representing more than 94% of the total revenues the income as a percentage declines as the revenues continue to increase.

G. **Acknowledgement of Addenda** – Kindly note Annex I, IA

H. **Acceptance of Lease Terms and Conditions** – Noted and Agreed

8. CONDITIONS FOR THE SUBMISSION OF A PROPOSAL

A. Changes to this RFP – Noted
B. Proposal Preparation Costs – Noted
C. Disclosure of Proposal Contents – Agreed
D. Ownership of Submitted Materials – Agreed
E. Contractors and Subcontractors – Noted
F. Conflict of Interest – No conflicts exist
G. Authorized Signature – Agreed
H. References – Agreed
I. Evaluation Procedures and Negotiation – Agreed
J. Taxes and Costs – Noted
K. Most Advantageous Proposal/ No Obligation Award – Noted
L. Omitted Prior to Receipt
M. Omitted Prior to Receipt
N. Rights of the Port Authority – Agreed
O. No Personal Liability - Agreed



Gaz realty

See Attached

ATTACHMENT B

PROJECT COST ESTIMATE PROPOSAL FORM

A. Project Capital Investment Schedule

PROJECT DEVELOPMENT ESTIMATE			
Construction			
Building Costs	**Total $**	**$/sq. ft.**	**% of Building Total**
Site Planning			
Foundations			
Superstructure			
Exterior Enclosure			
Roofing and Skylights			
Interior Construction			
Mechanical Systems			
Electrical Systems			
Amenities			
Special Equipment			
Subtotal			
General Conditions			
Subtotal			
Overhead and Profit			
Subtotal			
Construction Contingency			
Total Building			

Site Related Costs	Total $		% of Site Related Total
Civil			
Electrical			
Mechanical			
Plumbing			
Storm/Sanitary			
Surface Parking			
Landscaping			
Subtotal			
General Conditions			
Subtotal			
Overhead & Profit			
Subtotal			
Construction Contingency			
Total Site Related			

	Total $		% of Project Total
Total Building			

DSC CONSTRUCTION CORP.

640 Sunrise Highway, West Babylon, NY 11704
Tel. # (631) 321-7777 Fax # (631) 661-0486

Construction Estimate for Newark Liberty Development Project. Multi-Fuel Vehicle Service Station

October 10, 2007

Landscaping:.....$250,000.00

Building:.....$450,000.00

Signs:.....$125,000.00

Pavement:.....$230,000.00

Concrete Gas Tank:.....$ 42,000.00

Concrete Work:.....$ 45,000.00

Gas Tanks & Pumps:.....$500,000.00

Plumbing:.....$105,000.00

Electrical:.....$ 95,000.00

Interior Equip. (work).....$300,000.00

Oct 2007 – Collective 13747

DSC CONSTRUCTION CORP.

640 Sunrise Highway, West Babylon, NY 11704
Tel. # (631) 321-7777 Fax # (631) 661-0486

Plans:.....$120,000.00

Permits & Utility Fees:.....$125,000.00

Excavation & Drywalls,
Filling & Recycling:.....$445,000.00

Retaining Walls:.....$ 20,000.00

Dewatering:.....$ 30,000.00

Shoring:.....$ 40,000.00

TOTAL:.....$2,922,000.00

Oct 2007 -Collective 13747

B. Format for Project Cash Flow Pro Forma
Multi-Fuel Vehicle Service Station 15 Year Project Cash Flow

(Dollars in Thousands)															
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Gross Revenues . . .															
Category A															
Category B															
Category C, etc.															
Total Revenues:															
Operating, Maintenance and Management Expenses															
Category A															
Category B															
Category C, etc.															
Total Expenses:															
Operating Income:															
Payments To Port Authority . . .															
Basic Ground Rent (include Constant Factor and Variable Factor - assume a 4% increase each year)															
Sublease Fees															
Participatory Rental															
Other															
Total Payments To Port Authority:															
Insurance on Building & Contents:															
Other Fixed Charges:															
Debt Service:															
Residual Cash flow:															

MFVSS
PROJECTED P&L WITH C-STORE
GAZ REALTY - NEWARK LIBERTY INTERNATIONAL AIRPORT

	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year	9th Year	10th Year	11th Year
REVENUE											
GAS SALES - 3,000,000 GALL.	7,950,000	9,937,500	10,434,375	10,956,094	11,503,898	11,618,937	11,735,127	11,852,478	11,971,003	12,090,713	12,211,620
DIESEL SALES - 1,500,000 GALL.	4,125,000	5,156,250	5,414,063	5,684,766	5,969,004	6,028,694	6,088,981	6,149,871	6,211,369	6,273,483	6,336,218
C-STORE	912,500	1,140,625	1,197,656	1,257,539	1,320,416	1,333,620	1,346,956	1,360,426	1,374,030	1,387,771	1,401,648
LIGHT AUTO REPAIR	225,000	281,250	295,313	310,078	325,582	328,838	332,126	335,447	338,802	342,190	345,612
CAR WASH	192,000	240,000	252,000	264,600	277,830	280,608	283,414	286,249	289,111	292,002	294,922
TOWING	110,000	137,500	144,375	151,594	159,173	160,765	162,373	163,997	165,637	167,293	168,966
SALES - Other											
ATM COMMISSION	24,000	30,000	31,500	33,075	34,729	35,076	35,427	35,781	36,139	36,500	36,865
LOTTERY COMMISSION	36,000	45,000	47,250	49,613	52,093	52,614	53,140	53,672	54,208	54,750	55,298
MONEY ORDER COMMISSION	2,200	2,750	2,888	3,032	3,183	3,215	3,247	3,280	3,313	3,346	3,379
MISC. INCOME - OTHER	95,000	118,750	124,688	130,922	137,468	138,843	140,231	141,633	143,050	144,480	145,925
Total REVENUE	13,671,700	17,089,625	17,944,106	18,841,312	19,783,377	19,981,211	20,181,023	20,382,833	20,586,662	20,792,528	21,000,453
Cost of Goods Sold											
GAS	7,500,000	9,375,000	9,843,750	10,335,938	10,852,734	10,961,262	11,070,874	11,181,583	11,293,399	11,375,000	11,488,750
DIESEL	3,750,000	4,856,000	5,098,800	5,353,740	5,621,427	5,677,641	5,734,418	5,791,762	5,849,679	5,875,000	5,933,750
C-STORE	640,000	800,000	840,000	882,000	926,100	935,361	944,715	954,162	963,703	973,340	983,074
CAR WASH	30,000	37,500	39,375	41,344	43,411	43,845	44,283	44,726	45,174	45,625	46,082
TOWING / OTHER	25,000	31,250	32,813	34,453	36,176	36,538	36,903	37,272	37,645	38,021	38,401
TOTAL	11,945,000	15,099,750	15,854,738	16,647,474	17,479,848	17,654,647	17,831,193	18,009,505	18,189,600	18,306,987	18,490,057
GROSS PROFIT	1,726,700	1,989,875	2,089,369	2,193,837	2,303,529	2,326,564	2,349,830	2,373,328	2,397,062	2,485,541	2,510,397
PAYROLL TAX EXPENSE	123,000	135,300	142,065	149,168	156,627	159,759	162,954	166,213	169,538	172,928	176,387
TELEPHONE EXPENSE	4,200	4,620	4,851	5,094	5,348	5,455	5,564	5,676	5,789	5,905	6,023
UTILITIES	36,000	39,600	41,580	43,659	45,842	46,759	47,694	48,648	49,621	50,613	51,625
OFFICE SUPPLIES	8,000	4,500	4,725	4,961	5,209	5,313	5,420	5,528	5,639	5,752	5,867
LEGAL & PROFESSIONAL FEES	7,500	7,500	7,500	7,875	8,269	8,434	8,603	8,775	8,950	9,129	9,312
REPAIRS AND MAINTENANCE	15,000	20,000	20,000	21,000	22,050	22,491	22,941	23,400	23,868	24,345	24,832
LICENSES, FEES & PERMITS	5,000	2,000	2,000	2,100	2,205	2,249	2,294	2,340	2,387	2,434	2,483
Bank Charges	3,000	2,000	2,000	2,100	2,205	2,249	2,294	2,340	2,387	2,434	2,483
CREDIT CARD FEES	95,000	118,750	124,688	130,922	137,468	140,217	143,022	145,882	148,800	151,776	154,811
INSURANCE -LIABILITY	5,000	5,500	6,000	6,300	6,615	6,747	6,882	7,020	7,160	7,303	7,450
INSURANCE - GAS RELATED	2,500	3,000	3,200	3,360	3,528	3,599	3,671	3,744	3,819	3,895	3,973
INSURANCE-WORK COMP	5,500	6,000	6,200	6,510	6,836	6,972	7,112	7,254	7,399	7,547	7,698
NYS DISABILITY INSURANCE	1,100	1,200	1,200	1,260	1,323	1,349	1,376	1,404	1,432	1,461	1,490
Salaries & Wages	490,000	539,000	565,950	594,248	623,960	636,439	649,168	662,151	675,394	688,902	702,680
GM SALARY	70,000	73,500	77,175	81,034	85,085	86,787	88,523	90,293	92,099	93,941	95,820
POINT OF SALES SYSTEM	2,500	2,625	2,756	2,894	3,039	3,100	3,162	3,225	3,289	3,355	3,422
LANDSCAPING / SNOW REMOVAL	3,600	3,780	3,969	4,167	4,376	4,463	4,553	4,644	4,737	4,831	4,928
GARBAGE REMOVAL	2,400	2,520	2,646	2,778	2,917	2,976	3,035	3,096	3,158	3,221	3,285
ALARM	2,000	2,100	2,205	2,315	2,431	2,480	2,529	2,580	2,631	2,684	2,738
ACCOUNTING	6,000	6,300	6,615	6,946	7,293	7,439	7,588	7,739	7,894	8,052	8,213
PUMP SUPPLY	1,500	1,575	1,654	1,736	1,823	1,914	2,010	2,111	2,216	2,327	2,443
PA CONSTANT / VARIABLE RENTAL	205,143	213,349	221,883	230,758	239,988	249,588	259,571	269,954	280,752	291,982	303,662
PARTICIPATORY RENTALS	39,918	49,897	52,392	55,011	57,762	58,339	58,923	59,512	60,107	60,708	61,315
MISCELLANEOUS COSTS	25,000	25,000	25,000	26,250	27,563	28,114	28,676	29,250	29,835	30,431	31,040
TOTAL EXPENSES	1,158,861	1,269,616	1,328,253	1,392,447	1,459,761	1,493,234	1,527,564	1,562,778	1,598,901	1,635,959	1,673,981
EBITDA	567,840	720,259	761,116	801,390	843,768	833,331	822,266	810,550	798,161	849,582	836,416

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MFVSS	12th Year	13th Year	14th Year	15th Year
PROJECTED P&L WITH C-STORE				
GAZ REALTY - NEWARK LIBERTY INTERNATIONA				
REVENUE				
GAS SALES - 3,000,000 GALL.	12,333,736	12,457,074	12,581,644	12,707,461
DIESEL SALES - 1,500,000 GALL.	6,399,580	6,463,576	6,528,212	6,593,494
C-STORE	1,415,665	1,429,821	1,444,120	1,458,561
LIGHT AUTO REPAIR	349,068	352,559	356,084	359,645
CAR WASH	297,871	300,850	303,859	306,897
TOWING	170,655	172,362	174,086	175,827
SALES - Other				
ATM COMMISSION	37,234	37,606	37,982	38,362
LOTTERY COMMISSION	55,851	56,409	56,973	57,543
MONEY ORDER COMMISSION	3,413	3,447	3,482	3,517
MISC. INCOME - OTHER	147,384	148,858	150,347	151,850
Total REVENUE	21,210,458	21,422,563	21,636,788	21,853,156
Cost of Goods Sold				
GAS	11,603,638	11,719,674	11,820,000	11,938,200
DIESEL	5,993,088	6,053,018	6,103,000	6,164,030
C-STORE	992,905	1,002,834	1,012,862	1,022,991
CAR WASH	46,542	47,008	47,478	47,953
TOWING / OTHER	38,785	39,173	39,565	39,961
TOTAL	18,674,957	18,861,707	19,022,905	19,213,134
GROSS PROFIT	2,535,501	2,560,856	2,613,883	2,640,022
PAYROLL TAX EXPENSE	179,915	183,513	187,183	190,927
TELEPHONE EXPENSE	6,143	6,266	6,392	6,519
UTILITIES	52,658	53,711	54,785	55,881
OFFICE SUPPLIES	5,984	6,104	6,226	6,350
LEGAL & PROFESSIONAL FEES	9,498	9,688	9,882	10,080
REPAIRS AND MAINTENANCE	25,329	25,835	26,352	26,879
LICENSES, FEES & PERMITS	2,533	2,584	2,635	2,688
Bank Charges	2,533	2,584	2,635	2,688
CREDIT CARD FEES	157,907	161,066	164,287	167,573
INSURANCE -LIABILITY	7,599	7,751	7,906	8,064
INSURANCE - GAS RELATED	4,053	4,134	4,216	4,301
INSURANCE-WORK COMP	7,852	8,009	8,169	8,332
NYS DISABILITY INSURANCE	1,520	1,550	1,581	1,613
Salaries & Wages	716,734	731,068	745,690	760,604
GM SALARY	97,736	99,691	101,685	103,719
POINT OF SALES SYSTEM	3,491	3,560	3,632	3,704
LANDSCAPING / SNOW REMOVAL	5,026	5,127	5,230	5,334
GARBAGE REMOVAL	3,351	3,418	3,486	3,556
ALARM	2,792	2,848	2,905	2,963
ACCOUNTING	8,377	8,545	8,716	8,890
PUMP SUPPLY	2,566	2,694	2,828	2,970
PA CONSTANT / VARIABLE RENTAL	315,808	328,441	341,578	355,241
PARTICIPATORY RENTALS	61,929	62,548	63,173	63,805
MISCELLANEOUS COSTS	31,661	32,294	32,940	33,599
TOTAL EXPENSES	1,712,994	1,753,027	1,794,112	1,836,279
EBITDA	822,507	807,828	819,771	803,743

MFVSS

PROJECTED P&L

GAZ REALTY - NEWARK LIBERTY INTERNATIONAL AIRPORT

	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year	9th Year	10th Year	11th Year
REVENUE											
GAS SALES - 3,000,000 GALL.	7,950,000	9,937,500	10,434,375	10,956,094	11,503,898	11,618,937	11,735,127	11,852,478	11,971,003	12,090,713	12,211,620
DIESEL SALES - 1,500,000 GALL.	4,125,000	5,156,250	5,414,063	5,684,766	5,969,004	6,028,694	6,088,981	6,149,871	6,211,369	6,273,483	6,336,218
LIGHT AUTO REPAIR	225,000	281,250	295,313	310,078	325,582	328,838	332,126	335,447	338,802	342,190	345,612
CAR WASH	192,000	240,000	252,000	264,600	277,830	280,608	283,414	286,249	289,111	292,002	294,922
TOWING	110,000	137,500	144,375	151,594	159,173	160,765	162,373	163,997	165,637	167,293	168,966
SALES - Other											
ATM COMMISSION	24,000	30,000	31,500	33,075	34,729	35,076	35,427	35,781	36,139	36,500	36,865
LOTTERY COMMISSION	36,000	45,000	47,250	49,613	52,093	52,614	53,140	53,672	54,208	54,750	55,298
MONEY ORDER COMMISSION	2,200	2,750	2,888	3,032	3,183	3,215	3,247	3,280	3,313	3,346	3,379
MISC. INCOME - OTHER	95,000	118,750	124,688	130,922	137,468	138,843	140,231	141,633	143,050	144,480	145,925
Total REVENUE	12,759,200	15,949,000	16,746,450	17,583,773	18,462,961	18,647,591	18,834,067	19,022,407	19,212,631	19,404,758	19,598,805
Cost of Goods Sold											
GAS	7,500,000	9,375,000	9,843,750	10,335,938	10,852,734	10,961,262	11,070,874	11,181,583	11,293,399	11,375,000	11,488,750
DIESEL	3,750,000	4,856,000	5,098,800	5,353,740	5,621,427	5,677,641	5,734,418	5,791,762	5,849,679	5,875,000	5,933,750
CAR WASH	30,000	37,500	39,375	41,344	43,411	43,845	44,283	44,726	45,174	45,625	46,082
TOWING / OTHER	25,000	31,250	32,813	34,453	36,176	36,538	36,903	37,272	37,645	38,021	38,401
TOTAL	11,305,000	14,299,750	15,014,738	15,765,474	16,553,748	16,719,286	16,886,478	17,055,343	17,225,897	17,333,646	17,506,983
GROSS PROFIT	1,454,200	1,649,250	1,731,713	1,818,298	1,909,213	1,928,305	1,947,588	1,967,064	1,986,735	2,071,111	2,091,822
PAYROLL TAX EXPENSE	123,000	135,300	142,065	149,168	156,627	159,759	162,954	166,213	169,538	172,928	176,387
TELEPHONE EXPENSE	4,200	4,620	4,851	5,094	5,348	5,455	5,564	5,676	5,789	5,905	6,023
UTILITIES	36,000	39,600	41,580	43,659	45,842	46,759	47,694	48,648	49,621	50,613	51,625
OFFICE SUPPLIES	8,000	4,500	4,725	4,961	5,209	5,313	5,420	5,528	5,639	5,752	5,867
LEGAL & PROFESSIONAL FEES	7,500	7,500	7,500	7,875	8,269	8,434	8,603	8,775	8,950	9,129	9,312
REPAIRS AND MAINTENANCE	15,000	20,000	20,000	21,000	22,050	22,491	22,941	23,400	23,868	24,345	24,832
LICENSES, FEES & PERMITS	5,000	2,000	2,000	2,100	2,205	2,249	2,294	2,340	2,387	2,434	2,483
Bank Charges	3,000	2,000	2,000	2,100	2,205	2,249	2,294	2,340	2,387	2,434	2,483
CREDIT CARD FEES	95,000	118,750	124,688	130,922	137,468	140,217	143,022	145,882	148,800	151,776	154,811
INSURANCE -LIABILITY	5,000	5,500	6,000	6,300	6,615	6,747	6,882	7,020	7,160	7,303	7,450
INSURANCE - GAS RELATED	2,500	3,000	3,200	3,360	3,528	3,599	3,671	3,744	3,819	3,895	3,973
INSURANCE-WORK COMP	5,500	6,000	6,200	6,510	6,836	6,972	7,112	7,254	7,399	7,547	7,698
NYS DISABILITY INSURANCE	1,100	1,200	1,200	1,260	1,323	1,349	1,376	1,404	1,432	1,461	1,490
Salaries & Wages	490,000	539,000	565,950	594,248	623,960	636,439	649,168	662,151	675,394	688,902	702,680
GM SALARY	70,000	73,500	77,175	81,034	85,085	86,787	88,523	90,293	92,099	93,941	95,820
POINT OF SALES SYSTEM	2,500	2,625	2,756	2,894	3,039	3,100	3,162	3,225	3,289	3,355	3,422
LANDSCAPING / SNOW REMOVAL	3,600	3,780	3,969	4,167	4,376	4,463	4,553	4,644	4,737	4,831	4,928
GARBAGE REMOVAL	2,400	2,520	2,646	2,778	2,917	2,976	3,035	3,096	3,158	3,221	3,285
ALARM	2,000	2,100	2,205	2,315	2,431	2,480	2,529	2,580	2,631	2,684	2,738
ACCOUNTING	6,000	6,300	6,615	6,946	7,293	7,439	7,588	7,739	7,894	8,052	8,213
PUMP SUPPLY	1,500	1,575	1,654	1,736	1,823	1,914	2,010	2,111	2,216	2,327	2,443
PA CONSTANT / VARIABLE RENTAL	205,143	213,349	221,883	230,758	239,988	249,588	259,571	269,954	280,752	291,982	303,662
PARTICIPATORY RENTALS	16,200	20,250	21,263	22,326	23,442	24,614	25,845	27,137	28,494	29,918	31,414
MISCELLANEOUS COSTS	25,000	25,000	25,000	26,250	27,563	28,114	28,676	29,250	29,835	30,431	31,040
TOTAL EXPENSES	1,135,143	1,239,969	1,297,124	1,359,761	1,425,441	1,459,508	1,494,486	1,530,403	1,567,287	1,605,169	1,644,080
EBITDA	319,057	409,281	434,589	458,537	483,772	468,797	453,102	436,661	419,448	465,942	447,743

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PROJECTED P&L

GAZ REALTY - NEWARK LIBERTY INTERNATIONA

	12th Year	13th Year	14th Year	15th Year
REVENUE				
GAS SALES - 3,000,000 GALL.	12,333,736	12,457,074	12,581,644	12,707,461
DIESEL SALES - 1,500,000 GALL.	6,399,580	6,463,576	6,528,212	6,593,494
LIGHT AUTO REPAIR	349,068	352,559	356,084	359,645
CAR WASH	297,871	300,850	303,859	306,897
TOWING	170,655	172,362	174,086	175,827
SALES - Other				
ATM COMMISSION	37,234	37,606	37,982	38,362
LOTTERY COMMISSION	55,851	56,409	56,973	57,543
MONEY ORDER COMMISSION	3,413	3,447	3,482	3,517
MISC. INCOME - OTHER	147,384	148,858	150,347	151,850
Total REVENUE	19,794,793	19,992,741	20,192,669	20,394,595
Cost of Goods Sold				
GAS	11,603,638	11,719,674	11,820,000	11,938,200
DIESEL	5,993,088	6,053,018	6,103,000	6,164,030
CAR WASH	46,542	47,008	47,478	47,953
TOWING / OTHER	38,785	39,173	39,565	39,961
TOTAL	17,682,053	17,858,873	18,010,043	18,190,143
GROSS PROFIT	2,112,741	2,133,868	2,182,626	2,204,452
PAYROLL TAX EXPENSE	179,915	183,513	187,183	190,927
TELEPHONE EXPENSE	6,143	6,266	6,392	6,519
UTILITIES	52,658	53,711	54,785	55,881
OFFICE SUPPLIES	5,984	6,104	6,226	6,350
LEGAL & PROFESSIONAL FEES	9,498	9,688	9,882	10,080
REPAIRS AND MAINTENANCE	25,329	25,835	26,352	26,879
LICENSES, FEES & PERMITS	2,533	2,584	2,635	2,688
Bank Charges	2,533	2,584	2,635	2,688
CREDIT CARD FEES	157,907	161,066	164,287	167,573
INSURANCE -LIABILITY	7,599	7,751	7,906	8,064
INSURANCE - GAS RELATED	4,053	4,134	4,216	4,301
INSURANCE-WORK COMP	7,852	8,009	8,169	8,332
NYS DISABILITY INSURANCE	1,520	1,550	1,581	1,613
Salaries & Wages	716,734	731,068	745,690	760,604
GM SALARY	97,736	99,691	101,685	103,719
POINT OF SALES SYSTEM	3,491	3,560	3,632	3,704
LANDSCAPING / SNOW REMOVAL	5,026	5,127	5,230	5,334
GARBAGE REMOVAL	3,351	3,418	3,486	3,556
ALARM	2,792	2,848	2,905	2,963
ACCOUNTING	8,377	8,545	8,716	8,890
PUMP SUPPLY	2,566	2,694	2,828	2,970
PA CONSTANT / VARIABLE RENTAL	315,808	328,441	341,578	355,241
PARTICIPATORY RENTALS	32,985	34,634	36,366	38,184
MISCELLANEOUS COSTS	31,661	32,294	32,940	33,599
TOTAL EXPENSES	1,684,050	1,725,114	1,767,305	1,810,658
EBITDA	428,690	408,754	415,321	393,794

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GAZ Realty

Newark Liberty Development Project

Multi-Fuel Vehicle Service Station

October 2007

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PROJECT REQUIREMENTS

- The Port Authority seeks to identify respondents interested in design, construction and operation of a modern Multi-Fuel Vehicle Service Station at Newark Liberty International Airport.
- The Multi-Fuel Vehicle Service Station will be located on Site 3 inclusive of an area of ~ 58,570 sq ft. of the eastern part of EWR.
- The Port Authority's desire is to have a qualified operator with a minimum of 5 years experience in the management of a Multi-Fuel Vehicle Service Station.
- The Multi-Fuel Vehicle Service Station will provide:
  - Environmentally friendly fuels
  - Automated Car Wash
  - Maintenance Bays
  - Adequate parking for disabled and service vehicles
  - Public restrooms, phones, and tire air facilities
  - Emergency towing

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GAZ REALTY OVERVIEW

- GAZ Realty currently owns and manages 8 Super Station properties in the Tri-State Area with 2 additional properties planned for fall '08
- Current properties have been featured on the covers of the annual reports of major oil companies.
- Has been recognized by leading oil companies for having the cleanest and best managed stations in New York state.
- Additional investments include commercial land and a state-wide casual dining franchise.
- All business operations are EBITDA & Income positive
- Majority of the operations are built from the "Ground-Up"
- Positive & Long Term relationships with Citgo & SUNOCO
- Decades Of Industry Experience

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Management Overview

- **George Abi Zeid**
  President & CEO (age 54)

- Mr. Abi Zeid has led multiple ventures from technology to real estate. As an investor, operator and entrepreneur, Mr. Abi Zeid has founded multiple successful telecommunication companies including Swift Global and STI. In 1980, Swift Global was established targeting primarily financial service and shipping companies. In 1993 Swift Global was recognized by Inc. magazine as one of the fastest growing companies. Mr. Abi Zeid acted as President and CEO of Swift Global until 1994, when it was sold to Xpedite Systems Inc. {NASDQ:XPED}.

- Subsequently, Abi Zeid became President of Xpedite International and remained President of Xpedite International and Executive Vice President of Xpedite Systems, Inc. until 1999, when Premiere Technologies, Inc. {NASDAQ:PGI} acquired the company.

- In 2001 Swift Telecommunications Inc (STI), Mr. Abi Zeid as Sole proprietor, acquired Easylink from AT&T for US $60 million and later merged the business with MAIL.COM, establishing Easylink Services Inc. {NASDAQ:EASY}. Easylink revenues during that period were $138 million. From 2001 thru early 2005 Mr. Abi Zeid served as the President of the International Division, member of the board, Executive Vice President and largest individual shareholder. Mr. Abi Zeid resigned in 2005 in order to give more attention to building GAZ Realty and expanding its operations in the North East.

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Management Overview

- **Mike Abi Zeid**
  Executive Vice President and VP Vendor Relations (age 56)
- Mike has more than 30 years experience in the food and retail industries. As chef and owner of restaurants Mike built his experience in retail and food operations. In 1985 Mike opened his first station and deli in Long Island, and since expanded the business to build one of the largest stations on Long Island in West Babylon. Mike is involved in the day to day activities of the food service operations creating the menus and negotiates with vendors for inventory and product placement. His experience provides valuable input in the planning of new sites and has an active role in the planning team for new locations. Mike is an equal partner with GAZ Realty and General Manger of one of the largest stations in the GAZ Realty Network.
- **Mansour Abou Zeid**
  Executive Vice President and VP Operations (age 53)
- Mansour has more than 25 years combined experience in the interior design, service station, car wash and c-store industries. His responsibilities at GAZ Realty include site selection, and development of sites. Mansour works closely with site managers and monitors all aspects of store operations, providing advice, coaching and assistance. He recruits, trains, develops and motivates employees. Mansour sets standards and model behavior in order to ensure optimum customer service, which leads to positive placement of each site within the community. He ensures key processes are in place through site visits, site evaluations and analyzing data. Mansour is also involved with all phases of inventory control.
- Mansour is an equal Partner and General Manager of one of the flagship sites of GAZ Realty.

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Management Overview

- **Alan Abi Zeid**

VP Business Development (age 26)

- Alan is the VP of Business Development for GAZ Realty. Alan's responsibilities are to find new dealers and monitor their performances. In addition, he has the task of locating run down properties and or land to update and develop them into a "superstation". He earned his Bachelors in Business Management along with a minor in Operations Information Management from the University of Scranton in 2003.

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TARGET MARKET

- The target market will include Airport personnel, Visitors, Taxi/Limo Drivers, and other transportation related people frequenting both the passenger and cargo terminals.
- In order to meet the needs of the potential clients the property to includes a multi-purpose facility that will offer the following services that are more detailed in the proposal:
  - Expansive fueling station
  - 27 Parking spaces
  - Auto Repair and State inspection station
  - Luxurious waiting area
  - Towing service
  - Light lube/oil change & tire repair
  - Exterior car wash & truck washing facility
  - 24 hours 7 days a week.

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Vehicle Service

- The main building will contain one bay (fits 2 car) for vehicle repair, oil change, and lube facility.

- This facility will also function as a tire repair service.
- Strict environmental guidelines will be adhered to in the handling of all materials.

- The bays will tall enough to accommodate buses and trucks.

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Car & Truck Wash

- A double bay automatic exterior car wash will be built in order to accommodate both passenger and truck type vehicles.
- The reason for a double bay facility is to always make the service available by having a fully redundant operation.
- The car wash is a "zero discharge system". This means that all phases of the car wash cycle use recycled water, other than the final rinse which is fresh water. Since the final rinse is fresh water, water is consistently being introduced to the holding containers, and upon reaching a certain level, is pumped out and disposed of properly.
- The Car & Truck wash facility will be fully automated. Manual intervention in not required.

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Vehicle Parking

- Our plan calls for a parking facility both in front and behind the facility for a total of 27 parking spots, 9 of which are 55 ft spots for trucks, buses or disabled vehicles.
- The facility together with the station itself will be open 24 hours a day.
- The facility will be monitored with cameras in order to minimize any potential security risks and liabilities.

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Fueling Station

- The fueling station will feature 6 pumps supporting 12 cars at the same time.
- There will be 1 Diesel pumps supporting 2 trucks.
- There will be 1 Environmentally friendly fuel pumps supporting 2 vehicles.
- The intent is to use either Citgo or Sunoco given that GAZ Realty has well established relationships with both brands.
- The station will be open and operating 24 hours a day.
- Our estimated volume is 250,000 gallons per month of gas, plus an additional 125,000 gallons of Diesel after 6 months of operation.
- LANDSCAPING - GAZ Realty properties pride themselves in being well landscaped and maintained. The intent is to create a fueling oasis at EWR.

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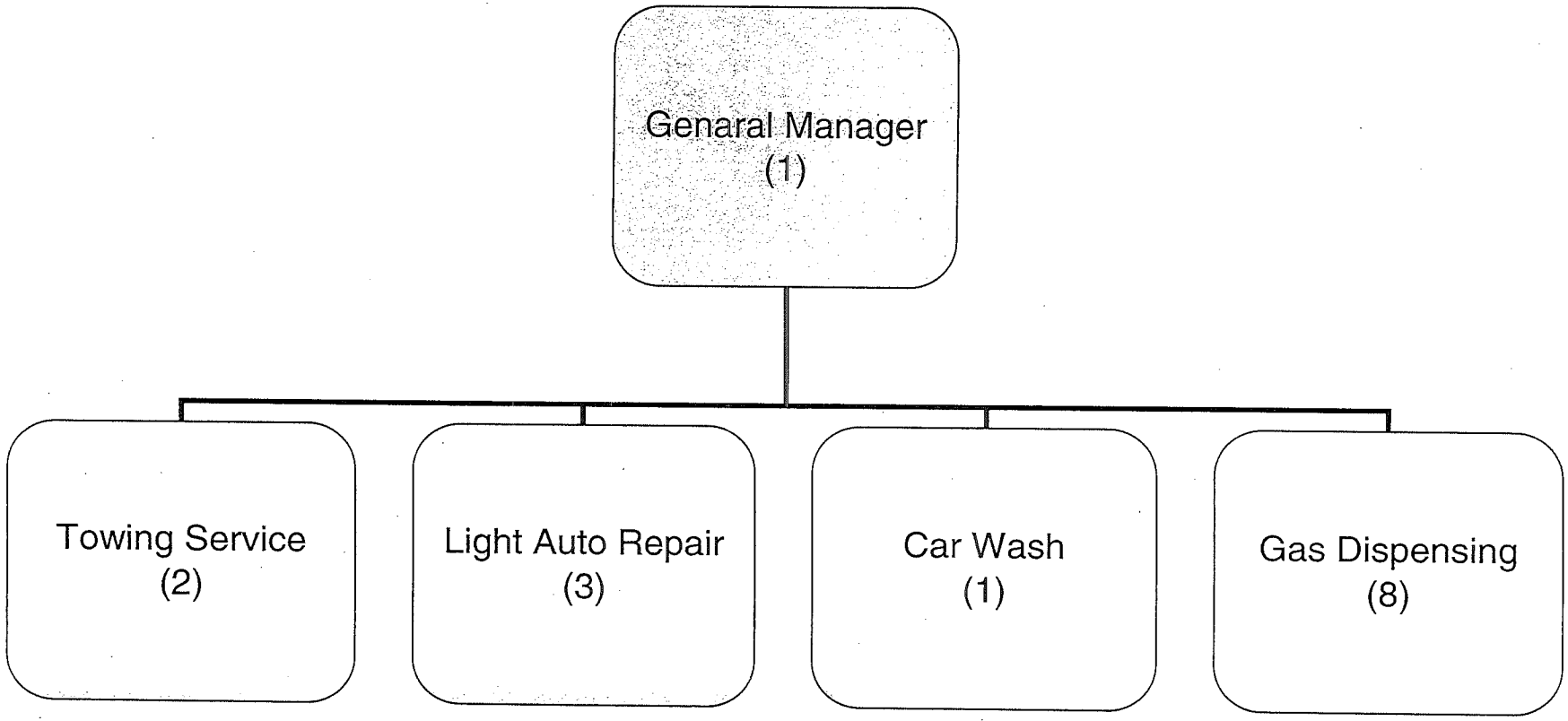
Conclusion

- With the growing demand for oil from emerging markets like China and India combined with an equally unpredictable geopolitical situation there is no foreseeable end to the volatility of oil prices. As a result most retailers of fuel are challenged to earn a profit.
- The changing costs, together with competitive pricing pressure net retailers pennies per gallon. In addition along with the rising fees the credit card companies charge per transaction have also eaten into once lucrative profits.
- The major oil companies have divested nearly all of their retail properties over the past few years as they quickly realized the declining margins in a fuel only service model. We applaud the Port Authority for having the foresight to include additional revenue opportunities into the project plan in order to build a sustainable business that will continue to operate for many years.

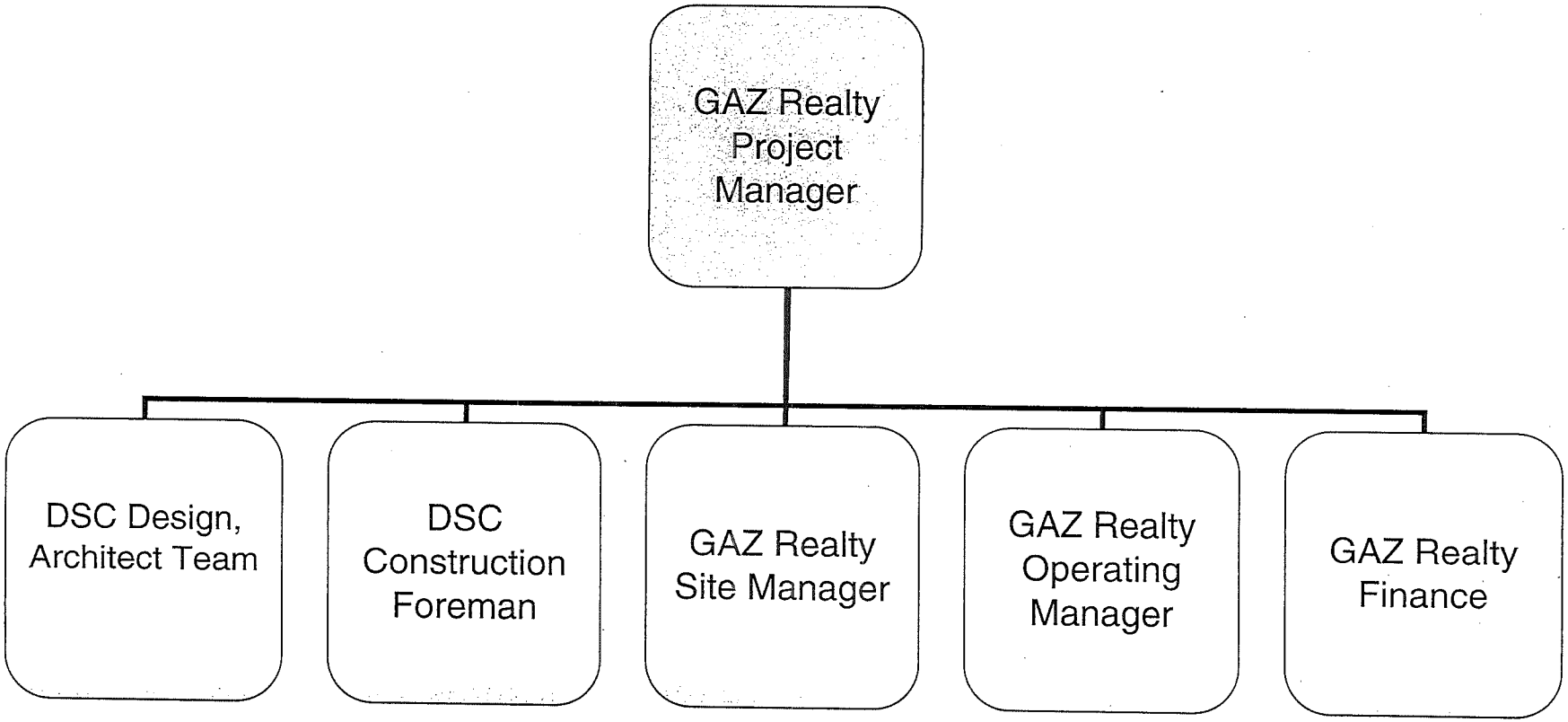
THANK YOU

GAZ Realty, Inc. - Org. Chart for MFVSS at Newark Liberty International Airport



Collective 13747
Oct. 2007

GAZ Realty, Inc. - Project Management for MFVSS at Newark Liberty International Airport



Collective 13747
Oct. 2007

ATTACHMENT C

PROPOSER REFERENCE FORM

Name of Proposer: GAZ Realty, INC.

Please provide a list of references on the firm's performance of similar work within the last five years, including all current Leases. Use additional sheets as necessary.

Include the following information for each reference:

Customer Name: M & H Ent.
Address: 675 Sunrise Highway
West Babylon NY 11704
Contact Name and Title: Mike Abi Zeid
Phone and Fax Numbers of Contact: 631-661-4040 fax 631-661-4495
Lease date(s): 1/15/2004
Lease cost: $19000/mo.
Description of work: Build & construct & operate car wash, gas stn & minimart.
(Citgo Supl Station)

Customer Name: Jubran C. Jubran
Address: 244 Linden Blvd. G & J Ent
Elmont NY 11003
Contact Name and Title: Jubran C. Jubran
Phone and Fax Numbers of Contact: 516-285-0095
Lease date(s): Sept 04
Lease cost: 11000
Description of work:
Rebuild an old tired station, car wash & minimart

Customer Name: GAS of PA.
Address: 2506 Old Lincoln Highway
Ben Salem, PA 19020
Contact Name and Title: Ivo Pascucci
Phone and Fax Numbers of Contact:
Lease date(s): Jun 12, 2006
Lease cost: 12000/mo.
Description of work: rebuild & develop & construct gas stn & car wash.
Sunoco Station

time to time by the Port Authority. Such list shall be made available to the Contractor upon request. The Port Authority makes no representation as to the financial responsibility of such, firms, their technical competence to perform, or any other performance related qualifications.

Only MBE's and WBE's certified by the Port Authority will count toward the MBE and WBE goals.

Please note that only sixty percent (60%) of expenditures to MBE or WBE suppliers will count towards meeting the MBE and WBE goals. However, expenditures to MBE or WBE manufacturer's (i.e. suppliers that produce goods from raw materials or substantially alter them before resale) are counted dollar for dollar.

For the Port Authority

Initialled:

ATTACHMENT A

AGREEMENT ON TERMS OF DISCUSSION

The Port Authority's receipt or discussion of any information (including information contained in any proposal, vendor qualification, ideas, models, drawings, or other material communicated or exhibited by us or on our behalf) is not to impose any obligations whatsoever on the Port Authority or entitle us to any compensation therefore (except to the extent specifically provided in such written agreement, if any, as may be entered into between the Port Authority and us). Any such information given to the Port Authority before, with or after this letter, either orally or in writing, is not given in confidence. Such information may be used, or disclosed to others, for any purpose at any time without obligation or compensation and without liability of any kind whatsoever. Any statement which is inconsistent with this agreement, whether made as part of or in connection with this agreement, shall be void and of no effect. This Agreement is not intended, however, to grant to the Port Authority rights to any matter, which is the subject of valid existing or potential letters patent. The foregoing applies to any information, whether or not given at the invitation of the Port Authority.

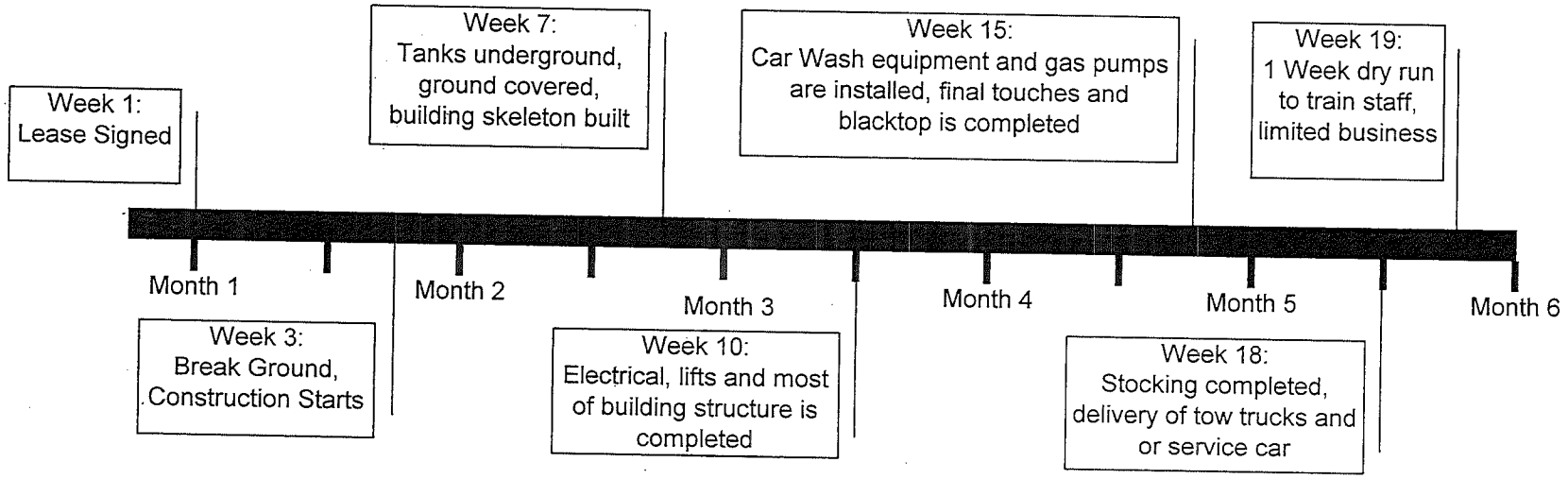
GAZ realty, inc
(Company)

(Signature) George Abizeid

President
(Title)

Oct. 10, 2007
(Date)

GAZ Realty, Inc. Timeline for Construction of MVFSS at Newark Liberty International Airport



Collective 13747
Oct. 2007

Lease No. ANB-862

LEASE AGREEMENT

between

THE PORT AUTHORITY OF NEW YORK & NEW JERSEY

and

GAZ REALTY, INC.

Dated as of July 31, 2008

7

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Exhibits A, B, M and Z
Schedules A, E, F and X

THIS 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 OP THE PORT AUTHORITY

Port Authority Lease No. ANB-862

AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE, made effective as of the 31st day of July, 2008 by and between **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY** (hereinafter called "the Port Authority"), a body corporate and politic established by Compact between the States of New York and New Jersey with the consent of the Congress of the United States of America and having an office at 225 Park Avenue South, in the Borough of Manhattan, in the City, County and State of New York 10003, and **GAZ REALTY, INC. d/b/a NEWARK AIRPORT PLAZA INC.** (hereinafter called "the Lessee"), a corporation of the State of New York having an office and place of business at 366 North Broadway, Suite 206, Jericho, New York 11753, whose representative is George Abi Zeid,

WITNESSETH, That:

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

Section 1. Letting

(a) The Port Authority hereby lets to the Lessee and the Lessee hereby hires and takes from the Port Authority at Newark Liberty International Airport (sometimes hereinafter referred to as "the Airport") in the City of Newark, County of Essex and State of New Jersey the ground space as shown in stipple on the drawing attached hereto, hereby 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 thereon, the said lands, fixtures, improvements and other property of the Port Authority (hereinafter collectively referred to as "the premises"). The parties acknowledge that the premises constitute non-residential real property.

(b) Except to the extent required for the performance of any of the obligations of the Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the air space above the heights of the structures thereon.

Section 2. Term

The term of the letting under this Agreement shall commence on October 1, 2008 (the "Commencement Date") and shall, unless sooner terminated, expire on the day preceding the (Ex. 2.a.) anniversary of the Rental Payment Start Date as defined in Section 4 of the Lease (the "Expiration Date").

Section 3. Rights of User

The Lessee shall use the premises for the purpose of constructing and operating a multi-fuel vehicle service station, including the operation of a first class convenience store and for no other purpose whatsoever and in connection therewith shall provide thereat the following sales and services and no other sales and services whatsoever:

(i) The sale and delivery of gasoline for trucks and automobiles;

(ii) The sale and delivery of diesel fuel for trucks and automobiles;

(iii) The sale and delivery of an environmentally friendly alternative fuel (compressed natural gas, biodiesel, ethanol, hydrogen) for trucks and automobiles;

(iv) The sale and delivery of motor oil;

(v) A dual bay car wash (one automated; one full service) for the cleaning of automobiles, light pick-up trucks and small vans;

(vi) The sale and delivery of automotive supplies, tires, parts and accessories;

(vii) The repair (electrical and mechanical only), maintenance and servicing of automobiles, light pick-up trucks and small vans only. It is hereby specifically understood and agreed that the foregoing shall not be provided to any other items of automotive equipment including but not limited to trailers and aircraft ground support vehicles.

(viii) Parking for disabled and towed vehicles (to accommodate at least 20 vehicles) and parking for no more than three (3) 55-foot trucks;

(ix) Public restrooms;

(x) Space for public telephones (the Lessee will not provide the telephone service);

(xi) An air pump for inflating tires;

(xii) The non-exclusive right to maintain at all times during the term of the letting an adequate towing service as defined and set forth in Section 47 of this Agreement.

(xiii) The sale, at retail of non-alcoholic beverages, snack foods, hot and cold sandwiches, soups, newspapers, tobacco, tobacco products, toiletries and such other products as shall be consented by the Port Authority in advance;

(xiv) The Lessee shall be permitted to operate one (1) automated teller machine.

(xv) The Lessee shall be permitted to sell lottery tickets issued by the New Jersey State Department of Tax and Finance.

Except as specifically provided in Section 47 of this Agreement, the parking, storage or garaging of automobiles, light pick-up trucks, large trucks, tractor trailers, aircraft ground support vehicles or any other vehicles at the premises is hereby expressly prohibited.

Section 4. Rental

A. Rental Obligation

(1) The Constant Factor of the Annual Ground Rental

(a) The Lessee agrees to pay to the Port Authority for the period from the Rental Payment Start Date, as hereinafter defined, and continuing through the balance of the term of the letting hereunder, both dates inclusive, a Ground Rental for the premises at the annual rate of (Ex. 2.a.)

. The aforesaid annual Ground Rental is made up of two factors, one a constant factor in the amount of

and the other a variable factor in the amount of

. The constant factor is subject to escalation and adjustment as provided in subparagraph (b) of this Section 4. The variable factor aforesaid represents the Airport Services portion of the rental, is hereinafter referred to as "the Airport Services Factor" and is subject to adjustment as provided in subparagraph (c) below. The Lessee shall pay the said annual Ground Rental, in advance, in equal monthly installments of (Ex. 2.a.) 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 a day which is other than the first day of a month, the Ground Rental for the portion of the month during which the Rental Payment Start Date occurs following such date shall be the amount of the monthly installment prorated on a daily basis using the actual number of days in the said month.

(b) CPI Adjustments:

The following terms as used in this Section 4 shall have the respective meanings given below:

(1) "CPI" or "Consumer Price Index" shall mean the Consumer Price Index for all Urban Consumers, New York-Northern New Jersey, Long Island, NY- NJ-CT, (All Items unadjusted 1982-84=100) published by the Bureau of Labor Statistics of the United States Department of Labor.

(2) The Port Authority shall ascertain the CPI for the month in which the Rental Payment Start Date occurs and for the month in which the first year anniversary of the Rental Payment Start Date occurs and for the same calendar month in each year thereafter during the term of this Agreement after the same has been published, and the Port Authority shall also determine the annual percentage increase, if any, for each such twelve month period after the same has been published (hereinafter called "the annual CPI percentage increase").

(3) Effective on the first day of the month in which the first year anniversary of the Rental Payment Start Date occurs, and on the first day of every anniversary of the Rental Payment Start Date thereafter occurring during the term of the letting, the constant factor of the annual Ground Rental set forth above in paragraph (1)(a) of this subdivision I of this Section 4 (as the same may have been previously adjusted hereunder) shall be increased as follows: (i) the constant factor of the annual Ground Rental as set forth in said paragraph (1)(a) shall be multiplied by a percentage composed of (2.a)of the annual CPI percentage increase, if any, for the latest twelve month period using the same calendar month in accordance with subparagraph (2) above plus 100%; and (ii) the constant factor of the annual Ground Rental rate as set forth in said paragraph (1)(a) shall be multiplied by 104%; and the greater of the two products so obtained by the calculations set forth in the foregoing clauses (i) and (ii) shall be and become the constant factor of the annual Ground Rental in effect for the annual period commencing on the said first day of the month in which the first anniversary of the Rental Payment Start Date (or, on the first day of the applicable Rental Payment Start Date occurring thereafter during the term of the letting hereunder) occurs and ending on the last day of the immediately succeeding twelfth month.

(4) In the event that the Consumer Price Index for the calendar month to be used in determining such increase of the constant factor of the Ground Rental is not available as of the effective date of said increase, the Lessee shall continue to pay the constant factor of the Ground Rental at the rate then in effect subject to retroactive adjustment and a lump sum payment of any deficiency so determined at such time as the Index for said calendar month becomes available. In the event of the change of basis or the discontinuance of the publication by the United States Department of Labor of the Consumer Price Index such other appropriate index or indexes shall be substituted as may be agreed by the parties hereto as properly reflecting changes in the value of the current United States money in a manner similar to that established in the said indexes used in the latest adjustment. In the event of the failure of the parties to so agree, the Port Authority may select and use such index or indexes as it deems appropriate, provided, however, that the foregoing shall not preclude the Lessee from contesting the Port Authority's selection.

(5) In no event shall any annual rate of any constant factor of the rental established under this paragraph (b) be less than the annual rate of the constant factor of the rental it supersedes.

2. The Airport Services Factor of the Annual Ground Rental

(a) The Lessee shall pay to the Port Authority on account of the Airport Services Factor of the annual Ground Rental the amount of (Ex. 2.a.) , payable in equal monthly installments on the Rental Payment Start Date and on the first day of each and every month thereafter occurring during the term of the lease, as adjusted pursuant to the provisions of Schedule A, attached hereto and hereby made a part hereof. After the close of calendar year and thereafter for each and every calendar year through the term of the letting, the Airport Services Factor shall be adjusted, upwards or downwards, in accordance with the provisions of Schedule A attached hereto and hereby made a part hereof. The constant factor of the Ground Rental shall adjust in accordance with paragraph (1)(b) of this Section (4).

(b) The Lessee understands and agrees that while the term of the Lease shall expire in (2.a.), the final Airport Services Factor for (2.a.) may not be determined for some months after the expiration and that the Lessee's obligations to pay any deficiency in the rental for the year (2.a.) and the applicable portion of (2.a.) or the Port Authority's obligation to pay a refund in said rental resulting from the determination of the final Airport Services Factor for the years (2.a.) and (2.a.) shall survive such expiration of the Lessee and shall remain in full force and effect until such deficiency or refund, if any, is paid. The Lessee hereby specifically acknowledges that neither the survival of the obligation with respect to any such deficiency or refund nor any other provision of this Agreement shall grant or shall be deemed to grant any rights whatsoever to the Lessee to have the term of the Lease extended for any period beyond the Expiration Date

(c) If the letting hereunder shall terminate on a day other than the last day of a calendar month, the installment of Ground 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 installment described in this Section 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. If the monthly installment due on the first day of that month has not been paid the Lessee shall pay the prorated part of the amount of that installment; if the monthly installment has been paid, then the excess thereof shall be credited to the Lessee's obligations.

3. Percentage Rental

(a) The Lessee agrees to pay to the Port Authority an annual percentage rental equivalent to the sum of:

(i) (Ex. 2.a.) of all the gross receipts, as hereinafter defined, of the Lessee arising during each annual period, as hereinafter defined, which are in excess of Annual Exemption Amount-A, as hereinafter defined, from the sale of items shown in Section 3, except those set forth in Section 3 (i), (ii), (iii) and (xv); and

(ii) (Ex. 2.a.) per gallon of gasoline sold by the Lessee during each annual period, which are in excess of Annual Exemption Amount –B, as hereinafter defined; and

(iii) (Ex. 2.a.) per gallon of diesel fuel sold by the Lessee during each annual period, which are in excess of Annual Exemption Amount-C, as hereinafter defined; and

(iv) (Ex. 2.a.) per gallon of compressed natural gas, biodiesel, ethanol and hydrogen sold by the Lessee during each annual period, which are in excess of Annual Exemption Amount-C; and

(v) (Ex. 2.a.) of each transaction fee charged to the customer in connection with the use of the automated teller machined described in Section 3 (xiv) during each annual period, which are in excess of Annual Exemption Amount-A.

(b) The computation of the annual percentage rental for each annual period or a portion of an annual period as hereinafter provided shall be individual to such annual period or such portion of an annual period and without relation to any other annual period or portion of an annual period. For the purpose of calculating the percentage rental for any annual period that contains more or less than 365 days, the annual exemption amounts shall be prorated over the actual number of days contained in such annual period.

(c) The time for making payment of the basic and percentage rentals and the method of calculation thereof shall be as set forth in paragraph B of this Section.

4. As used herein:

(a) "Gross receipts" as used in this Agreement shall include all monies paid or payable to the Lessee for all sales and/or deliveries made or rendered at or from the premises and for all services (including but not limited to the Patron service, as defined in Section 47 of this Agreement) rendered at or from the Airport regardless of when or where the order therefor is received at the Airport, and any other revenues of any type arising out of or in connection with the Lessee's operations at the Airport, provided, however, that any taxes imposed by law which are separately stated to and paid by a customer and directly payable to the taxing authority by the Lessee shall be excluded therefrom, and provided, furthermore, that gross receipts shall not include (i) monies paid or payable by the Port Authority to the Lessee for the Emergency Service provided by the Lessee pursuant to Section 47 of this Agreement or (ii) sales made at or from the premises in connection with the sale of lottery tickets.

(b) "Rental Payment Start Date" shall mean the earlier of:

(i) The (Ex. 2.a.) day following the Commencement Date, as defined in Section 2 of this Agreement, or

(ii) such earlier date following the completion by the Lessee of the improvement, finishing and installation work described in Section 6 hereof as may be designated by the Port Authority to the Lessee as the date on which public operations may be commenced in the premises.

The Lessee recognizes 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 Section 6 hereof have been obtained by the Lessee. The Lessee further recognizes that its obligation to pay basic rental shall commence on the Rental Payment Start Date established pursuant to subparagraph (b) of this Section whether or not the Lessee is conducting public operations in the premises on such date.

(d) "Annual Period" shall mean, as the context requires, the twelve-month period commencing with the Rental Payment Start Date established pursuant to the provisions of this Agreement and each of the twelve-month periods thereafter occurring during the term of the letting, provided, however, that if the Rental Payment Start Date commences on other than the first day of a calendar month, the first annual period shall include the portion of the month which the Rental Payment Start Date falls following such date plus the succeeding 12 calendar months and each subsequent annual period shall commence on the anniversaries of the first day of the first full calendar month following the month in which the Rental Payment Start Date occurs.

(e) "Annual Exemption Amount –A shall mean the amount equivalent to (Ex. 2.a.) ; Annual Exemption Amount-B shall mean the amount equivalent to gallons; Annual Exemption Amount –C shall mean an amount equivalent to gallons.

B. Time of Payment and Computation of Amounts

(1) The Lessee shall pay the ground rental in advance, in equal monthly installments equal to 1/12 of the ground rental provided for in paragraph (1) of Subdivision A above commencing on the Rental Payment Start Date and on the first day of each and every month thereafter during the balance of the letting hereunder.

(2) The Lessee shall pay the percentage rental as follows: on the 20th day of the first month following the Rental Payment Start Date and on the 20th day of each and every month thereafter the Lessee shall render to the Port Authority a sworn statement showing (i) all of its gross receipts for the preceding month arising out of all its operations in the premises and separately showing the gross receipts for subdivisions (i) through (xv) in Section 3. At such time, the Lessee shall pay an amount to the Port Authority equivalent to the sum of the percentage amounts multiplied by the gross receipts arising in each of the aforesaid categories in accordance with the provisions set forth in Section 4A(3)(a). In addition to the foregoing, on the 20th day of the first month following each anniversary of the Rental Payment Start Date , the Lessee shall submit to the Port Authority a statement setting forth the cumulative amount of gross receipts arising during the preceding twelve (12) month period certified, at the Lessee's

sole cost and expense, by a certified public accountant, of all gross receipts arising during the period from the last preceding anniversary of the Rental Payment Start Date up to and including the last day this Agreement shall be in effect and the Lessee shall, at the time of rendering such statement to the Port Authority, pay the percentage rental due and unpaid as of the last day this Agreement shall be in effect.

(3) Upon any termination of the letting hereunder (even if stated to have the same effect as expiration), the Lessee shall, within twenty (20) days after the effective date of such termination, make a payment of rental computed as follows: first, if the letting hereunder is terminated effective on a date other than the last day of a calendar month, the basic rental for the portion of that month in which the letting remains effective shall be the amount of the monthly installment of basic rental prorated on a daily basis using the actual number of days in the month, and, if the monthly installment due on the first day of that month has not been paid, the Lessee shall pay the prorated part of the amount of that installment; if the monthly installment has been paid, then the excess thereof shall be credited to the Lessee's other obligations; second, the Lessee shall within twenty (20) days after the effective date of termination, render to the Port Authority a sworn statement separately showing all its gross receipts for the annual period in which the effective date of termination happens to fall; and third, the payment then due on account of the percentage rental for the annual period in which the effective date of termination falls shall be the excess over the prorated Annual Exemption Amount – A, stated in Section 4(A)(4)(e) above applied to all items shown in Section 3 (except those set forth in subdivisions (i), (ii), (iii) and (xv) of Section 3; and excess over the prorated Annual Exemption Amount-B, stated in Section 4(A)(4)(e) above applied to all the gallons of gasoline sold by the Lessee during such annual period; and the excess over the prorated Annual Exemption Amount –C applied to each gallon of diesel fuel, compressed natural gas, biodiesel, ethanol and hydrogen sold by the Lessee during such annual period, said annual exemption amounts shall be prorated as hereinabove provided, less any percentage rental payments previously made for such annual period..

(4) Nothing contained in this Section shall affect the survival of the obligations of the Lessee as set forth in Section 25 of this Agreement.

C. Abatement

(a)(i) During the period commencing on the Rental Payment Start Date and continuing through the day preceding the first (1st) anniversary of such date, both dates inclusive, in the event the Lessee shall at any time by the provisions of this Agreement become entitled to an abatement of Ground Rental, the constant factor of the Ground Rental shall be reduced for each calendar day or major fraction thereof that the abatement remains in effect at the constant factor daily rate of (Ex. 2.a.) for each square foot of land the use of which is denied the Lessee subject to adjustment as provided herein (it being understood that there shall be no abatement of Ground Rental under the Lease for any portion of the premises other than land area or for any portion of the term except as specifically provided in this Agreement).

(ii) During the period commencing on the first anniversary of the Rental Payment Start Date and continuing through the balance of the term of the letting, both dates inclusive, in the event the Lessee shall at any time by the provisions of this Agreement

become entitled to an abatement of Ground Rental, the applicable constant factor of the Ground Rental shall be reduced for each calendar day or major fraction thereof that the abatement remains in effect at the applicable constant factor daily rate for each square foot of land the use of which is denied the Lessee subject to adjustment as provided herein (it being understood that there shall be no abatement of Ground Rental under the Lease for any portion of the premises other than the land area for any portion of the term except as specifically provided in this Agreement).

(iii) During any annual period from and after the first anniversary of the Rental Payment Start Date and continuing through the balance of the term of the letting hereunder, whenever the Lessee shall be entitled hereunder to an abatement of Ground Rental, the applicable annual Ground Rental amount established for such annual period shall be reduced in the same proportion as the applicable annual installment of Ground Rental for each annual period or portion thereof that the abatement is in effect.

(b)(i) In addition, during the period commencing on the Rental Payment Start Date and continuing through the day preceding the first (1st) anniversary of such date, both dates inclusive, the Airport Services Factor of the Ground Rental shall be reduced for each calendar day or major fraction thereof the abatement remains in effect for each square foot of land the use of which is denied the Lessee at the daily rate of (Ex. 2.a.) (hereinafter the "variable rate") subject to adjustment as provided herein. No abatement of the Airport Services Factor shall be for other than land area.

(ii) After the close of calendar year and after the close of each calendar year thereafter, the Port Authority will adjust the variable rate, upwards or downwards, as provided in Schedule A. The resultant variable rate shall constitute the final variable abatement rate for the calendar year for which the adjustment is being made. It shall also constitute the tentative variable abatement rate for the calendar year in which such rate is calculated and for the following year until the next succeeding final variable abatement rate is calculated.

(iii) If there has been an abatement during a calendar year, any excess in the amount by which the Airport Services Factor is reduced for any calendar year resulting from the adjustment of the variable rate shall be paid to the Port Authority by the Lessee within (30) days after demand therefore and any deficiency in said amount determined on the basis of an adjusted variable rate shall be credited against future Ground Rentals, such credit to be made within thirty (30) days following adjustment of the variable rate.

(iv) The Lessee understands that while the final variable rate for the calendar year in which the expiration date of the Lease falls will not be determined for some months after such expiration and, if in fact there was an abatement during said calendar year, that the Lessee's obligations to pay any excess in the amount by which the Airport Services Factor may have been abated for said calendar year or the Port Authority's obligation to pay any deficiency in said amount resulting from the determination of the final variable rate for said calendar year shall survive such expiration of the Lease and shall remain in full force and effect until such excess of deficiency, if any, is paid. The Lessee hereby specifically acknowledges that

neither the survival of the obligation with respect to any such excess or deficiency nor any other provision of the Lease shall grant or shall be deemed to grant any rights whatsoever to the Lessee to have the term of the letting extended for any period beyond the expiration thereof or affect in any way the Port Authority's right to terminate this Agreement as provided herein.

Section 5. Condition of the Premises

(a) The Lessee hereby acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the condition of the premises, or its fitness for use as a multi-fuel vehicle service station. The Lessee, prior to the execution of this Agreement, has thoroughly examined the premises and determined them to be suitable for the Lessee's operation hereunder and the Lessee hereby agrees to take the premises in the condition they are in as of the commencement of the term of the letting hereunder and to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with, the condition of the premises whether any aspect of such condition existed prior to, on or after the effective date of the letting of the premises hereunder including without limitation all Environmental Requirements and Environmental Damages, and to indemnify and hold harmless the Port Authority for all such risks, requirements, costs and expenses. Without limiting any obligation of the Lessee to commence operations hereunder at the time and in the manner stated elsewhere in this Agreement, 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 possibility of injury or damage to life or property. It is hereby understood and agreed that whenever reference is made in this Lease to the condition of the premises as of the commencement of the term thereof, the same shall be deemed to mean the condition of the premises as of the date of this Agreement, and as to the improvements made and the alteration work performed during the term of the Agreement in the condition existing after the completion of the same. The Lessee understands that it will be its responsibility to furnish and install (subject to the provisions of Section 6 of the Lease) all pumps, trade fixtures, accessories, equipment and other property including any necessary removal and demolition and to perform all work as may be necessary to put the multi-fuel service station in first class operating condition for the purposes set forth in Section 3 hereof.

(b) All the obligations of the Lessee under this Section with respect to the responsibilities, risks, costs and expenses assumed by the Lessee shall survive the expiration or termination of this Agreement.

Section 6. Construction by the Lessee

(a) The Lessee shall, prior to its submission to the Port Authority of the plans and specifications hereinafter provided for, submit to the Port Authority for its consent, the Lessee's comprehensive plan for the development of the site, including but not limited to renderings, layouts, locations, models, estimated commencement and completion dates, and preliminary functional plans.

(1) Without limiting the above, the Lessee agrees that said comprehensive plan shall include the construction on and under the site of:

(i) A multi- vehicle fuel service station, service bay area, waiting area, customer counter, dual bay car wash (one automated; one full service) , convenience store and restroom facilities consisting of approximately 3,200 square feet of space;

(ii) all appropriate lines, pipes, mains, cables, manholes, wires, tubes, ducts, assemblies, conduits and other facilities required in connection with or relating to the mechanical, utility, electrical, storm sewer, sanitary sewer, telephone, fire alarm, fire protection, gas, heating, ventilation and air-conditioning, steam, drainage, communications, and other systems needed for the multi-fuel service station and dual bay car wash (one automated; one full service) ;

(iii) all necessary or appropriate ground roadways, ramps, sidewalks, vehicular service areas, and pedestrian circulation areas, together with all related and associated areas and facilities, including an access ramp to the premises from the on-ramp to the Central Terminal Roadway (the foregoing being herein sometimes called the "circulation areas");

(iv) all grading and paving of ground areas and appropriate landscaping together with all related and associated work;

(v) all necessary or required fencing; and

(vi) All other appropriate or necessary work in connection with the foregoing items, including without limitation thereto, all borings, surveys, route marker signs, obstruction lights and material inspections and also including any tie-ins to utility lines and roadway access stubs.

(2) All of the foregoing work shall be constructed by the Lessee on the site and off the site where required, and where constructed on the site shall be and become a part of the premises under the Lease and is sometimes collectively referred to herein as the "construction work".

(3) The Lessee shall keep the comprehensive plan covered by this paragraph (a) up to date and shall submit to the Port Authority for its prior approval any amendments, revisions, or modifications thereof.

(b)(1) Prior to the commencement of the Construction Work, the Lessee shall cause to be delivered to the Port Authority a payment and performance bond in favor of the Port Authority (in the form attached hereto as Exhibit B and hereby made a part hereof) in an amount equal to the total contract price of the Construction Work in compliance with the approved plans

and specifications, protecting the Port Authority from monetary risk during, relating to or arising out of the construction work, issued by a surety company listed in the Financial Management Service of the United State Department of Treasury. Such payment and performance bond shall be in effect during the period from the commencement of the construction work to and including the Completion Date (as herein defined) and the Lessee shall keep and maintain said payment and performance bond in full force and effect. The said payment and performance bond shall be in an amount equal to the entire contract price for the construction work. Said payment and performance bond shall guarantee the full, faithful and prompt performance of and compliance with, on the part of the Lessee, all of the terms, provisions, covenants and conditions of this Agreement relating to the construction work. The existence of the payment and performance bond described in this Agreement shall not limit or alter any other remedies of the Port Authority under this Agreement, and the Port Authority may from time to time and at any time elect to pursue (or not to pursue) its rights under any payment and performance bond without thereby limiting, voiding or relinquishing any of its other rights or remedies under this Agreement.

(2) Prior to the commencement of the construction work, the Lessee shall submit to the Port Authority for the Port Authority's approval complete plans and specifications therefor. The Port Authority may refuse to grant approval with respect to the construction work if, in its opinion, any of the proposed construction work as set forth in said plans and specifications (all of which shall be in such detail as may reasonably permit the Port Authority to make a determination as to whether the requirements hereinafter referred to are met) shall:

(i) Be unsafe, unsound, hazardous or improper for the use and occupancy for which it is designed, or

(ii) Not comply with the Port Authority's requirements for harmony of external architecture of similar existing or future improvements at the Airport, or

(iii) Not comply with the Port Authority's requirements with respect to external and interior building materials and finishes of similar existing or future improvements at the Airport, or

(iv) Be designed for use for purposes other than those authorized under the Agreement, or

(v) Set forth ground elevations or heights other than those prescribed by the Port Authority, or

(vi) Not be at locations or not be oriented in accordance with the Lessee's approved comprehensive plan, or

(vii) Not comply with the provisions of the Basic Lease, as defined in the Section of this Agreement, entitled "Definitions", including without limiting the generality thereof, those provisions of the Basic Lease providing that the Port

Authority will conform to the enactments, ordinances, resolutions and regulations of the City of Newark and its various departments, boards and businesses in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation to the extent that the Port Authority finds it practicable so to do, or

(viii) Be in violation or contravention of any other provisions and terms of this Agreement, or

(ix) Not comply with all applicable governmental laws, ordinances, enactments, resolutions, rules and orders, or

(x) Not comply with all applicable requirements of the National Board of Fire Underwriters and the Fire Insurance Rating Organization of New Jersey, or

(xi) Not comply with the Port Authority's requirements with respect to landscaping, or

(xii) Not comply with Port Authority's requirements and standards with respect to noise, air pollution, water pollution or other types of pollution, or

(xiii) Not comply with the construction limitations set forth in Exhibit A, or

(xiv) Not comply with the American National Standard Specifications for Buildings and Facilities-Providing Accessibility and Usability for Physically Handicapped People, ANSI All7.l-l986.

(c) All construction work shall be done in accordance with the following terms and conditions:

(1) The Lessee hereby assumes the risk of loss or damage to all of the construction work prior to the completion thereof and the risk of loss or damage to all property of the Port Authority arising out of or in connection with the performance of the construction work. In the event of such loss or damage, the Lessee shall forthwith repair, replace and make good the construction work and the property of the Port Authority without cost or expense to the Port Authority. The Lessee shall itself and shall also require its contractors to indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands, just or unjust, of third persons (including employees, officers, and agents of the Port Authority) arising or alleged to arise out of the performance of the construction work and for all expenses incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, direct or consequential, whether they arise from the acts or omissions of the Lessee, of any contractors of the Lessee, of the Port Authority, or of third

persons, or from acts of God or of the public enemy, or otherwise, (including claims of the City of New Jersey against the Port Authority pursuant to the provisions of the Basic Lease whereby the Port Authority has agreed to indemnify the City against claims), excepting only claims and demands which result solely from affirmative willful acts done by the Port Authority, its Commissioners, officers, agents and employees with respect to the construction work.

If so directed, the Lessee 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 written permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provisions of any statutes respecting suits against the Port Authority.

(2) Prior to engaging or retaining an architect or architects for the construction work, the name or names of said architect or architects shall be submitted to the Port Authority for its approval. The Port Authority shall have the right to disapprove any architect who may be unacceptable to it. All construction work shall be done in accordance with plans and specifications to be submitted to and approved by the Port Authority prior to the commencement of the construction work, and until such approval has been obtained the Lessee shall continue to resubmit plans and specifications as required. Upon approval of such plans and specifications by the Port Authority, the Lessee shall proceed diligently at its sole cost and expense to perform the construction work. All construction work, including workmanship and materials, shall be of first class quality. The Lessee shall re-do, replace or construct at its own cost and expense, any construction work not done in accordance with the approved plans and specifications, the provisions of this Section 2 or any further requirements of the Port Authority.

The Lessee shall expend not less than (Ex. 2.a.)
with respect to the construction work. The Lessee shall complete the construction work no later than Three Hundred (300) days following the Commencement Date as defined in Section 2 of this Agreement.

(3) Prior to entering into a contract for any part of the construction work, the Lessee shall submit to the Port Authority for its approval the names of the contractors to whom the Lessee proposes to award said contracts. The Port Authority shall have the right to disapprove any contractor who may be unacceptable to it. The Lessee shall include in all such contracts such provisions and conditions as may be reasonably required by the Port Authority. Without limiting the generality of the foregoing all of the Lessee's construction contracts shall provide as follows: "If (i) the Contractor fails to perform any of his obligations under the Contract, including his obligation to the Lessee to pay any claims lawfully made against him by any materialman, subcontractor or workman or other third person which arises out of or in connection with the performance of the Contract or (ii) any claim (just or unjust) which arises out of or in connection with the Contract is made against the Lessee or (iii) any subcontractor under the Contract fails to pay any claims, lawfully made against him by any materialman, subcontractor, workman or other third persons which arises out of or in connection with the Contract or if in the Lessee's opinion any of the aforesaid contingencies is likely to arise, then the

Lessee shall have the right, in its discretion, to withhold out of any payment (final or otherwise and even though such payments have already been certified as due) such sums as the Lessee may deem ample to protect it against delay or loss or to assume the payment of just claims of third persons, and to apply such sums in such manner as the Lessee may deem proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the Lessee to withhold out of any payment, final or otherwise, a sum for any of the above contingencies, even though such contingency has occurred at the time of such payment, shall not be deemed to indicate that the Lessee does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the Lessee to withhold and apply monies nor any exercise, or attempted exercise of, or omission to exercise such rights by the Lessee shall create any obligation of any kind to such materialmen, subcontractors, workmen or other third persons. Until actual payment is made to the Contractor, his right to any amount to be paid under the Contract (even though such amount has already been certified as due) shall be subordinate to the rights of the Lessee under this provision."

The Lessee shall file with the Port Authority a copy of its contracts with its contractors prior to start of the construction work.

(4) The Lessee shall furnish or require its architect to furnish a full time resident engineer during the construction period. The Lessee shall require certification by a licensed engineer of all pile driving data, if applicable, and of all controlled concrete work and such other certifications as may be requested by the Port Authority from time to time.

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

(6) The Port Authority shall have the right, through its duly designated representatives, to inspect the construction work and the plans and specifications thereof, at any and all reasonable times during the progress thereof and from time to time, in its discretion, to take samples and perform testing on any part of the construction work.

(7) The Lessee agrees that it shall deliver to the Port Authority two (2) sets of "as built" drawings of the construction work in an electronic CADD data file on a CD Rom in a format to be designated by the Port Authority, all of which shall conform to the specifications of the Port Authority (the receipt of a copy of said specifications prior to the execution of this Lease being hereby acknowledged by the Lessee). The Lessee shall during the term of this Lease keep said digital electronic files of drawings and said electronic CADD data files current showing thereon any changes or modifications which may be made and provide copies thereof to the Port Authority as the Port Authority may request from time to time. No changes or modifications shall be made without prior Port Authority consent.

(8) The Lessee shall, if requested by the Port Authority, take all reasonable measures to prevent erosion of the soil and the blowing of sand during the performance of the construction work, including but not limited to the fencing of the premises or portions thereof or other areas and the covering of open areas with asphaltic emulsion or similar materials as the Port Authority may direct.

(9) Title to any soil, dirt, sand or other matter (hereinafter in this item (9) collectively called "the matter") excavated by the Lessee during the course of the construction work shall vest in the Port Authority and the matter (other than portions of the matter used by the Lessee in the construction work as may be approved by the Port Authority) shall be delivered by the Lessee at its expense to any location on the Airport as may be designated by the Port Authority or to any location off the Airport within the Port of New York District. The entire proceeds, if any, of the sale or other disposition of the matter shall belong to the Port Authority. Notwithstanding the foregoing the Port Authority may elect by prior written notice to the Lessee to waive title to all or portions of the matter in which event the Lessee at its expense shall dispose of the same without further instruction from the Port Authority;

(10) The Lessee shall pay or cause to be paid 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 construction work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them, provided, however, that nothing herein contained shall be construed to limit the right of the Lessee to contest any claim of a contractor, subcontractor, materialman, workman and/or other person and no such claim shall be considered to be an obligation of the Lessee within the meaning of this Section unless and until the same shall have been finally adjudicated. The Lessee shall use its best efforts to resolve any such claims and shall keep the Port Authority fully informed of its actions with respect thereto. Nothing herein contained shall be deemed to constitute consent to the creation of any liens or claims against the premises nor to create any rights in said third persons against the Port Authority or the Lessee.

(11) (i) The Lessee in its own name as insured and including the Port Authority as an additional insured shall procure and maintain Comprehensive General Liability insurance, including but not limited to premises-operations, products liability-completed operations, explosion, collapse and underground property damages, personal injury and independent contractors, with a broad form of property damage endorsement, and with a

contractual liability endorsement covering the obligations assumed by the Lessee pursuant to subparagraphs (1) and (5) of this paragraph (c), and Comprehensive Automobile Liability insurance covering owned, non-owned and hired vehicles. The said Comprehensive General Liability insurance policy shall have a limit of not less than $25,000,000 combined single limit per accident for bodily injury and property damage liability. The said Automobile Liability insurance policy shall have a limit of not less than $5,000,000 per accident for bodily injury and property damage liability.

Without limiting the provisions hereof, in the event the Lessee 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.

The foregoing shall be in addition to all policies of insurance otherwise required by this Agreement, or the Lessee may provide such insurance by requiring each contractor engaged by it for the construction work to procure and maintain such insurance including such contractual liability endorsement, said insurance, whether procured by the Lessee or by a contractor engaged by it as aforesaid, not to contain 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 coverage under the contractual liability endorsement. Further, the Lessee shall provide and maintain or cause its contractors to provide and maintain contractor's property and equipment coverage for the full value of such property and equipment with the Port Authority insured thereunder as its interests may appear. All of the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Lessee thereunder with respect to any claim or action against the Lessee by a third person shall pertain and apply with like effect with respect to any claim or action against the Lessee by the Port Authority, and 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 Lessee or its contractor(s) shall be the same as the protections afforded the Lessee thereunder with respect to any claim or action against the Lessee by a third person as if the Port Authority were the named insured thereunder; but such provision or endorsement shall not limit, vary or affect the protections afforded the Port Authority thereunder as an additional insured.

(ii) The Lessee shall also procure and maintain in effect, or cause to be procured and maintained in effect Workers' Compensation Insurance and Employer's Liability Insurance in accordance with and as required by law.

(iii) The insurance required hereunder in this subparagraph (11) shall be maintained in effect during the performance of the construction work and shall be in compliance and subject to the provisions of paragraph (c) of Section 14 hereof.

(12)The Lessee shall be under no obligation to reimburse the Port Authority for expenses incurred by the Port Authority in connection with its normal review and approval of the original plans and specifications submitted by the Lessee pursuant to this Section. The Lessee however agrees to pay to the Port Authority upon its demand the expenses incurred by the

Port Authority in connection with any additional review for approval of any changes, modifications or revisions of the original plans and specifications which may be proposed by the Lessee for the Port Authority's approval. The expenses of the Port Authority for any such additional review and approval shall be computed on the basis of direct payroll time expended in connection therewith plus 100%. Wherever in this Lease reference is made to "direct payroll time", costs computed thereunder shall include a prorata share of the cost to the Port Authority of providing employee benefits, including, but not limited to, pensions, hospitalization, medical and life insurance, vacations and holidays. Such computations shall be in accordance with the Port Authority's accounting principles as consistently applied prior to the execution of this Lease.

(13)The Lessee shall prior to the commencement of construction and at all times during construction submit to the Port Authority all engineering studies with respect to construction and samples of construction materials as may be required at any time and from time to time by the Port Authority.

(14)The Lessee shall procure and maintain Builder's Risk (All Risk) Completed Value Insurance covering the construction work during the performance thereof including material delivered to the site but not attached to the realty. Such insurance shall be in compliance with and subject to the applicable provisions of Section 13 hereof and shall name the Port Authority, the City of Newark, the Lessee and its contractors and subcontractors as additional insureds and such policy shall provide that the loss shall be adjusted with and payable to the Lessee. Such proceeds shall be used by the Lessee for the repair, replacement or rebuilding of the construction work and any excess shall be paid over to the Port Authority. The policies or certificates representing insurance covered by this paragraph (14) shall be delivered by the Lessee to the Port Authority at least thirty (30) days prior to the commencement of the construction work, and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereof and, also, a valid provision obligating the insurance company to furnish the modification of the insurance evidenced by said policy or certificate. Renewal policies or certificates shall be delivered to the Port Authority at least fifteen (15) days before the expiration of the insurance which such policies are to renew.

The insurance covered by this paragraph (14) shall be written by 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 the 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. If at any time the Port Authority so requests, a certified copy of each of the said policies shall be delivered to the Port Authority.

(15)The Lessee shall at the time of submitting the comprehensive plan to the Port Authority as provided in paragraph (a) hereof submit to the Port Authority its forecasts of the number of people who will be working at various times during the term of the Lease at the premises, the expected utility demands of the premises, noise profiles and such other information as the Port Authority may require. The Lessee shall continue to submit its latest forecasts and such other information as may be required as aforesaid as the Port Authority shall from time to time and at any time request.

(16)The Lessee shall execute and submit for the Port Authority's approval a Construction Application or Applications in the form prescribed by the Port Authority covering the construction work or portions thereof. The Lessee shall comply with all the terms and provisions of the approved Construction Applications. In the event of any inconsistency between the terms of any Construction Application and the terms of this Lease, the terms of this Lease shall prevail and control.

(17)Nothing contained in this Lease shall grant or be deemed to grant to any contractor, architect, supplier, subcontractor or any other person engaged by the Lessee or any of its contractors in the performance of any part of the construction work any right of action or claim against the Port Authority, its Commissioners, officers, agents and employees with respect to any work any of them may do in connection with the construction work. Nothing contained herein shall create or be deemed to create any relationship between the Port Authority and any such performance of any part of the construction work and the Port Authority shall not be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the construction work.

(18)(i) Without limiting any of the terms and conditions of this Lease, the Lessee understands and agrees that it shall put into effect prior to the commencement of any construction work an affirmative action program and Minority Business Enterprise (MBE) program and Women-owned Business Enterprise (WBE) program in accordance with the provisions of Schedule E, attached hereto and hereby made a part hereof. The provisions of said Schedule E of this Lease shall be applicable to the Lessee's contractor or contractors and subcontractors at any tier of construction as well as to the Lessee itself and the Lessee shall include the provisions of said Schedule E within all of its construction contracts so as to make said provisions and undertaking the direct obligation of the construction contractor or contractors and subcontractors at any tier of construction. The Lessee shall and shall require its said contractor, contractors and subcontractors to furnish to the Port Authority such data, including but not limited to compliance reports relating to the operation and implementation of the affirmative action, MBE and WBE programs called for hereunder as the Port Authority may request at any time and from time to time regarding the affirmative action, Minority Business Enterprises and Women-owned Business Enterprises programs of the Lessee and its contractor, contractors, and subcontractors at any tier of construction, and the Lessee shall and shall also require that its contractor, contractors and subcontractors at any tier of construction make and put into effect such modifications and additions thereto as may be directed by the Port Authority pursuant to the provisions hereof and said Schedule E to effectuate the goals of affirmative action and Minority Business Enterprise and Women-owned Business Enterprise programs.

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

(aa) 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;

(bb) 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;

(cc) 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;

(dd) The contractor will include the provisions of subparagraphs (aa) through (cc) 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;

(ee) "Contractor" as used herein shall include each contractor and subcontractor at any tier of construction.

(d) (1) The construction work shall be constructed in such a manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance thereof by the Lessee and from the operations of the Lessee under this Agreement. Accordingly, and in addition to all other obligations imposed on the Lessee under this Agreement and without diminishing, limiting, modifying or affecting any of the same, the Lessee shall be obligated to construct as part of the construction work hereunder such structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the foregoing and each of the foregoing shall be and become a part of construction work it affects and all of the foregoing shall be covered under the comprehensive plan of the Lessee submitted under paragraph (a) hereof and shall be part of the construction work hereunder.

(2) Notwithstanding the provisions of subparagraph (1) above and in addition thereto, the Port Authority hereby reserves the right from time to time and at any time during the term of the Lease to require the Lessee, subsequent to the completion of the construction work to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to

accomplish the objectives as set forth in the first sentence of said Subparagraph (1). All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by the Port Authority. The Lessee shall submit for Port Authority approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same. All other provisions of this Section 6 with respect to the construction work shall apply and pertain with like effect to any work which the Lessee is obligated to perform pursuant to this paragraph (d) and upon completion of each portion of such work it shall be and become a part of the construction work. The obligations assumed by the Lessee under this paragraph (d) are a special inducement and consideration to the Port Authority in granting this Lease to the Lessee.

(e) Title to all the construction work shall pass to the City of Newark the same or any part thereof is erected, constructed or installed, and shall be and become a part of the premises if located within the site.

(f) (1) When the construction work is substantially completed and ready for use the Lessee shall advise the Port Authority to such effect and shall deliver to the Port Authority a certificate signed by an authorized officer of the Lessee and also signed by the Lessee's licensed architect or engineer certifying that the construction work has been constructed in accordance with the approval plans and specifications and the provisions of this Lease and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders. Thereafter, the construction work will be inspected by the Port Authority and if the same has been completed as certified by the Lessee and the Lessee's licensed architect or engineer, as aforesaid, a certificate to such effect shall be delivered to the Lessee, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the Lessee. The Lessee shall not use or permit the use of the construction work or any portion thereof for the purposes set forth in the Lease until such certificate is received from the Port Authority and the Lessee shall not use or permit the use of the construction work or any portion thereof even if such certificate is received if the Port Authority states in any such certificate that the same cannot be used until other specified portions are completed.

(2) The term "Completion Date" for the purposes of this Lease shall mean the date appearing on the certificate issued by the Port Authority pursuant to subparagraph (1) of this paragraph (f).

(3) In addition to and without affecting the obligations of the Lessee under the preceding subparagraphs (1) and (2), when an integral and material portion of the construction work is substantially completed or is properly usable the Lessee may advise the Port Authority to such effect and may deliver to the Port Authority a certificate signed by an authorized officer of the Lessee and also signed by the Lessee's licensed architect or engineer certifying that such portion of the construction work has been constructed in accordance with the approved plans and specifications and the provisions of this Lease and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders, and specifying that such portion of the construction work can be properly used even though the construction work has not been completed and that the Lessee desires such use. The Port Authority may in its sole

discretion deliver a certificate to the Lessee with respect to each such portion of the construction work permitting the Lessee to use such portion thereof for the purposes set forth in the Lease. In such event the Lessee may use such portion subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the Lessee, and subject to the risks as set forth in paragraph (d) hereof in the event that the Port Authority shall not have then approved the complete plans and specifications for the construction work. Moreover, at any time prior to the issuance of the certificate required in subparagraph (1) above for the construction work, the Lessee shall promptly upon receipt of a written notice from the Port Authority cease its use of such portion of the construction work which it had been using pursuant to permission granted in this subparagraph (3).

(g) The Lessee understands that there may be communications and utility lines and conduits located on or under the site, which do not, and may not in the future, serve the premises. The Lessee agrees at its sole cost and expense, if directed by the Port Authority so to do, to relocate and reinstall such communications and utility lines and conduits on the site or off the site as directed by the Port Authority and to restore all affected areas (such work being hereinafter collectively called "the relocation work"). The Lessee shall perform the relocation work subject to and in accordance with all the terms and provisions of this Section 6 and the relocation work shall be and become a part of the construction work, it being understood, however, that the relocation work shall not be or become a part of the premises hereunder.

(h) The Lessee will give the Port Authority fifteen (15) days' notice prior to the commencement of construction. The Port Authority will assign a field engineer to the Construction Work for such periods of time as the Port Authority, in its sole discretion, shall deem desirable from time to time up to and including five (5) days per week. The Lessee shall pay to the Port Authority for the services of said engineer at the following daily rates (prorated approximately for periods of less than one day): the rate of (Ex. 2.a.) per day from January 1, 2008 to and including December 31, 2008; and at the rate of per day for the period from January 1, 2009 to and including December 31, 2009. Nothing herein shall prevent the Lessee from requesting the Port Authority to assign said engineer more frequently than as set forth herein, or the Port Authority from complying with such request, but the Port Authority shall not be obligated to do so. Nothing contained herein shall affect any of the provisions of paragraph (f) hereof or the rights of the Port Authority thereunder.

(i) Nothing contained in the Lease shall grant or be deemed to grant any contractor, architect, supplier, subcontractor or any other person engaged by the Lessee or any of its contractors in the performance of any part of the construction work any right of action or claim against the Port Authority, its Commissioners, officers, agents and employees with respect to any work any of them may do in connection with the construction work. Nothing contained herein shall create or be deemed to create any relationship between the Port Authority and any such contractor, architect, supplier, subcontractor or any other person engaged by the Lessee or any of its contractors in the performance of any part of the construction work and the Port Authority shall not be responsible to any of the foregoing for any payments due or alleged to be due thereto for any work performed or materials purchased in connection with the construction work.

Section 7. Ingress and Egress

(a) The Lessee, its officers, employees, customers, patrons, invitees, contractors, suppliers of material and furnishers of services, shall have the right of ingress and egress between the premises and a city street or public ways outside the Airport by means of such pedestrian roadways to be used in common with others having rights of passage within the Airport, provided, however, that the Port Authority may from time to time substitute other reasonably equivalent means of ingress and egress.

(b) The use of any such roadway shall be subject to the Rules and Regulations of the Port Authority which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. The Port Authority may, at any time, temporarily or permanently close, or consent to or request the closing of any such roadway and any other area at the Airport presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided in paragraph (a) above is concurrently made available to the Lessee. The Lessee hereby releases and discharges the Port Authority, its successors and assigns, of and from any and all claims, demands or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway, or other area, whether within or outside the Airport.

Section 8. Compliance with Governmental Requirements

(a) The Lessee shall promptly observe comply with and execute the provisions of any and all present and future governmental laws, rules and regulations, orders and directions which may pertain or apply to (i) the premises, (ii) the operations of the Lessee on the premises hereunder or the Airport, (iii) the occupancy or use of the premises or (iv) with regard to Environmental Requirements only, property outside the premises as a result of the Lessee's use and occupancy of the premises or a migration of Hazardous substances from the premises. The Lessee shall, in accordance with and subject to the provisions of Section 6 hereof, make any and all structural and non-structural improvements, alterations or repairs of the premises and perform all remediation work and clean up of Hazardous Substances required in order to fully satisfy the compliance obligations set forth herein.

(b) The Lessee shall procure from all governmental authorities having jurisdiction over the operations of the Lessee hereunder and shall maintain in full force and effect throughout the term of this Agreement all licenses, certificates, permits or other authorization which may be necessary for the conduct of such operations. "Governmental authority" shall not be construed as intending to include the Port Authority of New York and New Jersey, the lessor under this Agreement.

(c) 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. 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.

(d) Since the Port Authority has agreed in the Basic Lease to conform to the enactments, ordinances, resolutions and regulations of the City of Newark and its various departments, boards and bureaus in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation to the extent that the Port Authority finds it practicable so to do, the Lessee shall comply with all such enactments, ordinances, resolutions and regulations which would be applicable to its operations hereunder if the Port Authority were a private corporation, except in cases where the Port Authority either notifies the Lessee that it need not comply with or directs it not to comply with any such enactments, ordinances, resolutions or regulations which are applicable only because of the Port Authority's agreement in the Basic Lease. The Lessee shall, for the Port Authority's information, deliver to the Port Authority promptly after receipt of any notice, warning, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation a true copy of the same. Any direction by the Port Authority to the Lessee not to comply with any such enactment, ordinance, resolution or regulation shall be given only pursuant to a resolution duly adopted by the Board of Commissioners of the Port Authority or by an authorized committee of its Board and if any such direction is given by the Port Authority to the Lessee, the Port Authority, to the extent that it may lawfully do so, shall indemnify and hold the Lessee harmless from and against all claims, actions, damages, liabilities, fines, penalties, costs and expenses suffered or incurred by the Lessee as a result of noncompliance with such enactment, ordinance, resolution or regulation.

(e) The Lessee shall have such time within which to comply with the aforesaid laws, ordinances, rules and regulations as the authorities enforcing the same shall allow.

Section 9. Rules and Regulations

(a) The Lessee covenants and agrees to observe and obey (and to require its officers, employees, guests, invitees and those doing business with it to observe and obey) the Rules and Regulations of the Port Authority as now supplemented and now in effect, and such further rules and regulations (including amendments and supplements thereto) applying to the conduct and operations of the Lessee and others on the premises as may from time to time during the letting be promulgated by the Port Authority for reasons of safety, health, or the preservation of property, or for the maintenance of the good and orderly appearance of the premises, or for the safe or efficient operation of the Airport. The obligation of the Lessee to require such observance and obedience on the part of its guests, invitees and business visitors shall obtain only while such persons are on the premises. The Port Authority agrees that except in cases of emergency, it will give notice to the Lessee of every such future rule or regulation adopted by it at least five (5) days before the Lessee shall be required to comply therewith.

(b) If a copy of the Rules and Regulations is not attached, then the Port Authority will notify the Lessee thereof either by delivery of a copy, or by making a copy available at the office of the Secretary of the Port Authority.

Section 10. Various Obligations of the Lessee

(a) The Lessee shall conduct its operations hereunder in an orderly and proper manner, so as not to annoy, disturb or be offensive to others at the Airport. The Lessee shall take all reasonable measures to (1) eliminate vibrations tending to damage any equipment, structure, building or portion of a building which is on the premises, or is a part thereof, or is located elsewhere on the Airport, and (2) to keep the sound level of the operations as low as possible.

(b) The Lessee shall, control the conduct, demeanor and appearance of its employees and invitees and of 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 lawful steps necessary to remove the cause of the objection. If requested by the Port Authority the Lessee shall supply and shall require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the General Manager of the Airport.

(c) The Lessee shall control all vehicular traffic on the roadways or other areas within the premises and shall take all precautions necessary to promote the safety of its patrons and other persons using such roadways and other areas. The Lessee shall employ such means as may be necessary to direct the movement of vehicular traffic within the premises to prevent traffic congestion on the public roadways leading to the premises.

(d) The Lessee shall daily remove from the Airport by means of facilities provided by it all garbage, debris, and other waste material (whether solid or liquid) arising out of or in connection with its operations hereunder. Any such which may be temporarily stored in the open shall be kept in suitable garbage and waste receptacles, the same to be made of metal or other suitable material, and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein; said receptacles being provided and maintained by the Lessee. The receptacles shall be kept covered except when filling or emptying the same. The Lessee shall use extreme care when effecting removal of all such waste material, and shall effect such removal at such times and by such means as first approved by the Port Authority. No facilities of the Port Authority shall be used for such removal unless with its prior consent in writing. No such garbage, debris, or other waste materials shall be or be permitted to be thrown, discharged or deposited into or upon the waters at or bounding the Airport.

(e) From time to time and as often as reasonably required by the Port Authority, the Lessee shall conduct pressure, water-flow, and other appropriate tests of the fire-extinguishing system and apparatus which constitute a part of the premises. The Lessee shall keep in proper functioning order all fire-fighting equipment on the premises and the Lessee shall at all times maintain on the premises adequate stocks of fresh, usable chemicals for use in such system, apparatus and equipment. The Lessee shall notify the Port Authority prior to conducting such tests. If requested by the Port Authority, the Lessee shall furnish the Port Authority with a copy of written reports of such tests.

(f) In addition to compliance by the Lessee with all laws, ordinances, governmental rules, regulations and orders now or at any time in effect during the term of the letting hereunder which as a matter of law are applicable to the operation, use or maintenance by the Lessee of the premises or the operations of the Lessee under this Agreement (the foregoing not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them), the Lessee agrees that it shall exercise the highest degree of safety and care and shall conduct all its operations under this Agreement and shall operate, use and maintain the premises in accordance with the highest standards of the automotive service station industry and in such manner that there will be at all times a minimum of air pollution, water pollution or any other type of pollution and a minimum of noise emanating from, arising out of or resulting from the operation, use or maintenance of the premises by the Lessee and from the operations of the Lessee under this Agreement. The Port Authority hereby reserves the right from time to time and at any time during the term of the Lease to require the Lessee, and the Lessee agrees, to design and construct at its sole cost and expense such reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of this paragraph. All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by the Port Authority. The Lessee shall submit for Port Authority approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same.

The obligations assumed by the Lessee under this paragraph (f) shall continue throughout the term of this Lease and shall not be limited, affected, impaired or in any manner modified by the fact that the Port Authority shall have approved any Construction Application and supporting plans, specifications and contracts covering construction work and notwithstanding the incorporation therein of the Port Authority's recommendations or requirements and notwithstanding that the Port Authority may have at any time during the term of the Lease consented to or approved any particular procedure or method of operation which the Lessee may have proposed, or the Port Authority may have itself prescribed the use of any procedure or method.

(g) The Lessee shall periodically inspect, clean out and maintain the oil separators serving the premises which are located on the premises, if any, and the oil separators located outside the premises, if any, if they exclusively service the premises.

(h) Without limiting any other of the Lessee's operations under the Lease, the Lessee shall provide the General Manager of the Airport at the cost and expense of the Lessee with such information, documentation, records, correspondence, notices, reports, tests, results, and certifications and any other information as the Port Authority shall request in connection with any Environmental Requirements or Environmental Damages, and the Lessee shall promptly acknowledge, swear to, sign or otherwise fully execute the same. The Lessee agrees that any of the foregoing may be filed by the Port Authority with the appropriate governmental authority on behalf of the Lessee at the Lessee's cost and expense. Further, the Lessee agrees unless directed otherwise by the Port Authority, to provide the General Manager of the Airport with copies of all information, documentation, records, correspondence, notice, certifications, reports, test results and all other submissions provided by the Lessee to a governmental authority

and by a governmental authority to the Lessee within two (2) business days that the same are made available to or received by the Lessee with respect to any Environmental Requirements.

(i) In addition to and without limiting the generality of the obligations of the Lessee set forth above and elsewhere in the Lease, the Lessee shall at its sole cost and expense and in accordance with and subject to the provisions of Section 6 hereof, upon notice from the Port Authority, promptly take all actions to completely remove and remediate all Hazardous Substances on the premises or the Airport which result from the Lessee's use and occupancy of the premises or which have been disposed of, released, discharged or otherwise placed on, under or about the premises during the term of the letting hereunder, and to cleanup and remediate all other Hazardous Substances on, about or under the premises or which have migrated from the premises to any adjoining property, which any federal, state or local governmental agency or political subdivision or any Environmental Requirement or any violation thereof require to be remediated, and to cleanup and remediate all Hazardous Substances necessary to mitigate Environmental Damages. The foregoing obligations of the Lessee shall include without limitation the investigation of the environmental condition of the area to be remediated, the presentation of feasibility studies, reports and remedial plans and the performance of any cleanup, remediation, containment, operation, maintenance, monitoring or restoration work; the standard for any of the foregoing to be that standard as required under Environmental Requirements and in the event that any Environmental Requirement sets forth more than one standard, the standard to be applied shall be that which requires the lowest level of a Hazardous Substance. The Lessee agrees that, notwithstanding the foregoing, the Port Authority shall have the right at any time and from time to time, acting in its sole discretion, to designate any standard or standards of remediation or cleanup permitted or required under any Environmental Requirement, and such designation shall be binding upon the Lessee with respect to its obligations hereunder. Any actions of the Lessee under the foregoing shall be performed in a good, safe and workmanlike manner and shall minimize any impact on activities off the premises. The Lessee shall promptly provide to the Port Authority all copies of test results and reports generated in connection with such actions. Promptly upon completion of such investigation and remediation, the Lessee shall seal or cap all monitoring wells and test holes, remove all associated equipment and restore the remediated property.

Section 11. <u>Prohibited Acts</u>

(a) The Lessee shall commit no unlawful nuisance, waste or injury on the premises or at the Airport, and shall not do or permit to be done anything which may result in the creation or commission or maintenance of such nuisance, waste or injury on the premises.

(b) The Lessee shall not create nor permit to be caused or produced upon the premises, to permeate the same or to emanate therefrom any unusual, noxious or objectionable smokes, gases, vapors or odors except such as are necessarily incidental to the normal operations of the Lessee in the conduct of its operations granted under Section 3 of this Agreement.

(c) The Lessee shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the drainage and sewer system, water system, communications system, electrical system, fire protection system, sprinkler system, alarm

system, fire hydrants and hoses and other systems, if any, installed or located on, under, or in the premises.

(d) The Lessee shall not do or permit to be done any act or thing upon the premises or at the Airport (1) which will invalidate or prevent the issuance of or conflict with any fire insurance, extended coverage or rental insurance policies covering the premises or any part thereof, or the Airport, or any part thereof, or (2) 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. 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 Insurance Services Office of New Jersey, 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 6 hereof, make any and all structural and 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. If by reason of any failure on the part of the Lessee to comply with the provisions of this paragraph any fire insurance rate, extended coverage or rental insurance rate on the premises or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it would be if the premises were properly used for the purposes permitted by Section 3 hereof, then the Lessee shall pay to the Port Authority, as an item of additional rental, that part of all insurance premiums paid by the Port Authority which shall have been charged because of such violation or failure by the Lessee.

(e) The Lessee shall not dispose of nor permit any one to dispose of any waste material (whether liquid or solid) by means of toilets, manholes, sanitary sewers or storm sewers in the premises or on the Airport except after treatment in installations or equipment included in plans and specifications submitted to and approved by the Port Authority.

(f) Unless otherwise expressly permitted to do so, the Lessee shall not 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, 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, or dispensing or sale of food, beverages, tobacco, tobacco products or merchandise of any kind, whether or not included in the above categories, or of any equipment or device for the furnishing to the public of service of any kind.

(g) The Port Authority by itself, or by contractors, lessees or permittees, shall have the exclusive right to install, maintain and receive the revenues from all coin-operated or other vending machines or devices installed by it and operated on the premises for the sale of merchandise of all types or for the rendering of services, provided, however, that no such machine or device shall be installed except upon the request of the Lessee. If the Port Authority does not install and maintain any such machine that the Lessee may request, the Lessee shall have the right to do so, provided, however, (1) that the Lessee shall pay or cause to be paid to the Port Authority each month for each machine upon the same basis for the preceding month as any

concessionaire, permittee or licensee of the Port Authority then operating machines at the Airport for the sale of similar merchandise or the rendering of similar services, and (2) that in the event the Lessee exercises such right the Port Authority, at any time thereafter, may substitute for the Lessee's machines other machines selling similar merchandise or services operated by the Port Authority or by its licensee, permittee or concessionaire, and thereupon the Lessee shall remove its machines.

(h) The Lessee shall not keep or store during any 24-hour period flammable liquids within any enclosed portion of the premises (other than in rooms or areas expressly constructed for the storage of such liquids) in excess of the Lessee's working requirements during the said 24-hour period. Any such liquids having a flash point of less than 110° Fahrenheit shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories or the Factory Mutual Insurance Association.

(i) The Lessee shall not start or operate any engine or any item of automotive equipment in any enclosed space on the premises unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device which has been approved by the Port Authority.

(j) The Lessee shall not overload any floor and shall repair any floor, including supporting members, and any paved area damaged by overloading. Nothing in this paragraph (j) or elsewhere in this Agreement shall be or be construed to be a representation by the Port Authority of the weight any floor or paved area will bear.

(k) Except as provided in paragraph (h) hereof, the Lessee shall not keep or store in the premises, explosives, inflammable liquids or solids or oxidized materials or use any cleaning materials having a harmful corrosive effect, on any part of the premises.

(l) The Lessee shall not fuel or defuel any automotive vehicles or other equipment in the enclosed portions of the premises without prior approval of the General Manager of the Airport, provided, however, that the Lessee shall not be prohibited from using gasoline or other fuel in such enclosed portions where necessary in repairing or testing component parts, and in such event the Lessee shall take all precautions reasonably necessary to minimize the hazard created by such use.

(m) The Lessee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the premises or at the Airport. Any Hazardous Substance disposed of, released or discharged by the Lessee (or permitted by the Lessee to be disposed of, released or discharged) on the premises or at the Airport, shall upon notice by the Port Authority to the Lessee and subject to the provisions of Section 6 hereof, be completely removed and/or remediated by the Lessee. The obligations of the Lessee pursuant to this paragraph (m) shall survive the expiration or termination of this Agreement.

Section 12. Care, Maintenance, Rebuilding and Repair by the Lessee

(a) The Lessee shall repair, replace, rebuild and paint all or any part of the Airport which may be damaged or destroyed by the acts or omissions of the Lessee or by those of its employees, customers, guests or invitees or of other persons doing business with the Lessee.

(b) The Lessee shall, throughout the term of this Lease, assume the entire responsibility and shall relieve the Port Authority from all responsibility for all repair, rebuilding and maintenance whatsoever in the premises, whether such repair, rebuilding or maintenance be ordinary or extraordinary, partial or entire, inside or outside, foreseen or unforeseen, structural or otherwise, and without limiting the generality of the foregoing, the Lessee shall:

(1) Keep at all times in a clean and orderly condition and appearance, the premises and all the Lessee's fixtures, equipment and personal property which are located in any part of the premises which is open to or visible by the general public;

(2) Remove all snow and ice and perform all other activities and functions necessary or proper to make the premises available for use by the Lessee;

(3) Take good care of the premises and maintain the same at all times in good condition; perform all necessary preventive maintenance, including but not limited to painting (the exterior of the structures on the premises and areas visible to the general public to be painted only in colors which have been approved by the Port Authority); and make all repairs and replacements, and do all rebuilding, inside and outside, ordinary and extraordinary, structural or otherwise, which repairs, rebuilding and replacements by the Lessee shall be of good quality as to workmanship and material, and to pay promptly the cost and expense of such repairs, rebuilding replacements and maintenance.

(4) Without limiting its obligations elsewhere in this Section, the Lessee shall perform all decorating and painting (including redecorating and repainting) so that at all times the premises and all parts thereof are in first class appearance and condition;

(5) Provide and maintain all obstruction lights and similar devices, and provide and maintain all fire protection and safety equipment and all other equipment of every kind and nature required by any law, rule, ordinance, resolution or regulation of the type and nature described in Section 8 of this Agreement. The Lessee shall enter into and keep in effect throughout the term of the Lease a contract or contracts with a central station alarm company acceptable to the Port Authority to provide continuous and automatic surveillance of the fire protection system on the premises. The Lessee shall insure that all fire alarm signals with respect to the premises shall also be transmitted to the Airport's police emergency alarm board or to such other location on the Airport as the General Manager of the Airport may direct. The Lessee's obligations hereunder shall in no way create any obligation whatsoever on the part of the Port Authority;

(6) Take such anti-erosion measures and maintain the landscaping at all times in good condition, including but not limited to periodic planting, as the Port Authority may require, and perform and maintain such other landscaping with respect to all portions of the premises not paved or built upon as the Port Authority may require.

(7) Be responsible for the maintenance and repair of all service and utility lines, including but not limited to, service lines for the supply of water, compressed natural gas, electrical power and telephone conduits and lines, sanitary sewers and storm sewers located upon the premises or located adjacent to the premises and serving the premises leased to the Lessee or off the premises.

(8) Promptly wipe up all oil, gasoline, grease, lubricants and other flammable liquids or substances having a corrosive or detrimental effect on the paving or other surface of the premises, which may leak or be spilled thereon. Repair any damage to the paving or other surface of the premises caused by any oil, gasoline, grease, lubricants or other liquids and substances having a corrosive or detrimental effect thereon.

(9) From time to time and as often as reasonably required by the Port Authority, the Lessee shall conduct pressure, water flow, and other appropriate tests of the fire extinguishing system and apparatus which constitutes a part of the premises.

(c) In the event the Lessee fails to commence so to maintain, clean, repair, replace, rebuild or paint within a period of twenty (20) days after notice from the Port Authority so to do in the event that the said notice specifies that the required work to be accomplished by the Lessee includes maintenance and/or repair other than preventive maintenance; or within a period of one hundred eighty (180) days if the said notice specifies that the work to be accomplished by the Lessee involves preventive maintenance only, or fails diligently to continue to completion the repair, replacement, lamping and relamping, rebuilding or painting of all of the premises required to be repaired, replaced, rebuilt, restored 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, clean, maintain, repair, replace, lamp or relamp, rebuild or paint or repaint or restore all or any part of the premises included in the said notice, and the cost thereof shall be payable to the Port Authority by the Lessee upon demand.

Section 13. **Insurance**

(a) The Lessee shall during the term of this Agreement, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities and fixtures now or in the future located on the premises against such hazards and risks as may now or in the future be included under the Standard Form of Fire Insurance Policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the Standard Form of Fire Insurance Policy of New Jersey and the form of extended coverage

endorsement prescribed as of the effective date of the said insurance by the Rating Organization having jurisdiction, and also covering nuclear property losses and contamination hazards and risks and boiler and machinery hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the Rating Organization having jurisdiction and/or the Superintendent of Insurance of the State of New Jersey and the Lessee shall furthermore provide additional insurance with respect to the premises covering any other property risk that the Port Authority may at any time during the term of this Agreement cover by carrier or self-insurance covered by appropriate reserves at other locations at the Airport upon written notice to the Lessee to such effect.

(b) The aforesaid insurance coverages and renewals thereof shall insure the Port Authority, the Lessee and the City of Newark, as their interests may appear, and shall provide that the loss, if any, shall be adjusted with and payable to the Port Authority.

(c) In the event the premises or any part thereof shall be damaged by any casualty against which insurance is carried pursuant to this Section 13, the Lessee shall promptly furnish to the Port Authority such information and data as may be necessary to enable the Port Authority to adjust the loss.

(d) The policies or certificates representing insurance covered by this Section 13 shall be delivered by the Lessee to the Port Authority upon execution of this Agreement by the Lessee and each policy or certificate delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon and, also, shall contain a valid provision obligating the insurance company to furnish the Port Authority and the City of New York ten (10) days' advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or certificate. Renewal policies or certificates shall be delivered to the Port Authority at least ten (10) days before the expiration of the insurance which such policies are to renew.

(e) Regardless, however, of the persons whose interests are insured, the proceeds of all policies covered by this Section 13 shall be applied as provided in Section 14; and the word "insurance" and all other references to insurance in said Section 14 shall be construed to refer to the insurance which is the subject matter of this Section 13, and to refer to such insurance only.

(f) The insurance covered by this Section 13 shall be written by 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 Lessee 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 said policies shall be delivered to the Port Authority.

Section 14. Damage to or Destruction of Premises

(a) Removal of Debris. If the premises, or any part thereof, shall be damaged by fire, the elements, the public enemy or other casualty, the Lessee shall promptly remove all debris resulting from such damage from the premises, and to the extent, if any; that the removal of debris under such circumstances is covered by insurance, the proceeds thereof shall be available to and be used by the Lessee for that purpose.

(b) Minor Damage. If the premises, or any part thereof shall be damaged by fire, the elements, the public enemy or other casualty but not rendered untenantable or unusable for a period of ninety (90) days, the premises shall be repaired with due diligence in accordance with the plans and specifications for the premises as they existed prior to such damage by and at the expense of the Lessee and if such damage is covered by insurance, the proceeds thereof shall be made available to and be used by the Lessee for that purpose.

(c) Major Damage to or Destruction of the Premises. If the premises, or any part thereof shall be destroyed or so damaged by fire, the elements, strikes, riots, civil commotion or other casualty as to be untenantable or unusable for ninety (90) days, or if within ninety (90) days after such damage or destruction the Lessee notifies the Port Authority in writing that in its opinion said premises will be untenantable or unusable for ninety (90) days then: The Lessee shall proceed with due diligence to make the necessary repairs or replacements to restore such premises in accordance with the plans and specifications for the premises as the same existed prior to such damage or destruction; or with the approval in writing of the Port Authority make such other repairs, replacements or changes as may be desired by the Lessee. If such destruction or damage was covered by insurance, the proceeds thereof shall be made available to and be used by the Lessee for such restoration.

(d) The obligation of the Lessee to repair or replace shall be limited to the amount of the insurance proceeds provided the Lessee has carried insurance to the extent and in accordance with Section 13 hereof. Any excess of the proceeds of insurance over costs of the restoration shall be retained by the Port Authority.

(e) The parties hereby stipulate that 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.

Section 15. Indemnity and Liability Insurance

(a) (1) The Lessee shall 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 legal expenses incurred in connection with the defense of) all claims and demands third persons (including employees, officers and agents of the Port Authority including but not limited to claims and demands for

death or personal injuries, or for property damages, arising out of any default of the Lessee in performing or observing any term or provision of this Agreement, or out of the use or occupancy of the premises by the Lessee or by others, with its consent or out of any acts or omissions of the Lessee, its officers, employees, guests, representatives, customers, contractors, invitees, business visitors and other persons who are doing business with the Lessee or who are on the premises with the consent of the Lessee, or arising out of the acts or omissions of the Lessee, its officers and employees elsewhere at the Airport, including claims and demands of the City of Newark from which the Port Authority derives its rights in the Airport, for indemnification, arising by operation of law or through agreement of the Port Authority with the said City.

(2) If so directed, the Lessee shall at its own expense defend any suit based upon any such claim or demand (even if such 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, 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.

(b) In addition to the obligations set forth in paragraph (a) of this Section and all other insurance required under this Agreement, the Lessee prior to any use or occupancy of the premises (other than solely for purposes of the construction work) and thereafter during the term of this Agreement in its own name as insured and including the Port Authority and the City of Newark as additional insureds, shall maintain and pay the premiums during the term of this Agreement on a policy or policies of Comprehensive General Liability Insurance covering the Lessee's operations hereunder, including but not limited to Products Liability, premises-operations and completed operations, and covering bodily injury, including death and property damage liability, and Garage Liability (with automobile hazard 2 coverage), Garage Keepers Legal Liability, none of the foregoing to contain care, custody or control exclusions (endorsed to include all risks of physical loss and damage including lift collision coverage and collision and upset coverage in limits sufficient to cover vehicles and other property in the care, custody and control of the Lessee), and Comprehensive Automobile Liability Insurance covering owned, non-owned and hired vehicles, and including automatic coverage for newly-acquired vehicles, and all applicable requirements for underground storage tanks including the Federal Financial Responsibility Requirements in limits not less than $2,000,000 combined single limit per occurrence for bodily injury and property damage liability. Such policy or policies shall include Garage Liability (with automobile hazard two coverages, Garage Keepers Legal Liability in the comprehensive form to cover all risk, including, but not limited to (i) fire and explosion, (ii) theft of partial or entire vehicle, (iii) riot and/or vandalism, and (iv) coverage for collision or upset and Environmental Impairment Liability Insurance coverage covering the Lessee's legal liability, including clean up, in limits not less than $2,000,000 combined single limit per occurrence. The said policies of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Lessee under paragraph (a) of this Section.

The Lessee shall also take out and maintain in its own name and at it own cost and expense:

(1) Comprehensive Automobile Liability Policy:

(aa) For bodily injury to or wrongful death of one person: $2,000,000

(bb) For bodily injury to or wrongful death to more than one person in any one occurrence: $2,000,000

(cc) Property Damage Liability

For all damage arising out of injury to or destruction of property in any one occurrence: $2,000,000

(2) Comprehensive Liability	Minimum Limit
(aa) Bodily Injury Liability	
For injury to or wrongful death to one person:	$2,000,000
For injury or wrongful death to more than one person in any one occurrence:	$2,000,000
(bb) Property Damage Liability For all damage arising out of injury to or destruction of property in any one occurrence:	$2,000,000
(cc) Products Liability/Completed Completed Operations:	$2,000,000

(3) Workers' Compensation Insurance

(4) Employers Liability Insurance in compliance with all applicable laws

Without limiting the provisions hereof, in the event the Lessee 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 conditions hereof.

The said policy or policies or insurance shall also provide or contain an endorsement providing that the protections afforded the Lessee thereunder with respect to any claim or action against the Lessee by a third person shall pertain and apply with like effect with respect to any claim or action against the Lessee by the Port Authority, and shall also provide or contain an endorsement providing that the protections afforded the Port Authority hereunder and with respect to any claim or action against the Port Authority by the Lessee shall be the same as the protections afforded the Lessee thereunder with respect to any claim or action against the Lessee 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.

All insurance coverages and policies required under this Section 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 term of the letting hereunder. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the above-scheduled insurance requirements, or may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem required and the Lessee shall promptly comply therewith.

(c) As to the insurance required by the provisions of this Section, 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 of this Agreement by the Lessee. 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 shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners 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 fifteen (15) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of the term of this Agreement. The aforesaid insurance shall be written by a company or companies approved by the Port Authority, the Port Authority agreeing not to withhold its approval unreasonably. 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 Lessee 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.

Section 16. **Signs**

(a) Except with the prior written approval 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 from outside the premises or at or on any other

portion of the Airport outside the premises. Interior signs affecting public safety and security shall be in accordance with established Port Authority standards.

(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 on the Airport, and in connection therewith shall restore the portion of the premises and the Airport affected by such signs or advertising to the same condition as existing at the commencement of the letting. In the event of a failure on the part of the Lessee so to remove, obliterate or paint out each and every such sign or advertising and so to restore the premises and the Airport, the Port Authority may perform the necessary work and the Lessee shall pay the cost thereof to the Port Authority on demand.

Section 17. **Obstruction Lights**

The Lessee shall install, maintain and operate at its own expense such obstruction lights on the premises as the Federal Aviation Administration may direct or as the General Manager of the Airport may reasonably direct, and shall energize such lights daily for a period commencing thirty (30) minutes before sunset and ending thirty (30) minutes after sunrise (as sunset and sunrise may vary from day to day throughout the year) and for such other period as may be directed or requested by the Control Tower of the Airport.

Section 18. **Additional Rent and Charges**

(a) If the Port Authority has paid any sum or has incurred any obligation 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 rent 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 payment of any 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 operating and maintenance staff and/or its own materials in making any repairs, replacements, and/or alterations required of the Lessee under this Agreement and to charge the Lessee with the cost of same, any time report 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 19. 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, agents, representatives, and contractors, and by the employees, agents, representatives and contractors of any furnisher of utilities and other services, shall have the right, for its own benefit, for the benefit of the Lessee, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, systems or portions thereof on the premises, including therein without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity, and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone service, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the premises at all reasonable times to make such repairs, replacements or alterations 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 or under the premises new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment, and to use the premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such rights of access, repair, alteration or new construction the Port Authority shall not unreasonably interfere with the use and occupancy of the premises by the Lessee.

(c) In the event that any property of the Lessee shall obstruct the access of the Port Authority, its employees, agents or contractors to any of the existing or future utility, mechanical, electrical or other systems and thus shall interfere with the inspection, maintenance or repair of any such system, the Lessee shall move such property, as directed by the Port Authority, in order that access may be had to the system or part thereof for its inspection, maintenance or repair, and, if the Lessee shall fail to so remove such property after direction from the Port Authority to do so, the Port Authority may move it and the Lessee hereby agrees to pay the cost of such moving upon demand.

(d) 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. With respect to the premises, the Lessee is and shall be in exclusive control and possession thereof and the Port Authority shall not in any event be liable for any injury or damage to any property or to any person happening on or about said premises nor for any injury or damage to said premises nor to any property of the Lessee or for any other person located therein or thereon.

(e) 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, for and 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.

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

(g) 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 20. Condemnation

(a) Definitions:

As used in this Section, the phrase "temporary interest", when used with reference to real property, shall mean an interest in such real property entitling the owner of such interest to the possession of such property (whether or not such interest includes or is co-extensive with an interest of the Lessee therein under this Agreement), for an indefinite term or for a term terminable at will or at sufferance or for a term measured by a war or an emergency or other contingency or for a fixed term expiring prior to the expiration date of this Lease; and the phrase "permanent interest", when used with reference to real property, shall mean an interest in such real property entitling the owner of such interest to possession thereof, other than a temporary interest as above defined, including among others a fee simple and an interest for a term of years expiring on or after the expiration of this Agreement.

As used in this Section with reference to any premises leased to the Lessee for its exclusive use, the phrase "a material part" shall mean such a part of the said premises that the Lessee cannot continue to operate the premises for the purposes set forth or mentioned in Section 3 without using such part.

(b) Condemnation or Taking of a Permanent Interest in All or any Part of the premises.

Upon the acquisition by condemnation or the exercise of the power of eminent domain by anybody having a superior power of eminent domain of a permanent interest in all or any part of the premises (any such acquisition under this Section 20 being hereinafter referred to as a "taking"), the Port Authority shall purchase from the Lessee, and the Lessee shall sell to the Port Authority, the Lessee's leasehold interest (excluding any personal property whatsoever) in the premises, except that in the event of a taking of less than all of the said premises, the Port Authority shall purchase and the Lessee shall sell only so much of the Lessee's leasehold interest

in the premises as are taken. The sole and entire consideration to be paid by the Port Authority to the Lessee shall be an amount equal to the Unamortized Capital Investment (as defined in the Section of this Agreement entitled "Definitions"), if any, of the Lessee in the premises or, in the event of a permanent taking of less than all of the said premises, an amount equal to the Unamortized Capital Investment (as defined in the Section of this Agreement entitled "Definitions"), if any, of the Lessee in so much of the premises as are taken. However, the Port Authority shall purchase and the Lessee shall sell only if the consideration paid by the Port Authority therefor will constitute "unamortized Port Authority funds other than bond proceeds or Federal or State grants expended for capital improvements at the municipal air terminals", within the meaning of said phrase as used in Section 23, 1, D of the Basic Lease or if an amount not less than such consideration can otherwise be retained by the Port Authority (and not be required to be paid to The City of Newark) out of the damages or award in respect to such taking without violation of any obligation of the Port Authority to The City of Newark under the Basic Lease. Such purchase and sale shall take effect as of the date upon which such body having superior power of eminent domain obtains possession of any such permanent interest in the premises and in that event, the Lessee (except with respect to its personal property), shall not have any claim or right to claim or be entitled to any portion of the amount which may be awarded as damages or paid as a result of such permanent taking, and all rights to damages, if any, of the Lessee (except for damages to its personal property) by reason thereof are hereby assigned to the Port Authority.

If, however, the amount to be paid by the Port Authority (the Unamortized Capital Investment as defined in the Section of this Agreement entitled "Definitions") if any, of the Lessee in the premises) for such leasehold interest will not constitute "unamortized Port Authority funds other than bond proceeds or Federal or State grants, expended for capital improvements at the municipal air terminals," within the meaning of said phrase as used in Section 23, I, D of the Basic Lease or if an amount not less than such consideration cannot otherwise be retained by the Port Authority (and not be required to be paid to the City of Newark) out of the damages or award in respect to such taking without violation of any obligation of the Port Authority to The City of New York under the Basic Lease, then the aforesaid agreement to purchase and sell said leasehold interest shall be null and void; and in any such event, the Lessee shall have the right to appear and file its claim for damages in the condemnation or eminent domain proceedings, to participate in any and all hearings, trials and appeals therein, and to receive such amount as it may lawfully be entitled to receive as damages or payment as a result of such taking, because of its leasehold interest in the premises up to but not in excess of an amount equal to the Unamortized Capital Investment (as defined the Section of this Agreement entitled "Definitions"), if any, of the Lessee in the premises. The Port Authority and the Lessee hereby agree that as full and final settlement of any sum that may be due as rent or otherwise for the balance of the term of this Lease, the Lessee will pay to the Port Authority the excess, if any, which the Lessee may be entitled to receive over the foregoing sum. If there be no excess, any sum that may be due as rent or otherwise for the balance of the term of this Lease shall abate.

In the event of the taking of all of the premises and if the Lessee has no Unamortized Capital Investment (as defined the Section of this Agreement entitled "Definitions") in the premises at the time of the taking, then the aforesaid agreement to purchase and sell said leasehold interest shall be null and void; and in that event, this Lease and all rights

granted by this Lease to the Lessee to use or occupy the premises for its exclusive use or for its use in common with others at the Airport and all rights, privileges, duties and obligations of the parties in connection therewith or arising thereunder shall terminate as of the date of the taking, and in that event, the Lessee (except with respect to its personal property) shall not have any claim or right to claim or be entitled to any portion of the amount which may be awarded as damages or paid as a result of such taking, and all rights to damages, if any, of the Lessee (except for damages to its personal property) by reason thereof are hereby assigned to the Port Authority.

In the event that the taking covers only a material part of the premises, then the Lessee and the Port Authority shall each have an option exercisable by notice given within ten (10) days after the effective date of such taking to terminate the letting hereunder with respect to the premises not taken, as of the date of such taking and such termination shall be effective as if the date of such taking were the original date of expiration hereof. If the Port Authority exercises this option, it shall purchase from the Lessee the Lessee's leasehold interest (excluding any personal property whatsoever) in the premises not taken for a consideration equal to the Unamortized Capital Investment (as defined the Section of this Agreement entitled "Definitions"), if any, of the Lessee in the premises not taken. If the letting of the entire premises is not terminated the settlement or abatement of rentals after the date possession is taken by the body having a superior power of eminent domain shall be in accordance with Section 4 hereof.

(c) Condemnation or Taking of a Temporary Interest in All or Any Part of the Premises.

Upon acquisition by condemnation or the exercise of the power of eminent domain by a body having a superior power of eminent domain of a temporary interest in all or any part of the premises, there shall be no abatement of any rental payable by the Lessee to the Port Authority under the provisions of this Agreement but the Lessee shall have the right to claim and in the event of an award therefor shall be entitled to retain the amount which may be awarded as damages or paid as a result of the condemnation or other taking of such temporary interest, provided, that the Lessee shall be obligated to pay over to the Port Authority all such payments as may be made to the Lessee as damages or in satisfaction of such claim, after deduction of (i) reasonable expenses incurred by the Lessee in the prosecution of such claim; (ii) an amount equal to the Unamortized Capital Investment (as defined the Section of this Agreement entitled "Definitions"), if any, of the Lessee in the premises or in the event of a taking of less than all of the said premises, an amount equal to such Unamortized Capital Investment in the premises as are taken, to the extent in either case that the same is to be amortized over the period of the taking; and (iii) the then present capitalized value of the Lessee's obligation for rentals thereafter payable during the period of the taking in respect to the demised premises, or, in the event of a taking of less than all of the said premises, in respect to the premises so taken.

In the event that the taking covers a material part but less than all of the demised premises, then the Lessee and the Port Authority shall each have an option, exercisable by notice given within ten (10) days after the effective date of such taking to suspend the term of the letting of such of the premises as are not so taken during the period of the taking, and, in that event, the rentals for such premises shall abate for the period of the suspension. If the Port

Authority exercises this option, it shall purchase from the Lessee the Lessee's leasehold interest (excluding any personal property whatsoever) in the premises not taken for the period of suspension for a consideration equal to the Unamortized Capital Investment (as defined in the Section of this Agreement entitled "Definitions"), if any, of the Lessee in such premises which is to be amortized over the period of such suspension.

Section 21. Assignment and Sublease

(a) The Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or the letting or any part thereof, without the prior written consent of the Port Authority.

(b) The Lessee shall not sublet the premises or any part thereof, without the prior written consent of the Port Authority.

(c) If the Lessee assigns, sells, conveys, transfers, mortgages, pledges or sublets in violation of paragraphs (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 under this Agreement or letting or who occupies the premises, and the Port Authority shall apply the net amount collected to the rental herein reserved; but no such collection shall be deemed a waiver by the Port Authority of the covenants contained in paragraphs (a) and (b) of this Section nor any 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 for any purpose other than the purposes stated in Section 4 hereof.

Section 22. 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 of 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 its 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) 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 thirty (30) days; or

(7) The Lessee shall voluntarily abandon, desert or vacate the premises or discontinue its operations at the Airport; or after exhausting or abandoning any right of further appeal, the Lessee shall be prevented for a period of thirty (30) days by action of any governmental agency other than the Port Authority having any jurisdiction thereof, from conducting its operations at the Airport, regardless of the fault of the Lessee; or

(8) Any lien is filed against the premises because of any act or omission of the Lessee and shall not be discharged or fully bonded within thirty (30) days; or

(9) 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

(10) 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);

(11) Any type of strike or other labor activity is directed against the operations of the Lessee at the Airport 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 Airport 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;

then upon the occurrence of any such event or at any time thereafter during the continuance thereof, the Port Authority may upon 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 paragraph (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 (24) 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 hereof 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.

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

Section 23. **Right of Re-entry**

The Port Authority shall, as an additional remedy upon the giving of a notice of termination as provided in Section 22 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 24. **Waiver of Redemption**

The Lessee hereby waives any and all rights to recover or regain possession of the premises 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 possession of the premises in any lawful manner.

Section 25. **Survival of the Obligations 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 22 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 23 hereof, all the obligations of the Lessee under this Agreement shall survive such termination or cancellation, or re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of the letting under 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) on account of the Lessee's rental obligations, shall be the sum of the following:

(1) On account of the Lessee' 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) An amount equal to the percentage stated in paragraph (2)(a) of Subdivision A of Section 4 applied to the gross receipts of the Lessee, 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 or 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 daily average of the Lessee's gross receipts; (ii) the daily average of the Lessee's gross receipts shall be the Lessee's total actual gross receipts during that part of the effective period of the letting (in all monthly periods falling within the effective period) during which the premises were open and in operation and in which no abatement was in effect divided by the number of days included in such part of the effective period; (iii) the said amount of gallons of gasoline, motor oil, diesel fuel and alternative fuel shall be respectively derived by multiplying the number of days in the balance of the term originally fixed by the respective daily averages of the Lessee's sales and deliveries of gasoline, motor oil, diesel fuel and alternative fuel; and (iv) the daily averages of the Lessee's sales and deliveries of gasoline, motor oil, diesel fuel and

alternative fuel shall be the total actual amount of gasoline, motor oil, diesel fuel and alternative fuel of each type sold or delivered by the Lessee during that part of the effective period of the letting during which the premises were open and in operation and in which no abatement was in effect divided by the number of days included in such part of the effective period; and

(3) An amount equal to all expenses incurred by the Port Authority in connection with regaining possession and restoring and reletting the demised premises, for legal expenses, (including but not limited to the cost to the Port Authority of in-house legal services), putting the premises in order including without limitation, cleaning, decorating and restoring (on failure of the Lessee to restore), maintenance and brokerage fees.

(4) It is understood and agreed that the statement of damages under the preceding paragraph (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.

(c) In addition to and without limiting the foregoing or any other right, claim or remedy of the Port Authority, in the event this Lease shall be terminated pursuant to Section 22 hereof and the Lessee shall not have completed the construction work or any portion thereof within the time period specified in Section 6 hereof, the Lessee shall and hereby agrees to pay to the Port Authority any and all amounts, costs or expenses, of any type whatsoever, paid or incurred by the Port Authority by reason by reason of the failure of the Lessee so to complete the construction work, or any portion thereof, including all interest costs, damages, losses, and penalties, and all of the same shall be deemed treated as survived damages hereunder.

(d) Notwithstanding anything to the contrary herein contained, all of the obligations of the Lessee under this Lease with respect to Environmental Damages and Environmental Requirements shall survive the expiration or termination of this Agreement.

Section 26. **Reletting by the Port Authority**

The Port Authority upon termination or cancellation pursuant to Section 22 hereof, or upon any re-entry, regaining or resumption of possession pursuant to Section 23 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 relctting may be of part only 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 the 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 22, or upon its re-entry, regaining or resumption of possession pursuant to the said Section 23, 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 of the Port Authority 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 thercof 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 a surrender.

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, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

Section 28. **Surrender**

The Lessee covenants and agrees to yield and deliver peaceably to the Port Authority possession of the premises on the date of cessation of the letting, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, except for reasonable wear and tear which does not cause or tend to cause deterioration of the premises or adversely affect the efficient or proper utilization thereof, and all of the premises shall be free and clear of all liens, encumbrances, and security interests of any type whatsoever.

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 thing, 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. **Effect of Basic Lease**

(a) Notwithstanding any other term, provision, covenant or condition of this Agreement, this Agreement and the letting hereunder shall, in any event, terminate with the termination or expiration of the Basic Lease with the City of Newark which covers the premises, such termination to be effective on such date and to have the same effect as if the term of the letting had on that date expired. The rights of the Port Authority in the premises are those

granted to it by the Basic Lease, and no greater rights are granted or intended to be granted to the Lessee than the Port Authority has power thereunder to grant.

(b) The Port Authority covenants that, during the term of this Agreement, the Port Authority will not take any action which would amount to or have the effect of cancelling, surrendering or terminating the Basic Lease prior to the date specified in the Basic Lease for its expiration insofar as such surrender, cancellation or termination would in any manner deprive the Lessee of any of its rights, licenses or privileges under this Agreement.

(c) Nothing herein contained shall prevent the Port Authority from entering into an agreement with the City of Newark pursuant to which the Basic Lease is surrendered, cancelled or terminated *provided* that the City of Newark, at the time of such agreement, assumes the obligations of the Port Authority under this Agreement.

(d) Nothing contained in this Agreement shall be deemed a waiver by the Lessee of any of its rights, licenses or privileges under this Agreement in the event that the Basic Lease should be surrendered, cancelled or terminated prior to the date specified in the Basic Lease for its expiration.

Section 31. Removal of Property

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 32. Brokerage

The Lessee represents and warrants that no broker has been concerned on its behalf 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 rendered to the Lessee in connection with the negotiation and execution of this Agreement.

Section 33. Limitation of Rights and Privileges Granted

(a) No greater rights or privileges with respect to the use of the premises or any part thereof are granted or intended to be granted to the Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

(b) The premises are let to the Lessee and the Lessee takes the same subject to all the following: (i) easements, restrictions, reservations, covenants and agreements, if any, to which the premises may be subject, rights of the public in and to any public street, (ii) rights, if any, of any enterprise, public or private which is engaged in furnishing heating, lighting, power, telegraph, telephone, steam, or transportation services and of the City of Newark and State of New Jersey; (iii) permits, licenses, regulations and restrictions, if any, of the United States, the City of Newark or State of New Jersey or other governmental authority.

Section 34. Notices

Except where expressly required or permitted herein to be oral, all notices, directions, requests, consents and approvals required to be given to or by either party shall be in writing, and all such notices and requests shall be personally delivered to the duly designated officer or representative of such party or delivered to the office of such officer or representative during regular business hours, or forwarded to him or to the party at such address by registered or certified mail. The Lessee shall designate an office within the Port of New York District and an officer or representative whose regular place of business is at such office. Until further notice, the Port Authority hereby designates its Executive Director, and the Lessee designates the person named on the first page hereof as their officers or representatives upon whom notices and requests may be served, and the Port Authority designates its office at 225 Park Avenue South, New York, New York 10003, and the Lessee designates its office at 366 North Broadway, Suite 206, Jericho, New York 11753 as their respective offices where notices and requests may be served. If mailed, the notices herein required to be served shall be deemed effective and served as of the date of the registered or certified mailing thereof.

Section 35. Other Construction by the Lessee

Except as expressly provided herein, the Lessee shall not erect any structures, make any improvements or do any other construction work on the premises or elsewhere on the Airport, or alter, modify or make additions or improvements or repairs to or replacements of any structure now existing or built at any time during the letting, or install or remove any fixtures (other than trade fixtures, removable without material damage to the freehold, any such damage to be immediately repaired by the Lessee) without the prior written approval of the Port Authority and in the event any construction, improvement, alteration, modification or addition, repair or replacement is made without such approval, then upon reasonable notice so to do, 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.

Section 36. Place of Payments

All payments required of the Lessee by this Agreement shall be made by mail to The Port Authority of New York and New Jersey, P.O. Box 95000-1517, Philadelphia, Pennsylvania 19195-1517, or to such other office or address as may be substituted therefor.

Section 37. Additional Construction Work

(a) Without in anyway limiting the provisions of Section 6, the Lessee shall perform the work necessary to construct and install a dual bay car wash (one automated; one full service) and the alternative fuel component of the multi-fuel vehicle service station, all of the aforesaid construction work hereinafter being referred to as the "Additional Work". Promptly after execution of this Agreement, and strictly in accordance with the provisions of Section 6 hereof, the Lessee shall submit to the Port Authority for its approval a Construction Application in the form supplied by the Port Authority setting forth in detail and by appropriate plans and specifications the construction and installation work the Lessee proposes to perform to install and construct the dual bay car wash (one automated; one full service) and alternative fuel component. The Lessee hereby represents that upon the completion of the said Additional Work, the dual bay car wash (one automated; one full service and the alternative fuel component will be suitable for its operations hereunder. The Lessee shall do all preventive maintenance and make all repairs, replacements and rebuilding necessary to keep the same in the condition it was in when made or installed except for reasonable wear and tear. The Lessee shall operate the dual bay car wash (one automated; one full service) and alternative fuel component in accordance with all of the terms, covenants and provisions contained in this Agreement and shall comply with all applicable governmental laws, ordinances, enactments, resolutions, rules, regulations and orders in connection therewith. The Port Authority shall have no obligations or liabilities in connection with the operation or maintenance of the dual bay car wash (one automated; one full service) and alternative fuel component by the Lessee.

(b) Title to the Additional Work shall vest in the Port Authority when the same is installed in the premises and the Lessee shall execute such necessary documents confirming the same as the Port Authority may require.

Section 38. Construction and Application of Terms

(a) The Section and paragraph headings, if any in this Agreement, 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.

(b) Unless otherwise expressly specified, the terms, provisions and obligations contained in the Exhibit(s) attached hereto, whether there set out in full or as amendments of, or supplements to provisions elsewhere in the Agreement stated, shall have the same force and effect as if herein set forth in full.

(c) If any clause, provision or section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section or sections shall not affect any of the remaining clauses, provisions or sections hereof.

Section 39. Non-liability of Individuals

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

Section 40. Non-Discrimination

(a) Without limiting the generality of any of the provisions of the Agreement, the Lessee, for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, creed, color, sex or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the premises, (2) that in the construction of any improvements, on, over, or under the premises and the furnishing of services thereon by it, no person on the ground of race, creed, sex, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended, and any other present or future laws, rules, regulations, orders or directions of the United States of America with respect thereto which from time to time may be applicable to the Lessee's operations at the Airport, whether by reason of agreement between the Port Authority and the United States Government or otherwise.

(b) The Lessee shall include the provisions of paragraph (a) of this Section in every agreement or concession it may make pursuant to which any person or persons, other than the Lessee, operates any facility at the Airport providing services to the public and shall also include therein a provision granting the Port Authority a right to take such action as the United States may direct to enforce such covenant.

(c) The Lessee's non-compliance with the provisions of this Section shall constitute a material breach of this Agreement. In the event of the breach by the Lessee of any of the above non-discrimination provisions the Port Authority may take any appropriate action to enforce compliance; or in the event such non-compliance shall continue for a period of twenty (20) days after receipt of written notice from the Port Authority, the Port Authority shall have the right to terminate the Agreement and the letting hereunder with the same force and effect as a

termination under the Section of this Agreement providing for termination for default by the Lessee in the performance or observance of any other term or provision of this Agreement, or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, the Port Authority may take such action as the United States may direct.

(d) The Lessee shall indemnify and hold harmless the Port Authority from any claims and demands of third persons including the United States of America resulting from the Lessee's non-compliance with any of the provisions of this Section and the Lessee shall reimburse the Port Authority for any loss or expense incurred by reason of such non-compliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Lessee the right to transfer or assign this Agreement, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on the premises.

Section 41. Affirmative Action

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

Section 42. The Lessee's Additional Ongoing Affirmative Action - Equal Opportunity Commitment

(a) In addition to and without limiting any other term or provision of this Agreement, the Lessee, in connection with its use and occupancy of the premises and any and all of its activities and operations at or affecting the premises or the Airport, 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 and women 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 apprenticeship and on-the-job training.

(b) In addition to and without limiting the foregoing, and without limiting the provisions of Sections 6 (c), 40 and 41 and Schedule E hereof, it is hereby agreed that the Lessee in connection with its continuing operation, maintenance and repair of the premises, or any

portion thereof, as provided in this Agreement, and in connection with every award or agreement for concessions or consumer services at the Airport, shall throughout the term of the letting hereunder commit itself to and use good faith efforts to implement an extensive program of affirmative action, including specific affirmative action steps to be taken by the Lessee, to ensure maximum opportunities for employment and contracting by minorities and women, and by Minority Business Enterprises and Women-owned Business Enterprises. In meeting the said commitment the Lessee agrees to submit to the Port Authority for its review and approval the Lessee's said extensive affirmative action program, including the specific affirmative action steps to be taken by the Lessee to meet its aforesaid commitment, within one hundred eighty (180) days after the execution of this Agreement. The Lessee shall incorporate in its said program such revisions and changes which the Port Authority initially or from time to time may reasonably require. The Lessee throughout the term of the letting hereunder shall document its efforts in implementing the said program, shall keep the Port Authority fully advised of the Lessee's progress in implementing the said program and shall supply to the Port Authority such information, data and documentation with respect thereto as the Port Authority may from time to time and at any time request, including but not limited to annual reports.

(c) (1) "Minority" as used herein shall have the meaning as defined in Paragraph 11(c) of Part I of Schedule E.

(2) "Minority Business Enterprise" (MBE) as used herein shall have the meaning as defined in the first paragraph of Part II of Schedule E.

(3) "Women-owned Business Enterprise" (WBE) as used herein shall have the meaning as defined in the first paragraph of Part II of Schedule E.

(4) Good faith efforts to include meaningful participation by MBEs and WBEs shall include at least the following:

(i) Dividing the work to be subcontracted into smaller portions where feasible.

(ii) Actively and affirmatively soliciting bids for subcontracts from MBEs and WBEs, including circulation of solicitations to minority and female contractor associations. The Lessee shall maintain records detailing the efforts made to provide for meaningful MBE and WBE participation as called for in paragraph (b) above, including the names and addresses of all MBEs and WBEs contacted and, if any such MBE or WBE is not selected as a joint venturer or subcontractor, the reason for such decision.

(iii) Making plans and specifications for prospective work available to MBEs and WBEs in sufficient time for review.

(iv) Utilizing the list of eligible MBEs and WBEs maintained by the Port Authority or seeking minorities and women from other sources for the purpose of soliciting bids for subcontractors.

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

(vi) Insuring that provision is made to provide progress payments to MBEs and WBEs on a timely basis.

(vii) Submitting quarterly reports to the Port Authority (Office of Business and Job Opportunity) detailing its compliance with the provisions hereof.

(d) The Lessee's non-compliance with the provisions of this Section shall constitute a material breach of this Agreement. In the event of the breach by the Lessee of any of the above provisions the Port Authority may take any appropriate action to enforce compliance; or in the event such non-compliance shall continue for a period of twenty (20) days after receipt of written notice from the Port Authority, the Port Authority shall have the right to terminate this Agreement and the letting hereunder with the same force and effect as a termination under the Section of this Agreement providing for termination for default by the Lessee in the performance or observance of any other term or provision of this Agreement, or may pursue such other remedies as may be provided by law.

(e) In the implementation of this Section, the Port Authority may consider compliance by the Lessee with the provisions of any federal, state or local law concerning affirmative action-equal employment opportunity which are at least equal to the requirements of this Section, as effectuating the provisions of this Section. If the Port Authority determines that by virtue of such compliance with the provisions of any such federal, state or local law that the provisions hereof duplicate or conflict with such law the Port Authority may waive the applicability of the provisions of this Section to the extent that such duplication or conflict exists.

(f) 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.

(g) Nothing in this Section shall grant or be deemed to grant to the Lessee the right to make any agreement or award for concessions or consumer services at the Airport.

Section 43. **Quiet Enjoyment**

The Port Authority covenants and agrees that as long as it remains the lessee of the Airport, 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 peacefully and quietly have and enjoy the premises free of any act or acts of the Port Authority except as expressly permitted in this Agreement.

Section 44. Infringement

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

Section 45. Late Charges

If the Lessee should fail to pay any amount required under this Agreement when due to the Port Authority, including without limitation any payment of basic, percentage, variable 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 of such unpaid amount for each late charge period. There shall be twenty-four 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 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 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 rental as set forth in the section of this Agreement entitled "Rental". 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 46. Obligations In Connection with the Percentage/Variable Rental

The Lessee shall:

(a) Use its best efforts in every proper manner to maintain, develop and increase the business conducted by it hereunder;

(b) Not divert or cause to be diverted, any business from the Airport;

(c) Maintain in accordance with accepted accounting practice during the letting and for one (1) 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 any wise connected with the automobile service station, including but not limited to records of all gasoline, diesel fuel, compressed natural gas and other fuel tank meter readings, all of which records and books of account shall be kept at all times within the Port of New York District;

(d) Permit in ordinary business hours during the letting and for one year thereafter, the examination and audit by the officers, employees, agents and representatives of the Port Authority of such records and books of account;

(e) 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, tape readings and meter readings;

(f) Furnish to the Port Authority on or before the 20th day of the month following the month in which the Rental Payment Start Date occurs and on or before the twentieth (20th) day of each and every calendar month thereafter including the month following the expiration of the Lease, a statement, sworn to by a responsible executive or fiscal officer of the Lessee, of all gross receipts arising out of the operations of the Lessee hereunder for the preceding month and specifying and applying the percentage stated in paragraphs (3)(a) (i) and (v) of Subdivision A of Section 4 and showing furthermore the total amount of all gallons of gasoline, motor oil, diesel fuel and alternative fuel sold or delivered during the preceding month.

(g) Install and use such cash registers, sales slips, invoicing machines or 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 and sales and deliveries of gasoline, motor oil, diesel fuel and compressed natural gas.

(h) In the event that upon conducting an examination and audit as described in paragraph (d) of this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Lessee, the Lessee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable

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

Section 47. **Towing and Emergency Services to be performed by the Lessee**

(a) In connection with the letting hereunder, the Lessee shall have the privilege to operate and shall be obligated to operate an automobile towing service which shall consist of the following:

(1) A service consisting of (i) towing disabled automotive vehicles to the premises at the request of the owner or operator of such vehicle and/or (ii) providing emergency repairs to said disabled vehicles at the place where the vehicle is disabled, if possible, and/or (iii) short term storage thereof at the premises said service for purposes of this Lease being herein called "the Patron service".

(2) A service consisting of towing at the request of the Port Authority abandoned or disabled automotive vehicles on the Airport or vehicles parked in violation of the Port Authority's Rules and Regulation to the location on the Airport specified by the Port Authority (including the premises) and short term storage thereof at the premises, said service being herein called "the Emergency Service"; all of the foregoing services set forth in subdivisions (a)(1) and (a)(2) being sometimes hereinafter called "the Facility Service".

(b) The Lessee shall use such roads, routes, ways and other areas at the Airport as may from time to time be designated by the General Manager of the Airport for use in connection with the Facility Service to be provided by the Lessee hereunder.

(c) The vehicle to be used by the Lessee in furnishing the Facility Service shall be two (2) radio equipped tow trucks capable of lifting and towing passenger automobiles, minivans, vans, light pick-up trucks and limousines the foregoing vehicles being herein called "the tow trucks". The tow trucks shall be painted in such colors, shall bear such inscriptions and signs on the inside and outside thereof and shall have such lights as the Port Authority shall from time to time and at any time prescribe, the Port Authority agreeing that if there are any colors that the Lessee uses in its operations generally, said colors may be used. The Lessee agrees that the tow trucks shall be of a type and shall be so adapted, constructed and equipped as to properly

fulfill the requirements of the Facility Service. Without limiting the foregoing the tow trucks shall contain such automotive equipment as is appropriate or necessary for performing emergency repairs to disabled vehicles and for performing a safe and proper towing operation including towing operations in those enclosed portions of the Facility having eight foot ceilings. In addition the tow trucks shall carry two-way radio equipment tuned to a frequency which would enable it to maintain contact with the radio equipment required to be maintained pursuant to paragraph (h) of this Section 47 and such communication shall be maintained at all times. The tow truck shall be registered under New Jersey State law and shall be approved by the Port Authority prior to its use in the Facility Service.

The Port Authority shall have the right at any time and as often as it may consider it necessary to inspect the tow trucks, all other equipment to be furnished or used by the Lessee and any activities or operations of the Lessee hereunder. Upon request of the Port Authority, the Lessee shall operate or demonstrate the tow trucks' equipment or the equipment owned by or in the possession of the Lessee on the Airport or to be placed or brought on the Airport, and shall demonstrate any activity being carried on by the Lessee hereunder. Upon notification by the Port Authority of any deficiency in the tow trucks or other item of equipment, the Lessee shall promptly make good the deficiency or withdraw the truck or trucks or item of equipment from service, and provide a truck or trucks or other item of equipment of substantially the same capacity and type as the one removed.

(d) In the event the tow trucks shall for any reason other than as set forth in paragraph (c) above be removed from service hereunder, the Lessee shall promptly provide in lieu thereof a vehicle or vehicles which meet all the requirements of this Section. The Lessee shall at all times keep the tow trucks and all other equipment used in the Facility Service clean and in first-class order, maintenance, repair and appearance.

(e) The Lessee shall use the tow trucks and its automotive equipment exclusively in and only in the Facility Service at the Airport. The Lessee hereby agrees to have a sufficient number of drivers actually on duty and actually working so that at all times the Lessee will provide a timely, proper and first-class Facility Service on a 24 hour basis. The Lessee understands that the Port Authority expects that the tow trucks shall under normal conditions respond to a call for the Patron Service no later than ten (10) minutes after the request for the same has been made and the Lessee agrees to comply therewith. In the event that in the Port Authority's opinion the Lessee has failed to provide a timely Patron Service then and in such event and in addition to any other right or remedy available to the Port Authority at law or in equity, the Port Authority may elect to present the Lessee with schedules to be maintained by the Lessee for the operation of the Patron Service and the Lessee hereby agrees to have the number of drivers set forth in said schedules actually on duty and actually working at all times (without interruption for any cause) as set forth in said schedules. The Lessee further agrees that if the schedules initially presented to it by the Port Authority prove insufficient (except during emergencies) and do not provide a timely Patron Service, the Port Authority shall have the right to amend said schedules, including not only an increase in the number of drivers and trucks to be on duty and operated at any one time but also an increase in the total number of tow trucks, but the Port Authority shall not have the right to require more than two (2) additional tow trucks or a total of four (4) tow trucks available to provide the Facility Service at any one time.

It is hereby understood by the Lessee that the requirements under this paragraph (e) for the operation of the Patron Service shall not affect or release the Lessee from its obligation to at all times keep the premises manned and operated by sufficient personnel.

(f) At all times that the premises are open to the public, the Lessee shall maintain a supervisory official at the premises with full authority to direct and control all employees of the Lessee at the Airport performing the Facility Service and who shall be available for consultation with the General Manager of the Airport or his representative on all details of the operation of the Lessee hereunder. Said supervisor shall at all times be in direct contact with the Lessee's personnel by radio and phone.

(g) The Lessee shall make only fair and reasonable charges for the emergency repairs provided under subparagraph (a)(i) of this Section. Separate charges for towing (all vehicles to be towed to the premises as expeditiously as possible) shall be made in accordance with the schedule of rates and charges which are set forth in Schedule X annexed hereto and hereby made a part hereof. The Lessee's schedule of rates and charges for emergency repairs provided under subparagraph (a)(i) of this Section shall be submitted to and be subject to the prior and continuing written approval of the Port Authority. The Port Authority shall examine such schedules of rates and charges and make such modifications therein as it may deem necessary. Any changes thereinafter in the schedules of rates and charges shall be similarly submitted to the Port Authority for its prior written approval, and if necessary, modification. Copies of such schedules shall be made available to the public by the Lessee, if so directed by the Port Authority from time to time and at any time, at locations designated from time to time and at any time by the Port Authority. In addition, the schedules of rates and charges shall be posted in the tow trucks and at the premises. The Lessee agrees to adhere to the rates and charges stated in the aforesaid schedules.

(h) During all times that the premises are open to the public the tow trucks shall be stationed at the premises and there shall also be located and operated on the premises radio equipment permitting the Lessee to maintain radio communication service with the tow trucks. The Lessee shall also have radio equipment permitting the Lessee to maintain radio communication service with the tow trucks on a seven (7) day a week, twenty-four (24) hours a day basis. The Lessee shall maintain telephone service at the premises and at such other location off the Airport where the radio equipment may be located, the telephone number of which is to be displayed on the tow trucks in accordance with paragraph (c) hereof as one which the public may call for the Patron Service.

(i) With respect to the Patron Service, upon receipt of a call therefor, the Lessee will dispatch a tow truck to the location at the Airport of the disabled vehicle. If the Lessee can do so, it will make emergency repairs to the disabled vehicle but only if the Port Authority shall from time to time permit repairs to be made at the location where said disabled vehicle may be and only if said emergency repairs will take no longer than such period of time as the Port Authority shall from time to time upon notice to the Lessee permit. The Lessee shall clean up any oil, grease or other refuse at the area of the repairs and remove the same therefrom. If emergency repairs as aforesaid cannot be so made, the Lessee shall tow said disabled vehicle to

the premises and perform the necessary repairs there but only to the extent that such repairs may be performed at the premises under the provisions of the Lease covering the use of the premises. If the Lessee at the time of its response to the call for the Patron Service determines that the required repairs cannot be performed by the Lessee at the premises, it shall advise the patron to such effect and shall advise the patron further that the patron may call another towing service to remove the car from the Airport. In such event, the Lessee shall be entitled only to the charge for providing emergency repairs. If the patron requests, the Lessee may tow said vehicle to the premises from which place the patron may arrange for further towing service. Lessee understands that the Facility Service is to be performed exclusively on the Airport and that the tow trucks will not go off the Airport.

(j) (1) At the oral direction of the General Manager or his authorized representative, the Lessee will promptly provide to the Port Authority the Emergency Service by providing the tow trucks for use in an emergency. An emergency as used hereunder shall mean any situation at the Airport which the General Manager or his authorized representative determines to be an emergency. The Port Authority may have a police officer or other representative in the tow truck or trucks and the Lessee shall require its drivers to comply with the directions of said Port Authority representatives. The Lessee agrees that the Port Authority may use the tow trucks 24 hours a day and for such number of consecutive days as the Port Authority may require. The Lessee agrees that it shall have at all times drivers available to operate and who shall operate the tow trucks to be used in the Emergency Service. The Lessee also agrees that it shall have a sufficient number of drivers available so that rested drivers will be available at all times and so that no driver would be required to work more than a period of 12 consecutive hours. During the Emergency Service, the Port Authority shall have the right to use the radio equipment therein. In addition, the Port Authority shall pay to the Lessee for each tow truck actually engaged in the Emergency Service at the rate of $20.00 Dollars and No Cents per vehicle. No other charges shall be made to the Port Authority and the Lessee shall bear the entire cost of the tow trucks and the drivers, including but not limited to fuel, oil, insurance and repairs.

(2) With respect to the Emergency Service, upon receipt of a call from the Port Authority's Police Desk at the Airport or from the Airport Operations Office at the Airport or from such other office as may from time to time be designated by notice from the Port Authority, the Lessee will dispatch the tow truck to the location at the Airport as directed by the Port Authority in its call. The Lessee will pick up the vehicle designated by the Port Authority to be picked up but only if a police officer or other representative of the Port Authority is present and the Lessee shall require its drivers to comply with the directions of said Port Authority representatives. The Lessee shall tow said vehicle to a Port Authority location, if the Port Authority representative so requires, or otherwise to the premises. If the vehicle is towed to the premises, the Lessee shall keep and store said vehicle therein until the same is delivered to "an authorized person", as hereinafter defined, or to the Port Authority, as hereinafter provided, in the presence of and as directed by a police officer or other Port Authority representative. When the Lessee picks up and tows away a vehicle, and when the Lessee surrenders up a vehicle to an authorized person or to the Port Authority, it shall execute and deliver to the Port Authority's police officer or other representative thereat a form reflecting the action taken. The Lessee hereby acknowledges and agrees that all forms executed by the driver of the tow truck or any

other personnel of the Lessee, its sublessee or operator shall be deemed duly executed and authorized on behalf of the Lessee and the Lessee shall be bound thereby. The Port Authority shall deliver to the Lessee an acknowledgment of authority to release said vehicle to the authorized person.

(3) The Lessee shall upon request of the Port Authority from time to time, or periodically, deliver to the Port Authority's Police Desk at the Airport and to the Airport Operations Office at the Airport a written statement signed by an authorized employee of the Lessee setting forth the vehicles which are as of the date of the statement in the possession of the Lessee at the premises with the appropriate location and identity of each vehicle and the period of time each such vehicle has been stored. The Lessee shall have no obligation to store any vehicle at the premises under the Emergency Service for a period greater ten (10) days.

(4) "Authorized person" as used hereunder shall mean the person who received authority from a Police Desk officer of the Port Authority at the Airport, or his designated representative, and to whom said officer delivers a form executed by said desk officer authorizing said person to receive his vehicle. The Lessee shall require said authorized person to execute a form acknowledging receipt of said car, a true copy of which shall be supplied to the Port Authority.

(5) At the direction of the Port Authority the Lessee shall deliver any vehicle stored at the premises to such location on the Airport as the Port Authority shall from time to time specify. The Port Authority shall deliver to the Lessee at such time a form acknowledging receipt of such vehicle.

(6) The Port Authority hereby agrees to pay to the Lessee the Uncollected Emergency Service Amount which shall mean the sum of: (i) the charge for picking up and towing any vehicle to a Port Authority location as directed by the Port Authority representative pursuant to subparagraph (j)(i) hereof; and (ii) the charge for picking up and towing to the premises as directed by the Port Authority pursuant to subparagraph (j)(i) hereof, and the storage charges therefor, if any, which charges as of the time that the Port Authority directs the Lessee to deliver said vehicle to the Port Authority pursuant to subparagraph (5) hereof are unpaid or which charges the authorized person refused to pay to the Lessee and the Port Authority nevertheless directs that the car be released to such person. The charges shall be as set forth in Schedule X annexed hereto and shall be paid monthly.

(k) The Lessee shall procure all licenses, certificates, permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Lessee, which may be necessary for the conduct of its operation of the Facility Service. Neither the execution of this Agreement nor anything contained herein shall be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate tow trucks or any other vehicles outside the Airport or over the public streets or roads in any County of the State of New Jersey. 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 Facility Service. The Lessee'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 Airport, 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.

(l) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Lessee at the Airport or against any operations with respect to the Facility Service, whether or not the same is due to the fault of the Lessee and whether or not caused by the employees of the Lessee, and if any of the foregoing, in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of the Airport, or the operations of other permittees, lessees or licensees thereat, or the operations of the Lessee of the Facility Service, the Port Authority shall have the right at any time during the continuance thereof by twenty-four (24) hours notice to suspend the operation by the Lessee of the Facility Service, and during the period of the said suspension the Lessee shall not conduct said Service at the Airport. The foregoing shall not limit, affect or be deemed to limit or affect any other right of the Port Authority resulting from a cessation of operations by the Lessee whether granted hereunder or otherwise.

(m) All the terms, covenants, conditions and provisions of the Lease, shall pertain and apply with like effect to the operation by the Lessee of the Facility Service, except those which are by their very nature inapplicable to the Facility Service and except as to those which are covered by express provisions of this Section.

(n) In addition to all other obligations hereunder and without limiting the same, the Lessee agrees that the Towing Service will be a first-class operation and the Lessee will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor including but not limited to a dolly or other equipment necessary to tow vehicles having locked wheels.

(o) Nothing contained in this Section shall grant or be deemed to grant to the Lessee an exclusive right to operate the Facility Service or any component service thereof.

(p) In addition to all other rights hereunder and without limiting the Lessee's obligations hereunder, the Port Authority shall have the right to revoke without cause, and upon thirty (30) days' prior written notice to the Lessee the privilege and obligation of the Lessee to provide the Emergency Service, and from and after the effective date of said notice the Lessee shall no longer provide the Emergency Service but the privilege and obligation hereunder to provide the Patron Service and other terms and provisions of the Lease, as amended hereunder, shall continue in full force and effect.

(q) The Lessee shall at the time of rendering each statement required of the Lessee in Sections 4 and 46 hereof submit a further written statement setting forth its computation of the amount due to the Lessee from the Port Authority for the preceding calendar month if any, for the Emergency Service in accordance with paragraph (j) hereof. Said statement shall contain such itemization and information as to the amounts due to the Lessee as the Port Authority shall from time to time request. The Lessee may deduct from the payments to be made by the Lessee pursuant to Section 4 hereof the amount due to the Lessee from the Port Authority

as computed by the Lessee in such statement. However, it is hereby expressed and agreed that no such statement by the Lessee and no such deduction by it of the amount set forth therein shall be or be deemed to have been conclusively determined until the amount has been audited and verified by the Port Authority. Moreover, until such audit and verification, the Lessee hereby agrees to promptly remit to the Port Authority, upon written demand, all or such portion of the amount so deducted which the Port Authority contends is in excess of the proper amount to be deducted.

(r) The Lessee shall comply with all directions given from time to time by the General Manager of the Airport or his designated representative in connection with the Facility Service as herein provided.

(s) The Lessee hereby assumes complete and sole responsibility for all loss or damage to any vehicles including any personal property contained therein which the Lessee tows, repairs or stores under the Facility Service. The Lessee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, agents, representatives and employees from and against all claims and demands of third persons (including but not limited to the owners of the vehicles) just or unjust, for personal injuries, (including death) or property damages including the theft, destruction or loss of the vehicles and any personal property contained therein (except claims or demands arising out of the affirmative acts of the Port Authority, its employees, agents or representatives), arising or alleged to arise out of the operation by the Lessee of the Facility Service. If so directed by the Port Authority, the Lessee shall, at its own expense, defend against such claims and demands, in which event it shall not without obtaining express advance written permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provision of any statutes respecting suits against the Port Authority.

(t) This Section shall not constitute the Lessee, or any sublessee or operator performing the Facility Service the agent or representative of the Port Authority. The Lessee shall perform the Facility Service as an independent contractor and its officers and employees and the officers and employees of any sublessee or operator shall not be or be deemed to be agents, servants or employees of the Port Authority.

(u) The Lessee shall not assign or transfer its privilege and obligation to provide the Facility Service and any such assignment or transfer shall be void and of no effect as to the Port Authority.

Section 48. Sales and Services by the Lessee

(a) A principal purpose of the Port Authority in entering into this Agreement is to have available for passengers, travelers and other users of the Airport, all other members of the public, and persons employed at the Airport, the merchandise and/or services which the Lessee is obligated 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 the Airport for the use and benefit of the public. Consistent with the provisions of Section 3 and Section 47 of the Lease, the Lessee shall conduct, at the premises, a first-class operation and will furnish and install all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials, and other facilities and replacements necessary or proper therefor. The Lessee shall sell first-class items of merchandise including a full line of automotive accessory items, such as batteries and tires, including medium and economy priced lines of dependable and serviceable quality. All prices and charges shall be subject to the prior written approval of the Port Authority, and prior to the furnishing of any services or sale of any merchandise hereunder the Lessee shall prepare and submit or cause to be prepared and submitted to the Port Authority schedules of rates and prices and any discounts therefrom for all services and merchandise, which shall not exceed reasonable prices for similar merchandise and/or services sold in the area immediately surrounding the Airport. Any changes thereafter in the schedules shall be similarly submitted to the Port Authority for its prior written approval. All such schedules shall be made available to the public, including but not limited to, prominent display at the premises at locations therein as may be designated from time to time by the Port Authority. The Lessee agrees to adhere to the rates, charges and discounts, if any, stated in the approved schedules. If the Lessee applies any rate in excess of the approved rates or extends a discount less than an 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 a customer, be promptly refunded to the customer. Notwithstanding any repayment of overcharges to a customer, 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 Lease.

(b) The Lessee shall furnish upon the request of any patron or customer, without charge, a receipt for any sale or service rendered at the premises or at the Airport.

(c) The Lessee 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 Airport similar to those furnished hereunder which will have the effect of (1) fixing rates and charges to be paid by users of the services; (2) lessening or preventing competition between the Lessee and such other furnishers of services; or (3) tending to create a monopoly on the Airport in connection with the furnishing of such services. In order that the Port Authority may enforce the Lessee's obligations hereunder, the Lessee shall before entering into any agreement or understanding, express or implied, binding or non-binding, with any person who may furnish services at the Airport similar to those furnished hereunder, notify the Port Authority of all the details thereof, furnishing a copy of the proposed agreement if the same has been reduced to writing or a memorandum of the same, if oral, and similarly shall notify the Port Authority at the time of any change in or extension of an existing agreement. Such proposed agreements or understandings or changes or extensions of existing ones shall be subject to the approval of the Port Authority and unless approved, shall not be entered into by the Lessee.

(d) The Lessee shall be open for and conduct business at the premises seven (7) days a week, twenty-four (24) hours a day. The Port Authority's determination of proper business hours, as evidenced from time to time by notice to the Lessee, shall control.

(e) The Lessee shall make available to the public restroom facilities maintained in a manner acceptable to the Port Authority.

(f) The Lessee shall have on the premises at all times an employee able to communicate effectively in the English language so as to perform the services set forth in Sections 3 and 47 hereof.

Section 49. Postponement

If the Port Authority shall not give possession of the premises or any part thereof on the date fixed in Section 2 hereof for the commencement of the letting hereunder by reason of the fact that the premises or any part thereof are in the course of construction, repair, alteration or improvement or by reason of the fact that the occupant thereof failed or refused to deliver possession to the Port Authority, or by reason of any cause or condition beyond the control of the Port Authority, the Port Authority shall not be subject to any liability for the failure to give possession on said date. No such failure to give possession on the date of commencement of the letting as set forth in Section 2 hereof shall in any wise affect the validity of this Agreement or the obligations of the Lessee hereunder, nor shall the same be construed in any wise to extend the term of the letting as set forth therein beyond the expiration date. However, until possession of the premises or any part thereof is tendered by the Port Authority to the Lessee, the effective date of the letting of the premises or any part thereof shall be made by notice given at least five (5) days prior to the effective date of the tender and in the event that such notice of tender is not given for possession to commence on or before one hundred eighty (180) days after the date stated in Section 2 hereof for commencement of the letting of the premises hereunder then this Agreement shall be deemed cancelled, except that each party shall and does hereby release the other party of and from any and all claims or demands based on this Agreement, or a breach or alleged breach thereof.

Section 50. Services

The Port Authority shall not be obligated to perform or furnish any services or utilities whatsoever in connection with this Lease or the use and occupancy of the premises hereunder nor to police the same or keep the same free from snow, ice or otherwise unobstructed and available for use by the Lessee.

Section 51. Utility Lines

The Port Authority, shall, if and to the extent required, bring appropriate roadway access stubs and service lines for the supply of cold water, electric power, telephone (limited to four telephone conduits) and sanitary and storm sewers (said service lines and sanitary and storm sewers being hereinafter collectively referred to as "utility service lines") to such locations, at the perimeter of the site or to other locations off the site as the Port Authority shall determine. The Lessee at its sole cost and expense is hereby obligated to tie its utility lines and roadways into such locations at or near the perimeter of the site where such utility service lines and roadway access stubs will be brought by the Port Authority hereunder. The Port Authority shall have no obligation to make available any utility service lines or roadway access stubs to any location with respect to the premises prior to receiving the certificate of the Lessee and of the Lessee's architect or engineer that all of the construction work has been completed or that a portion of the construction work is properly usable, all as provided in paragraph (h) of Section 6 hereof, and that the Lessee is ready to tie its utility lines and roadways into the utility service lines and roadway access stubs to be furnished by the Port Authority to the premises.

Section 52. Relationship of the Parties

This Agreement does not constitute the Lessee, the agent or representative of the Port Authority for any purpose whatsoever. Neither a partnership nor any joint adventure is hereby created, notwithstanding the fact that all or a portion of the rental to be paid hereunder may be determined by gross receipts from the operations of the Lessee hereunder.

Section 53. Definitions

The following terms, when used in this Agreement, shall, unless the context shall require otherwise, have the respective meanings given below:

(a) "Airport" or "Facility" shall mean the land and premises in The City of Newark, in the County of Essex and State of New Jersey, which are westerly of the right of way of the Central Railroad of New Jersey and are shown upon the exhibit attached to the said agreement between the City of Newark and the Port Authority referred to in paragraph (b) below, said exhibit being marked "Exhibit A", as contained within the limits of a line of crosses appearing on said exhibit and designated "Boundary of Terminal Area in City of Newark, and the lands contiguous thereto which may have been heretofore or may hereafter be acquired by the Port Authority to use for air terminal purposes.

(b) "Basic Lease" shall mean the agreement between the City of Newark and the Port Authority dated October 22, 1947, as the same from time to time may have been or may be supplemented or amended. Said agreement dated October 22, has been recorded in the Office of the Register of Deeds for the County of Essex, on October 30, 1947, in Book E-110 of Deeds at pages 242 et seq., as the same from time to time may have been or may be supplemented and amended.

(c) "Agreement" shall mean this agreement of lease.

(d) "Lease" shall mean this agreement of lease.

(e) "Letting" shall mean the letting under this Agreement for the original term stated herein, and shall include any extension thereof.

(f) "Premises shall mean and include the land, the buildings, structures and other improvements located or to be located or to be constructed therein or thereon, the equipment permanently affixed or permanently located therein, sueh as electrical, plumbing, sprinkler, fire protection and fire alarm, heating, steam, sewerage, drainage, refrigeration, communications, gas and other systems, and their pipes, wires, mains, lines, tubes, conduits, equipment and fixtures and all paving, drains, culverts, ditches and catch-basins.

(g) "Manager of the Airport" or "General Manager of the Airport" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and funetions vested in the General Manager by this Agreement; but until further notice from the Port Authority to the Lessee it shall mean the General Manager (or the temporary or acting General Manager) of the Airport for the time being, or his duly designated representative or representatives.

(h) "Unamortized Capital Investment" shall mean for purposes of this Lease, the amount of the Lessee's investment in the premises arising out of the performance by the Lessee of the construction work pursuant to and set forth in Section 2 of this Lease with respect to the multi-fuel vehicle service station after deduction therefrom of an amount equivalent to an allowance for depreciation and amortization. Such allowanee will be computed on a straight-line basis over a period commencing on the Completion Date, as established pursuant to Section 6 (f)(2) hereof to and including the day immediately prior to the twentieth (20th) anniversary of the Completion Date.

The foregoing computation to be made shall not take into consideration the effect of accelerated amortization, if any, granted to or taken by the Lessee on its books or otherwise under the provisions of Section 168(a) of Title 26 USCA or similar legislation hereafter enacted.

For purposes of this paragraph (h) the Lessee's investment in the premises shall be equal to the sum of: (1) the amounts paid by the Lessee to independent contractors for work actually performed and labor and materials actually furnished in connection with the construction of the station set forth in and pursuant to Section 6 of the Lease; and (2) the payments made and expenses incurred by the Lessee, in connection with such construction, for engineering, architectural, professional and consulting services and the supervision of construction, provided, however, that such payments and expenses pursuant to this item (2) shall not exceed ten percent (10%) of the amounts described in item (1); in each case, as the above-mentioned amounts, payments and expenses are evidenced, from time to time, by certificates of a responsible fiscal officer of the Lessee, sworn to before a Notary Public and delivered to the Port Authority, which certificates shall (i) set forth, in reasonable detail, the amounts paid to specified

independent contractors, the payments made to other specified persons and the other expenses incurred by the Lessee, which have not previously been reported in certificates delivered to the Port Authority, (ii) have attached thereto reproduction copies or duplicate originals of the invoices of such independent contractors and other persons acknowledging the receipt by them of such amounts and payments, and (iii) certify that the amounts, payments and expenses therein set forth constitute portions of the Lessee's investment in the premises for the purposes of this Lease.

(i) "Governmental Authority", "governmental board", and "governmental agency" shall mean federal, state, municipal and other governmental authorities, boards and agencies of any state, nation or government, except that it shall not be construed to include The Port Authority of New York and New Jersey, the lessor under this lease.

(j) "Person" shall mean not only a natural person, corporation or other legal entity, but also two or more natural persons, corporations or other legal entities acting jointly as a firm, partnership, unincorporated association, consortium, joint adventurers or otherwise.

(k) "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the premises of any Hazardous Substance and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the premises, and/or (iii) the presence of any Hazardous Substance on, about or under other property at the Airport as a result of the Lessee's use and occupancy of the premises or a migration of a Hazardous Substance from the premises, and/or (iv) any personal injury (including wrongful death) or property damage arising out of or related to any such Hazardous Substance, and/or (v) the violation of any Environmental Requirements pertaining to any such Hazardous Substance, the premises and/or the activities thereon.

(l) "Environmental Requirements" and "Environmental Requirement" shall mean all applicable present and future laws, statutes, enactments, resolutions, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans, authorizations, concessions, franchises, requirements and similar items, of all governmental agencies, departments, commissions, boards, bureaus, or instrumentalities of the United States, states and political subdivisions thereof and all applicable judicial, administrative, and regulatory decrees, judgments, and orders relating to the protection of human health or the environment, and in the event that there shall be more than one compliance standard, the standard for any of the foregoing to be that which requires the lowest level of a Hazardous Substance, the foregoing to include without limitation:

(i) All requirements pertaining to reporting, licensing, permitting, investigation, and remediation of emissions, discharges, releases, or threatened releases of Hazardous Substances into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Substances; and

(ii) All requirements, pertaining to the protection of the health and safety of employees or the public.

(m) "Hazardous Substance" and "Hazardous Substances" shall mean and include without limitation any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive, radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, petroleum and petroleum products and other substances which has or in the future shall be declared to be hazardous or toxic, or the removal of which has or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which has or in the future shall be restricted, prohibited, regulated or penalized by any Environmental Requirement.

Section 54. Storage Tanks

(a) All storage tanks, if any, installed in the premises as of the Commencement Date as defined in Section 2 hereof, together with all storage tanks installed in the premises during the term of the letting subsequent to the Commencement Date and its or their appurtenances, pipes, lines, fixtures and other related equipment are hereinafter collectively called the "Storage Tanks" and singularly called a "Storage Tank". The Lessee hereby agrees that title and ownership of the Storage Tanks shall be and remain in the Lessee, notwithstanding anything to the contrary in the Lease or any construction or alteration application. The Port Authority has made no representations or warranties with respect to the Storage Tanks or their location and shall assume no responsibility for the Storage Tanks. All Storage Tanks installed subsequent to said Commencement Date shall be installed pursuant to the terms and conditions of the Lease including without limitation Section 6 thereof and nothing in this Section shall or shall be deemed to be permission or authorization to install any Storage Tanks.

(b) Without limiting the generality of any of the provisions of the Lease, the Lessee agrees that it shall be solely responsible for maintaining, testing and repairing the Storage Tanks. The Lessee shall not perform any servicing, repairs or non-routine maintenance to the Storage Tanks without the prior written approval of the Port Authority.

(c) It is hereby agreed that title to and ownership of the Storage Tanks shall remain in the Lessee until the earlier to occur of (1) receipt by the Lessee of notice from the Port Authority that title to the Storage Tanks shall vest in the Port Authority or in the City of Newark or (2) receipt by the Lessee of notice from the Port Authority that the Port Authority waives its right to require the Lessee to remove the Storage Tanks from the premises as set forth in paragraph (i) below. The vesting of title to the Storage Tanks in the Port Authority or in the City of Newark, if at all, in accordance with the foregoing item (1) shall in no event relieve the Lessee from the obligation to remove the Storage Tanks from and restore the premises in accordance with paragraph (i) below.

(d) Without limiting the generality of any other term or provision of the Lease, the Lessee shall, at its cost and expense, comply with all Environmental Requirements pertaining to the Storage Tanks and any presence, pumping, pouring, venting, emitting, emptying, leakage, deposit, spill, discharge or other release of Hazardous Substances from the Storage Tanks or in connection with their use, operation, maintenance, testing or repair (any such presence, pumping, pouring, venting, emitting, emptying, leakage, deposit, spill, discharge or other release during the period the Lessee shall use or occupy the premises or use the Storage Tanks being hereinafter called a "Discharge") including without limitation registering and testing the Storage Tanks, submitting all required clean-up plans, bonds and other financial assurances, performing all required clean-up and remediation of a Discharge and filing all reports, making all submissions to, providing all information required by, and complying with all requirements of, all governmental authorities pursuant to the Environmental Requirements.

Nothing in the foregoing shall be construed as a submission by the Port Authority to the application to itself of the Environmental Requirements, *provided*, however, no immunity or exemption of the Port Authority from the Environmental Requirements shall excuse the compliance therewith by the Lessee or shall be grounds for non-compliance therewith by the Lessee.

(e) Without limiting the terms and provisions of Section 15 of the Lease, the Lessee hereby assumes all risks arising out of or in connection with the Storage Tanks and all Discharges whether or not foreseen or unforeseen and shall indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees from and against (and shall reimburse the Port Authority for their costs and expenses including without limitation penalties, fines, liabilities, settlements, damages, attorney and consultant fees, investigation and laboratory fees, clean-up and remediation costs, court costs and litigation expenses), all claims and demands, just or unjust, of third persons (such claims and demands being hereinafter in this Section referred to as "Claims" and singularly referred to as a "Claim") including but not limited to those for personal injuries (including death), property damages, or environmental impairment, arising or alleged to arise out of or in any way related to, the failure of the Lessee to comply with each and every term and provision of the Lease, or the Storage Tanks, or any Discharge, or any lawsuit brought or threatened, settlement reached or any governmental order relating to the Storage Tanks or a Discharge, or any violation or any Environmental Requirements or demands of any governmental authority based upon or in any way related to the Storage Tanks or a Discharge, and whether such arise out of the acts or omissions of the Lessee or of customers or contractors of the Lessee or of third persons or out of the acts of God or the public enemy or otherwise including claims by the City of Newark against the Port Authority pursuant to the provisions of the Basic Lease (as defined in the Lease) whereby the Port Authority has agreed to indemnify the City against claims. It is understood the foregoing indemnity shall cover all claims, demands, penalties, settlements, damages, fines, costs and expenses of or imposed by any governmental Authority under the Environmental Requirements.

If so directed the Lessee shall at its expense defend any suit based upon any such Claim (even if such Claim is groundless, false or fraudulent) and in handling such it shall not without first having 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.

(f) The Lessee's obligations under this Section shall survive the expiration or earlier termination of the Lease.

(g) In addition to the requirements of Section 8 of the Lease and paragraph (d) hereof, the Port Authority shall have the right upon notice to the Lessee to direct the Lessee, at the Lessee's sole cost and expense, (i) to perform such reasonable testing of the Storage Tanks as the Port Authority shall direct and to perform such testing of the soil, subsoil and ground water of the premises and of such surrounding areas as the Port Authority shall direct, and (ii) to clean-up and remediate any Discharge, regardless of whether any Environmental Requirement or governmental authority shall require such testing, clean-up or remediation, which testing, clean-up and remediation shall be performed pursuant to an alteration application prepared by the Lessee and submitted to the Port Authority for the Port Authority's approval.

(h) In the Lessee's use and operation of the Storage Tank, the Lessee shall not permit any Hazardous Substance from entering the ground including without limitation (subject to Section 6 hereof) installing appropriate spill and overfill devices and placing an impervious material, such as asphalt or concrete, over the ground area above and in the vicinity of the Storage Tanks.

(i) (1) The Lessee shall remove the Storage Tanks from the premises on or before the expiration of the Lease and dispose of the Storage Tanks off the Airport in accordance with all Environmental Requirements.

(2) Without limiting the foregoing or any other term or provision of this Agreement, any removal of the Storage Tanks shall be performed pursuant to an alteration application prepared by the Lessee and submitted to the Port Authority for the Port Authority's approval and, in connection with such removal, the Lessee shall restore the premises to the same condition existing prior to the installation of the Storage Tanks, shall perform such testing of the Storage Tanks and of the soil, sub-soil and ground water in the vicinity of the Storage Tanks as shall be required by the Port Authority and shall clean-up and remediate contamination disclosed by said testing. In the event the Lessee does not remove the Storage Tanks as required by subparagraph (1) above, the Port Authority may enter upon the premises and effect the removal and disposal of the Storage Tanks, restoration of the premises and such remediation and the Lessee hereby agrees to pay all costs and expenses of the Port Authority arising out of such removal, disposal, restoration and remediation.

Section 55. **Federal Airport Aid**

The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Airport and Airways Development Act of 1970, as the same has been amended and supplemented or superseded by

similar federal legislation, and under prior federal statutes which said Act superseded and the Port Authority may in the future apply for and receive further such grants. In connection therewith, the Port Authority has undertaken and may in the future undertake certain obligations respecting its operation of the Airport and the activities of its contractors, lessees and permittees thereon. The performance by the Lessee of the covenants, promises and obligations contained in this Lease is therefore a special consideration and inducement to the making of this Agreement by the Port Authority, and the Lessee further covenants and agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority in connection with the Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Lessee of such covenants, promises and obligations under this Agreement, the Lessee will promptly comply therewith, at the time or times when and to the extent that the Port Authority may direct.

Section 56. **Lessee's Rights Non-Exclusive**

The rights and privileges granted to the Lessee are non-exclusive and neither the execution of this Lease by the Port Authority nor anything contained herein shall grant or be deemed to grant to the Lessee any exclusive rights or privileges including but not limited to the right to design, construct, lease, or operate an automobile service station and the right to provide towing emergency repair service at the Airport.

Section 57. **One Hundred Twenty Day Termination**

(a)(i) The Port Authority shall have the right to terminate this Agreement and the letting hereunder, without cause, at any time, on one hundred twenty (120) days' prior written notice to the Lessee. In the event that this Agreement and the letting hereunder is terminated pursuant to this Section, this Agreement and the letting hereunder shall cease and expire as if the effective date of termination stated in the notice were the date originally stated herein for the expiration of this Agreement.

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

(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 paragraph (c) hereof, 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 (2.a.)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 the 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 48, 6 and 28 shall apply thereto.

(c) Cost and Proration Thereof:

(i) To the extent permitted by sound accounting practice, the sum of the following items of cost incurred by the Lessee for such equipment and fixtures and the installation thereof and the making of such improvements as are necessary to initially equip and improve the premises for the Lessee's commencement of operations hereunder, all as mentioned in the Section of the Agreement entitled "One Hundred Twenty Day Termination," and to the extent that such sum does not exceed (Ex. 2.a.) shall constitute the "cost" under the said Section and under subdivisions (ii), (iii), (iv), (v), (vi), and (vii) hereof:

(aa) Direct labor and material costs;

(bb) Contract costs for purchases and installation, including, without limitation, furniture, fixtures, and equipment, but excluding those of the types mentioned in the following subdivision (cc);

(cc) Engineering, architectural, planning, designing, financing, interest, insurance, and other overhead or carrying charges which are due for a period ending not later than the date of completion of installation of any such initial equipment, fixtures or improvements for which they are incurred, and not to exceed 20% of the total of the amounts covered by subdivisions (aa) and (bb) above.

(ii) A statement of the cost detailing all the foregoing including copies of invoices and contracts and certified by a responsible officer of the Lessee shall be delivered by

the Lessee to the Port Authority not later than ninety (90) days after the complete supplying and the making of all such initial improvements, and the Lessee shall permit the Port Authority, by its agents, employees and representatives, at all reasonable times prior to a final settlement or determination of cost, to examine an audit the records and books of account within the Port of New York District during such time.

(iii) If the Lessee includes in cost any items as having been incurred but which, in the opinion of the Port Authority, if so incurred is not an item properly chargeable to cost under sound accounting practice, then the Port Authority shall give written notice to the Lessee stating its objection to any such item and the grounds therefor. Determinations of the Port Authority hereunder shall be final.

(iv) The proration of cost as referred to in the Section of the Agreement entitled "One Hundred Twenty Day Termination" shall be ascertained by multiplying the cost by a fraction, the numerator of which shall be the number of whole calendar months (in the term of the letting as originally set forth) subsequent to the effective date of termination, and the denominator of which shall be the total number of months in the term of the letting as originally set forth.

(v) Notwithstanding any other provision of this Section in ascertaining the amount that the Port Authority shall be obligated to pay to the Lessee under said Section the cost computed as heretofore stated in this paragraph (c) shall be diminished by the amount that any part of the components of cost as stated in subdivisions (aa), (bb), and (cc) of subdivision (i) above are secured by liens, mortgages, other encumbrances or conditional bills of sale on such equipment, fixtures and improvements, unless such liens, mortgages, other encumbrances, or conditional bills of sale are paid and discharged of record prior to or simultaneously with the tender of payment of the prorated cost by the Port Authority to the Lessee; by the cost, if any incurred by the Port Authority to demolish the Lessee's facility upon the termination of the term of the letting and to restore the premises, and less any other amounts whatsoever due under this Agreement from the Lessee to the Port Authority. The Lessee may use any portion of the prorated cost tendered by the Port Authority to the Lessee to discharge of record any liens, mortgages, other encumbrances or conditional bills of sale on its equipment, fixtures and improvements. In no event whatsoever shall cost, as defined and computed in accordance with this paragraph (c) and as used in this Section include any expenses, outlays or charges whatsoever by or for the account of the Lessee for or in connection with any equipment or fixtures or the making of any improvement mentioned in this Section unless said equipment, fixtures and/or improvements are actually and completely installed in and/or made to the premises.

Section 58. 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 the control of the Port Authority. 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 59. Environmental Compliance

(a) The Lessee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on, or under the premises or into any ditch, conduit, stream, storm sewer, or sanitary sewer connected thereto or located at the Facility. Any Hazardous Substance disposed of, released or discharged by the Lessee (or permitted by the Lessee to be disposed of, released or discharged) on the premises or at the Facility, shall upon notice by the Port Authority to the Lessee and subject to the provisions of all Environmental Requirements be completely removed and/or remediated by the Lessee. The obligations of the Lessee pursuant to this paragraph shall survive the expiration or termination of this Agreement.

(b) Upon the expiration or earlier termination of the letting hereunder, the Lessee shall at its sole cost and expense, remove or permanently close all underground storage tanks and associated piping in compliance with all environmental requirements including the conduct of a site assessment and performance of any necessary cleanup or remedial action. The Lessee shall provide the Port Authority with copies of all records relating to any underground storage tanks that are required to be maintained by any applicable environmental requirements.

(c) Promptly upon any termination of the letting hereunder, or when required by any applicable federal, state, or local regulatory authority, the Lessee shall perform, at its sole cost and expense, an environmental site assessment reasonably acceptable to the Port Authority to determine the event, if any, of contamination of the premises and shall, at its sole cost and expense, clean up, remove, and remediate (i) all Hazardous Substances in, on, or under the premises, (ii) any petroleum in, on, or under the premises in excess of allowable levels, and (iii) all contaminants and pollutants in, on, or under the premises that create or threaten to create a substantial threat to human health or the environment and that are required to be removed, cleaned up, or remediated by any and all applicable environmental requirements.

(d) The Lessee shall indemnify and save harmless the Port Authority from and against any and all liabilities, damages, suits, penalties, judgments, and environmental cleanup, removal, response, assessment, or remediation cost arising from contamination of the premises or release of any Hazardous Substance, pollutant, contaminant or petroleum in, on, or under the premises. The Lessee shall indemnify and save the Port Authority harmless from and against any and all loss of rentals or decrease in property values arising from Lessee's breach of paragraph (a) of this Section.

Section 60. Security Deposit

Upon the execution of this Agreement by the Lessee and delivery thereof to the Port Authority, the Lessee shall deposit with the Port Authority (and shall keep deposited throughout the term of this Agreement, the sum of One Hundred Thousand Dollars and No Cents ($100,000.00) either in cash, or bonds of the United States of America, or of the State of New York or of the State of New Jersey, or of the Port Authority of New York and New Jersey,

having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Lessee, all of the provisions, terms, covenants and conditions of the Agreement on its part to be fulfilled, kept, performed or observed and as security for the payment of all other rentals, fees, charges and obligations owed or which may become due and owing to the Port Authority arising from the Lessee's operations at the Airport, whether covered by a written agreement or otherwise. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Lessee may deposit such bond or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been reregistered in the name of the Port Authority (the expense of such re-registration to be borne by the Lessee) in a manner satisfactory to the Port Authority. The Lessee may request the Port Authority to accept a registered bond in the Lessee's name and if acceptable to the Port Authority the Lessee shall deposit such bond together with a bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Lessee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Lessee shall be borne by the Lessee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice to use the said 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 of the Agreement on the part of the Lessee. In the event that the Port Authority shall at any time or times so use the deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the above-mentioned amount, the Lessee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier termination of the Agreement as the same may have been extended and upon condition that the Lessee shall then be in no wise in default under any part of the Agreement, as this Agreement may have been amended or extended (or both), and upon written request therefor by the Lessee, the Port Authority will return the said deposit to the Lessee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Lessee of the Agreement or any part thereof and less any other fees, charges and obligations owed to the Port Authority arising from the Lessee's operations at the Airport. The Lessee agrees that it will not assign or encumber the said deposit and any such assignment or encumbrances shall be void as to the Port Authority. 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 all right to participate therein and all 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 above provided that this shall not relieve the Lessee from maintaining the deposit in the full amount stated above.

(b) The Lessee may at any time during the effective term of the letting under this Agreement offer to deliver to the Port Authority, as security for all obligations of the Lessee under this Agreement, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District, in favor of the Port Authority in the amount of One Hundred Thousand Dollars and No Cents ($100,000.00).

The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective term of the letting under this Agreement and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent satisfactory letter. Upon notice of cancellation of a letter of credit, the Lessee agrees that unless, by a date twenty (20) days prior to the effective date of cancellation, the letter of credit is replaced by security in accordance with paragraph (a) of this Section or another letter of credit satisfactory to the Port Authority, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security under paragraph (a) of this Section. Failure to provide such a letter of credit at any time during the effective period of the permission, under this Agreement, valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit shall be deemed to be a breach of this Agreement on the part of the Lessee. Upon acceptance of such letter of credit by the Port Authority, and upon request by the Lessee made thereafter, the Port Authority will return the security deposit, if any, theretofore made under and in accordance with the provisions of paragraph (a) of this Section. The Lessee shall have the same rights to receive such deposit during the existence of a valid letter of credit, as it would have to receive such sum upon expiration of the permission under this Agreement and fulfillment of the obligations of the Lessee hereunder. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Lessee on demand of the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to its full amount.

(c) For purposes of the foregoing, the Lessee hereby certifies that its I.R.S. Federal Tax Identification No. is (Ex. 1)

Section 61. Books and Records

In addition to and without limiting the provisions of the Section of this Agreement entitled "Definitions" hereof or any term or provision of this Agreement, the Lessee shall keep in

an office or offices in the Port of New York District, appropriate books and records showing (i) all matters with respect to the costs of the construction work; (ii) all matters which the Lessee is required to certify to the Port Authority pursuant to this Lease and (iii) any and all other matters concerning the Lessee's operations at the Airport with respect to which the Port Authority may reasonably need information to fulfill its obligations or exercise its rights under this Lease whether or not of the type enumerated above in this Section and whether or not an express obligation to keep books and records with regard thereto is expressly set forth elsewhere in this Lease. The Lessee shall not be obligated to preserve any such records for more than seven (7) years after the receipt of revenues or occurrences of charges or expenses hereunder unless they are material to litigation initiated within that time, in which event they shall be preserved until the final determination of the controversy. The Port Authority shall have the right to audit and inspect such books and records during regular business hours.

Section 62. Other Agreements

The Lessee shall not, by virtue of the execution of this Agreement, be released or discharged from any obligations or liabilities whatsoever under any other agreements with the Port Authority.

Section 63. Operating Names

(a) Any name, designation or any service mark proposed to be used or displayed at the premises 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 marks 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.

Nothing herein contained is intended to apply to the continuing use by the Lessee of its customary name, designation or service mark used elsewhere in its operations prior to its making of this Agreement.

Section 64. Space Licenses

Notwithstanding the provisions of paragraphs (b) and (d) of the Section of this Agreement entitled "Assignment and Sublease", the Lessee may license a third person to operate

the multi-fuel vehicle service station and towing service at the premises pursuant to the provisions of Section 3 of this Agreement provided, however, that:

(1) the proposed licensee, its Chief Operating Officer, or the employee chiefly responsible for the operations being conducted on the premises shall have an established record and more than three (3) years' experience in the operation of a multi-fuel vehicle service station similar in size to that described herein, and including the operation of a natural gas fueling station and towing service, and shall have adequate and experienced staff and management personnel to give full time attention to the operation in the premises of the proposed service station in accordance with all the terms and conditions of this Agreement and to fulfill all of the Lessee's obligations with respect to such concession under this Agreement throughout the term of the letting hereunder; and

(2) the proposed licensee shall have the same obligation as the Lessee has as to the use of the premises which shall be in accordance with the purposes set forth in Section 3 of this Agreement, and the proposed licensee shall use the area for no other purpose whatsoever; and

(3) the proposed licensee, and each officer, director or partner thereof, and each person, firm or corporation having an outright or beneficial interest in twenty percent (20%) or more of the monies invested in the proposed licensee, if the proposed licensee is a corporation or partnership, by loans thereto, stock ownership therein, or any other form of financial interest, has as of the date of the proposed license agreement a good reputation for integrity and financial responsibility and has not been convicted or nor is under current indictment for any crime and is not currently involved in civil anti-trust or fraud litigation, or any proceedings indicative of a lack of business integrity; and

(4) neither the proposed licensee nor any officer, director, or partner thereof, nor any person, firm or corporation having an outright or beneficial interest in twenty percent (20%) or more of the monies invested in the proposed licensee, if the proposed licensee is a corporation or partnership, by loans thereto, stock ownership therein, or any other form of financial interest is in conflict of interest, as defined under the laws of the State of New York with any Commissioner of the Port Authority as of the date of the proposed assignment;

(5) the Port Authority shall not have had any unfavorable experience with the proposed licensee, or any of its officers, directors, or partners, or any person, firm or corporation having an outright or beneficial interest in twenty percent (20%) or more of the monies invested in the proposed licensee, if such licensee is a corporation or partnership, by loans thereto, stock ownership therein or any other form of financial interest; and

(6) neither the proposed licensee, nor any officer, director or partner thereof, nor any person firm or corporation having an outright or beneficial

interest in twenty percent (20%) or more of the monies invested in the proposed licensee, if the proposed licensee is a corporation or partnership, by loans thereto, stock ownership therein, or any other form of financial interest has filed a voluntary petition in bankruptcy or has been adjudicated a bankrupt within five years prior to the date of the proposed license agreement; and

provided, further, however, that no such license agreement shall be effective until an agreement in the form annexed hereto as "Exhibit Z" has been executed by the Port Authority, the Lessee and the proposed licensee. The Port Authority agrees to execute such agreement provided that the proposed licensee fulfills the requirements and conditions set forth in subdivisions (1) through (6) of this Section. The agreement between the Lessee and the licensee shall be made expressly subject to the terms and provisions of this Agreement, and each licensee shall comply with all of the terms and provisions of this Agreement applicable to the premises and shall use and occupy the premises as though such licensee were the Lessee hereunder. The Lessee understands that notwithstanding the retention of third persons to operate the multi-fuel service station hereunder, the Lessee shall remain fully liable for the performance of all of the terms and provisions of this Agreement, and for securing compliance therewith by its licensee. All acts and omissions of the Lessee's licensee shall be deemed acts or omissions of the Lessee. In spite of any effort by the Lessee to secure compliance with all of the terms and provisions of this Agreement by its licensee, any breach or violation of the terms and provisions of this Agreement by the licensee shall be deemed a breach or violation of this Agreement by the Lessee, and in such event the Port Authority shall have all rights or remedies consequent upon such breach or default as are reserved to it by this Agreement, and, subject to all notice requirements as are set forth herein, the provisions of this Agreement relating to default and termination shall apply as if the licensee were the Lessee hereunder. For the purpose of computing the percentage and variable rentals payable by the Lessee hereunder, all monies, payments or fees paid or payable to the Lessee by its licensee in connection with the licensee's operations in the premises (including all monies, payments or fees described in the applicable license agreements between the Lessee and its licensee other than reimbursements of rentals, including, without limitation, percentage and variable rentals, and other charges payable by the Lessee to the Port Authority pursuant to the terms of this Agreement) and all gross receipts arising out of the operations of such licensee in the premises shall be deemed to be gross receipts of the Lessee, shall be included in the gross receipts of the Lessee hereunder, and shall be subject to the percentage rental payable hereunder.

Section 65. Certain Environmental Testing and Clean-up Obligations

(a) (1) Attached hereto, hereby made a part hereof is an exhibit marked "Exhibit M" which consists of a "Newark Liberty International Airport, Proposed Service Station, Environmental Subsurface Baseline Investigation, Final Report, dated July 2006" including its appendices and compilation of reports and tests results of subsurface soil and groundwater samples taken on various dates as set forth in Exhibit M from a total of ten (10) soil borings setting forth the levels of PP + 40 (Priority Pollutant plus 40 compounds), including total xylenes, methyl tertiary butyl ether (MTBE), total petroleum hydrocarbon (TPHC), and tert-butyl alcohol (TBA), all as more specifically named and set forth in Exhibit M.

(2) All of the aforesaid items for which the said samples were tested as set forth in Exhibit M ("Exhibit M") are hereinafter referred to as the "Analyzed Items."

(3) The Port Authority hereby represents to the Lessee and the Lessee acknowledges and agrees that the aforesaid Exhibit M as attached hereto contains and sets forth tests results and a report of subsurface environmental investigations performed at the Premises by or on behalf of the Port Authority prior to the execution of this Lease and for purposes of establishing the Initial Existing Condition as hereinafter defined.

(4) Further, the Lessee may, subject to the terms and conditions of Section 6 hereof and subject to the coordination requirements of subparagraph (b) (4) below, take other samples from various locations on the Premises selected by the Lessee and agreed to by the Port Authority which shall be analyzed by qualified personnel of an independent laboratory, mutually acceptable to the Port Authority and the Lessee, in accordance with State and Federal laws, ordinances, rules, regulations, requirements, orders or directions for petroleum and/or hazardous substance characterization and the results thereof shall be set forth in a report prepared by such laboratory and upon delivery of such report and tests results to the Port Authority, such report and test results shall become part of Exhibit M and of the Current Remediation, as hereinafter defined, on condition and provided that: (i) the said sampling and testing were done in accordance with a methodology approved by the Port Authority; (ii) no part of such test results nor any such report shall become part of Exhibit M or of the Initial Existing Condition or of the Current Remediation unless all such samples, test results and the report are completed prior to the Completion Date, as hereinbefore defined in Section 6 hereof; (iii) that should such test results and report list contaminants not now set forth in Exhibit M as attached hereto on the execution date of this Lease or indicate a higher level of any of the Analyzed Items set forth in said Exhibit M then such contaminant or contaminants and such higher level or higher levels shall become part of Exhibit M only if the Lessee proves to the reasonable satisfaction of the Port Authority that such contaminant or contaminants and such higher level or higher levels existed in the Premises prior to the effective date of this Lease and provided, further, that such contaminant or contaminants and such higher level or higher levels were not caused by or did not result from any act or omission of the Lessee or of any of its agents, contractors or representatives; it being expressly understood and agreed that any such newly discovered contaminant or contaminants and such higher level or higher levels not so made a part of Exhibit M shall be included within the Lessee's sole responsibilities for contaminants and remediation at the Premises under paragraph (c) hereof.

(5) The said reports and tests results set forth in Exhibit M (including any supplemental reports and test results as may be called for under paragraph (b) hereof) for the purposes of this Lease, the levels of the Analyzed Items in the soil and upper aquifer in the Premises at the commencement of the term of the letting hereunder and are herein called the "Initial Existing Condition," and said reports and tests results produced in connection therewith and, together with the results of any subsequent reports and tests which may be made supplemental to or which may supersede those in Exhibit M or of the applicable portions thereof as provided for in paragraph (d) below as applied by the aforesaid methodology to all portions of the Premises, are, for purposes of this Lease, hereinafter called the "Existing Condition," provided, however, in no event shall the level of any Analyzed Item in any Existing Condition be

above the lower of (i) the level of such Analyzed Item as set forth in the Initial Existing Condition, or (ii) the lowest level to which such Analyzed Item has been remediated to as shown in a succeeding Existing Condition.

(b) (1) It is hereby recognized by the parties hereto that as a result of the reporting of the Initial Existing Condition to the New York State Department of Environmental Conservation (hereinafter called the "DEC") the DEC may require remediation of the Initial Existing Condition including all appropriate borings and wells required for said remediation (which remediation is herein called the "Current Remediation") and that the Port Authority and the DEC are currently undertaking discussions to establish a level to which each of the Analyzed Items in the ground water and soil in the Premises must be remediated by the Current Remediation (which level or levels as established for each of the Analyzed Items is hereinafter called a "Clean-Up Level"). It is understood and agreed solely with respect to and solely during and for the period of the Lessee's performance of the Construction Work under Section 6 hereof, that said Current Remediation shall, as between the Lessee and the Port Authority, be deemed to include the remediation as may be required by the DEC of any contaminant or contaminants discovered by the Port Authority during the performance of the Current Remediation or by the Lessee during the performance of the Construction Work and not now set forth in Exhibit M, provided, however, that such contaminant or contaminants are determined by the Port Authority to have been existing in the Premises prior to the effective date of this Lease and provided, further, that such contaminant or contaminants were not caused by or did not result from any act or omission of the Lessee or of any of its agents, contractors or representatives; and Exhibit M shall be supplemented to include the reports and test results of any such newly discovered contaminant or contaminants so included in the Current Remediation in accordance with the foregoing; it being expressly understood and agreed that any such newly discovered contaminant or contaminants not so made a part of the Current Remediation shall be deemed included within the Lessee's sole responsibilities for contaminant(s) and remediation at the Premises under paragraph (c) hereof. Neither the provisions of this Section 65 nor any reference herein to the DEC or to the Port Authority's Current Remediation or to any governmental agency which may succeed to the DEC shall or shall be construed as any consent by the Port Authority to the jurisdiction of such agency over the Port Authority or its operations at the Airport or any waiver of any Port Authority position or policy with respect thereto.

(2) The Port Authority hereby recognizes that the Lessee may be performing the Construction Work, or portions thereof as the case may be, under Section 6 hereof concurrently with the performance of the Current Remediation and the Lessee hereby likewise recognizes that the performance of the Current Remediation may occur concurrently with the Lessee's performance of the Construction Work. The Port Authority agrees to consult with the Lessee in the scheduling of the Current Remediation so as to provide minimum interference with the Lessee's scheduling of the Construction Work and the Lessee likewise agrees to consult with the Port Authority in the Lessee's scheduling of the Construction Work, subject to the requirements of the DEC for the Current Remediation, so as to provide minimum interference with the Current Remediation.

(3) As between the Lessee and the Port Authority, and based on the Lessee's comprehensive plan and design of the Construction Work under Section 6 hereof, as

and when approved by the Port Authority and as further described in and subject to paragraph (c) below, the Lessee shall not be responsible for the Current Remediation, except that the Lessee shall be responsible for any and all increased expenses including without limitation all costs and expenses relating thereto necessary, required, or appropriate as a result of, caused by, incidental to or triggered by any change in the said Lessee's comprehensive plan or any change in the design, method or scope of the Construction Work required under Section 6 hereof unless such change had theretofore received the prior review and the written approval of the Port Authority including the Port Authority's written consent in a writing signed by the Port Authority's Director of Aviation to the impact of such change on the Current Remediation (which remediation costs and expenses for which the Lessee is so responsible is hereinafter called the "Lessee's Incremental Costs of the Current Remediation").

(4) Without limiting the generality of any provision of the Lease, in the event that any applicable governmental or regulatory environmental requirements set forth more than one compliance standard, the Port Authority and the Lessee agree that the standard or standards to be applied in connection with any obligation they each may have under the Lease with respect to environmental requirements shall be that which requires or permits the lowest level of a hazardous substance; provided, however, in the event that, after the completion of the Current Remediation, such lowest level of hazardous substance requires or allows the imposition of any restriction of any nature whatsoever upon the use or occupancy of the Premises or any other portion of the Facility or upon any operations or activities conducted or to be conducted on the Premises or the Facility, then the Lessee shall remediate and clean up to such a level so that there is no such restriction placed upon the use and occupancy of the Premises or the Facility or upon any operations or activities conducted or to be constructed on the Premises or the Facility.

(5) The Lessee further agrees that, the Port Authority shall have the right at any time and from time to time, acting in its sole discretion and without any obligation whatsoever to the Lessee or otherwise to do so, to designate any level or levels or standard or standards of remediation or cleanup permitted or required under any such environmental requirements, and such designation shall be binding upon the Lessee with respect to its obligations under the Lease with respect to such environmental requirements.

(c) Without limiting the generality of paragraph (b) hereof or any other term or provision of the Lease, the Lessee agrees to accept the Premises "as is" and, except as set forth in subparagraphs (1) through (6) below, to be solely responsible for any and all contaminants, and any and all soil and ground water or other contamination and remediation thereof, in and on the Premises, including without limitation, all costs and expenses thereof (including, without limitation the Lessee's Incremental Costs of the Current Remediation) and any and all claims, penalties or other expenses relating thereto. It is expressly understood and agreed that the proper handling, delivery, treatment, storage, transportation, disposal and depositing (all of the foregoing being hereinafter collectively called "Disposal"), whether on or off the Airport, of any soil, dirt, sand, water or other matter excavated, disturbed or removed by the Lessee (or by any contractor or contractors of the Lessee) at or from the Premises (or any other area of the Airport) at any time or times including, without limitation, any and all Disposal of such matter in connection with the performance of the Construction Work and any and all remediation and Disposal of such matter and any and all other remediation, Disposal and cleanup (whether soil,

upper aquifer or otherwise) necessary, required or appropriate as a result of, caused by, incidental to or triggered by such excavation, disturbance or removal of such matter or arising therefrom, and the taking or doing of any and all other action or actions necessary, required or appropriate in connection therewith, and in accordance with all Environmental Requirements, shall be the sole and complete responsibility of the Lessee including, without limitation, all costs and expenses thereof and any and all claims, penalties or other expenses relating thereto. The foregoing obligations of the Lessee shall obtain and apply with full force and effect irrespective of the nature or source of any contaminant, pollutant, chemical, waste or other substance or whether any of the same is an Analyzed Item or whether any of the same is at a level or levels above or below the level or levels of the Existing Condition or whether there has or has not been any increase in such level or levels. The Lessee shall perform all of the foregoing in accordance with and subject to all the terms, provisions, covenants and conditions of the Lease. Notwithstanding any other provision hereof to the contrary, the Lessee shall not be responsible for the following remediation of and contamination in and on the Premises:

(1) the Current Remediation except for the Lessee's Incremental Costs of the Current Remediation;

(2) contamination of soil and ground water caused by the acts and omissions of the Port Authority;

(3) remediation (exclusive of the Lessee's Incremental Costs of the Current Remediation) of the Existing Condition required solely by the DEC (or such other applicable governmental agency, if any, succeeding to the DEC and which has jurisdiction over the operations of the Port Authority at the Airport or with whose governmental requirements the Port Authority has agreed to conform) lowering below the Clean-Up Level for an Analyzed Item the level the DEC will accept on the Premises of such Analyzed Item;

(4) contamination caused solely by the flow of ground water or the leaching of soil from outside the Premises;

(5) contamination and contaminants existing in or on the Premises prior to the effective date of this Lease which are discovered subsequent to the establishment of the Existing Condition and are not listed in Exhibit M and the remediation thereof; except that the Lessee shall be solely responsible for such contamination and contaminants and the remediation thereof if (i) the Lessee is not able to or does not establish or prove to the satisfaction of the Port Authority that such contamination and contaminants in fact existed in or on the Premises prior to the effective date of this Lease, or (ii) if any such contamination or contaminants were caused by or resulted from any act or omission of the Lessee or of any of its agents, contractors or representatives;

(6) remediation of soil which is excavated by the Lessee in order for it to perform the Construction Work pursuant to and under Section 6 hereof and during the course of the Construction Work under Section 6 hereof and which soil is not used at the Site (as defined in Section 1 hereof); provided that (i) the Lessee shall deliver such soil at its sole expense to an on or off Airport location as designated by the Port Authority, (ii) the contaminant

or contaminants in such soil were not caused by or did not result from any act or omission of the Lessee, and (iii) the Lessee is able to prove to the satisfaction of the Port Authority that such contaminant or contaminants, if not listed in Exhibit M, in fact existed in the Premises prior to the effective date of the Lease.

(d) Without limiting the generality of the provisions of Section 22 of this Lease, the Port Authority and its designees shall have the right but not the obligation to enter upon the Premises upon forty-eight (48) hours' notice (or such shorter notice period as may be required by the DEC or such other governmental agency or agencies as described above) to the Lessee to conduct testing and related activities from the wells made by borings referred to in paragraph (a) above, to make additional borings and wells and to conduct testing and related activities therefrom, and to perform such activities as shall be necessary to perform the Current Remediation as and to the extent set forth in paragraph (b) above and to otherwise remediate the Existing Condition to the extent the Lessee is not required to do so by this Section 65, including but not limited to, conducting pumping from the wells made by borings referred to in paragraph (a) above and in this paragraph (d). In the exercise of the foregoing rights the Port Authority shall not unreasonably interfere with the use and occupancy of the Premises by the Lessee.

(e) If after any remediation performed on the Premises, whether by the Lessee, the Port Authority or a third party(ies), the Port Authority shall sample and test the soil and/or aquifer of the Premises or portions thereof and shall set forth the results of such samplings and tests in a report (it being understood however that the Port Authority shall not have any obligation to perform such sampling, testing or to set forth such results in a report), upon delivery of such report and test results to the Lessee, such report and test results shall supersede and replace Exhibit M or the applicable portions thereof if the test results and reports are of Analyzed Items which have been previously tested and the results thereof reported in Exhibit M from the same well or boring or a new well or boring which is immediately adjacent to such well or boring and shall supplement Exhibit M or the applicable portions thereof if the test results and reports would not supersede any test results and reports in Exhibit M as aforesaid, and the said results of such report setting forth the levels of the Analyzed Items in the soil and upper aquifer of the Premises together with those portions of Exhibit M which have not been replaced shall thereafter upon such delivery thereafter to the Lessee be and be deemed to be the "Existing Condition" under this Section 65; provided, however, and notwithstanding the foregoing, and subject to and in accordance with this Section, in no event shall the level of any Analyzed Item in any Existing Condition be above the level for such Analyzed Item as set forth in the Initial Existing Condition or the lowest level to which such Analyzed Item has been remediated.

(f) Without limiting the generality of the provisions of Section 12 of the Lease, the Lessee agrees to protect and maintain the wells made by the borings referred to in paragraph (a) above and shall repair any damage thereto not caused by the activities of the Port Authority or its designees, if any, pursuant to paragraphs (e) above. If in connection with the Construction Work under Section 6 hereof it is necessary to fill any of the said wells, then, provided that such filling is permitted or approved by the Port Authority and provided that the Current Remediation may in the determination of the Port Authority proceed with a replacement well or wells, the Lessee shall perform all work (other than the filling of the well or wells) necessary or required for a replacement well or wells in accordance with the terms and

provisions of the Lease and the related Construction Application(s) to be submitted by the Lessee covering such work in accordance with Section 6 hereof, as the same may be approved by the Port Authority, and, further, the Lessee hereby agrees that all costs and expenses for and in connection with the drilling of a new well or wells to replace the filled well or wells shall be borne solely by the Lessee without any reimbursement from the Port Authority. The obligation of the Lessee to protect and maintain the wells as set forth in the first sentence of this paragraph (f) shall be deemed to also pertain and apply to any and all such replacement wells.

(g) The terms and conditions of this Section are intended to allocate obligations and responsibilities between the Lessee and the Port Authority. Nothing in this Section 65shall limit, modify or otherwise alter the rights and remedies which the Port Authority or Lessee may have against third parties at law, equity or otherwise.

Section 66. Official Inspection Station

(a) The Lessee is hereby granted permission to maintain a New Jersey State official inspection station for motor vehicles. The Lessee shall, during the entire period it conducts such official inspection station, maintain in effect, licenses, certificates or other authorization required to conduct motor vehicle inspections and shall comply with all governmental requirements governing the same. The permission granted herein shall in no way constitute the Lessee an agent of the State of New Jersey for the purpose of conducting such official inspection or constitute the necessary governmental authorization to conduct the same.

(b) It is hereby expressly understood that the permission granted above for the operation of an official inspection station is subject to revocation at any time, without cause, upon thirty (30) days' prior written notice from the Port Authority to the Lessee and the Lessee shall cease use from and after the effective date of any such notice. Revocation hereunder shall not affect any of the other terms and provisions of the Lease which shall continue in full force and effect.

Section 67. Phase 1A Roadway Work

(a) The parties hereby acknowledge that the Port Authority is performing a certain landside access construction project at the Airport consisting generally of the following portions: a) the construction of certain roadway improvements at the Airport's principal roadway entrance; b) the construction of an inbound ramp connecting the 1-78 Connector to Brewster Road and a corresponding ramp to facilitate outbound movements of traffic; c) the construction of roads to connect Monorail Stations "D2" and "E" to adjacent Airport roads, and drop-off/pick-up facilities at said Stations; d) an expansion of the Central Terminal Area Complex recirculation road; and e) other roadway improvements related thereto; all of the foregoing portions being hereinafter collectively called the "Phase 1A Roadway Work".

(b) (l) For purposes of this Lease, the term "Phase 1A Costs" shall mean the total costs in connection with all portions of the Phase 1A Roadway Work, which shall be the total of

the following costs as such costs are incurred in the performance of each portion of the Phase IA Roadway Work.

A. Construction Costs:

(1) payments to independent contractors, vendors and suppliers;
(2) premiums or charges for Performance Bonds;
(3) insurance premiums or charges;
(4) direct payroll and expenses of Port Authority employees and agents engaged in performance or supervision of the work, charged in accordance with Port Authority accounting practice.

B. Engineering Services:

(1) payments to independent consultants and engineering firms;
(2) direct payroll and expenses of Port Authority staff arising in connection with the work, charged in accordance with Port Authority accounting practice.

C. Other direct costs charged in accordance with Port Authority accounting practice.

D. Liquidated overhead in lieu of the Port Authority's administration and overhead costs in the amount of ten percent (10%) of the sum of all other elements of cost included in the Port Authority's net total cost (including Financial Expenses in 'E' below).

E. Financial Expenses on the foregoing computed in accordance with Port Authority accounting practice.

(2) "Phase 1A Charge Commencement Date" shall mean the date on which the Port Authority shall have certified that the construction of any portion of the Phase 1A Roadways has been substantially completed, provided, however, if any such date shall occur on other than the first day of a calendar month, the Phase 1A Charge Commencement Date shall mean the first (1st) day of the first (1st) full calendar month immediately following the month during which the said date occurs.

(3) (i) "The Phase 1A Factor" shall mean the sum of (l) the respective averages of the annual capital investment recovery rates of the "25-Bond Revenue Index" appearing in the respective last issues of "The Bond Buyer" published during each of the respective calendar years commencing on January l, 1992 for which each such average will be applied, plus (2) one hundred fifty (150) basis points.

(ii) In the event that "The Bond Buyer" or its "25-Bond Revenue Index" shall be discontinued prior to the date on which the Port Authority determines the Phase 1A Factor, then the Port Authority shall by notice to the Lessee propose a comparable substitute for such Index for all subsequent periods as aforesaid. The determination of the Port Authority as to such substitute shall be final.

(4) The "Phase 1A Charge Period" or "Phase 1A Charge Periods" shall mean the period or periods, as the case may be, commencing on the applicable Phase 1A Charge Commencement Date and ending on the day immediately preceding the twenty-fifth (25th) anniversary of said Phase 1A Charge Commencement Date.

(5) For purposes of the calculations under this Section 55, "PFC Funds" shall mean revenues derived from fees (hereinafter called "Passenger Facility Charges") charged air passengers at the Airport, a portion of which revenues, as available, shall be applied to the Phase 1A Costs in accordance with Port Authority applications therefor as approved by the Federal Aviation Administration, the amount of which PFC Funds to be applied to the Phase 1A Costs being limited in amount to a total of Fifty Million Dollars and No Cents ($50,000,000.00).

(c) (1) For any period from the applicable Phase 1A Commencement Date through the 31st day of December of the year in which the said date occurs (all such periods, for purposes of this Section 55, being hereinafter referred to individually as a "Phase IA Period"), the Port Authority shall establish and the Lessee shall pay a Phase IA Charge, as follows:

(i) The Port Authority shall determine the portion of the total Phase IA Costs paid or incurred by the Port Authority up to and including the day immediately preceding the said Phase 1A Commencement Date, each such portion being hereinafter referred to as the "Phase 1A Investment".

(ii) The Port Authority shall deduct from the first and each subsequent Phase 1A Investment determined in subsubparagraph (i) above the amount of PFC Funds available to be applied to the Phase 1A Costs until the amount of available PFC Funds is exhausted, the remainder and each such portion thereafter being hereinafter referred to as the "Net Phase 1A Investment".

(iii) The Port Authority shall estimate an amount (each such amount being hereinafter referred to as the "Annual Phase 1A Capital Cost") equal to even monthly payments derived by multiplying the applicable Net Phase 1A Investment by a monthly multiplier derived in accordance herewith from time to time by the application of the following formula:

$$\frac{1}{\frac{1}{i} - \frac{1}{i\,(1+i)^{t}}} = \text{Monthly Multiplier}$$

Where i equals the Phase 1A Factor (as estimated by the Port Authority) divided by twelve.

Where t (a power) equals 300.

(iv) The Port Authority shall determine the Total Developed Land Square Feet on the Airport, as defined in Section 44 of the Lease, for the calendar year immediately preceding the applicable Phase 1A Commencement Date, shall convert the same to acres, and shall divide the applicable Annual Phase 1A Capital Cost by said Total as converted to acres, the quotient thereof being hereinafter referred to as the "Phase 1A Charge Per Acre".

(v) The Port Authority shall multiply the total developed land area at the Airport by 0.____%, or the percentage then in effect, which percentage constitutes the portion of said total occupied by the Lessee hereunder, the product thereof being hereinafter referred to as the "Lessee's Terminal Acreage".

(vi) The Port Authority shall multiply the applicable Lessee's Terminal Acreage by the applicable Phase IA Charge Per Acre, the product thereof being herein referred to as the "Phase 1A Charge".

(2) At the time the Port Authority advises the Lessee of the final Airport Services Factor for the calendar year during which any respective Phase 1A Period occurs, the Port Authority shall also advise the Lessee of the applicable Phase 1A Charge, which shall be the amount due and payable by the Lessee to the Port Authority for each calendar month during the applicable Phase 1A Period and for each and every month in the calendar year during which the Phase 1A Charge is calculated. The Lessee shall pay the accumulated total thereof for each month of the applicable Phase 1A Period and for the months that have elapsed since the end of the applicable Phase 1A Period at the time it pays the tentative Airport Services Factor for the calendar month following the month during which the applicable Phase 1A Charge is calculated. The Lessee shall continue to make payments based on the said Phase 1A Charge until the same is further adjusted based upon actual costs incurred in the performance of the Phase 1A Roadway Work, as provided in subparagraph (3) hereof.

(3) After the close of calendar year 1996 and after the close of each calendar year thereafter up to and including the calendar year during which the Phase 1A Roadway Work is completed, the Port Authority will adjust, if necessary, the applicable Phase 1A Charge, as follows:

(i) The Port Authority shall determine the portion of the total Phase 1A Costs paid or incurred by the Port Authority during the calendar year for which the adjustment is being made for any portion of the Phase 1A Work certified as complete and operational, each such portion being hereinafter referred to as the "Final Phase 1A Investment".

(ii) The Port Authority shall determine an amount (each such amount being hereinafter referred to as the "Final Annual Capital Cost") equal to even monthly payments derived by multiplying the applicable Final Phase 1A Investment by a monthly multiplier derived in accordance herewith from time to time by the application of the following formula:

$$\frac{1}{\frac{1}{i} - \frac{1}{i(1+i)^t}} = \text{Monthly Multiplier}$$

Where i equals the Phase 1A Factor (as estimated by the Port Authority) divided by twelve.

Where t (a power) equals 300.

(iii) The Port Authority shall determine the final Phase 1A Charge Per Acre in the manner set forth in item (iv) of sub subparagraph (c)(l) hereof.

(iv) The Port Authority shall determine the final Lessee's Terminal Acreage in the manner set forth in item (v) of sub subparagraph (c)(l) hereof.

(v) The Port Authority shall determine the final Phase 1A Charge in the manner set forth is item (vi) of sub subparagraph (c)(l) hereof.

(4) At the time the Port Authority advises the Lessee of the final Airport Services Factor for the calendar year for which the said determination is being made, the Port Authority shall also advise the Lessee of the final Phase 1A Charge, which shall be the amount due and payable by the Lessee to the Port Authority for each calendar month during the calendar year for which the said determination is being made and for each and every month thereafter during the remainder of the Phase 1A Charge Period. The Lessee shall pay the said Phase 1A Charge at the time it pays the tentative Airport Services Factor for the calendar month following the month during which the said Phase 1A Charge is calculated and shall continue to make payments based on the said Phase 1A Charge at the time it pays each Airport Services Factor during the remainder of the Phase 1A Charge Period.

(5) In the event that the Port Authority shall determine that it expended in the cost of any portion of the Phase 1A Roadway Work amounts as set forth in subsubparagraph (b)(1) hereof which total more or which total less than the applicable Phase 1A Costs in effect on the day immediately preceding the applicable Phase 1A Charge Commencement Date up to the time of such determination or at any time after the determination of any final Phase 1A Charge then, (x) if more was expended, within thirty (30) days after demand of the Port Authority, the Lessee shall pay to the Port Authority an amount equal to the difference between the amounts expended by the Port Authority as so determined by the Port Authority and, (y) if less was expended, the Port Authority shall credit to the Lessee an amount equal to the difference between the amounts expended by the Port Authority as so determined by the Port Authority and, in each case, the aforesaid Phase 1A Costs or such final Phase 1A Charge, as the case may be, in effect on the day immediately preceding the applicable Phase 1A Charge Commencement Date or the day immediately preceding the end of the calendar year for which such final Phase 1A Charge is

calculated, and, effective from and after such date of such payment or credit, the applicable Phase 1A Costs for purposes of subparagraph (c) hereof shall be increased or decreased, as the case may be, by the amount of such payment or credit and the applicable Phase 1A Charge payable by the Lessee adjusted appropriately hereunder.

(6) Any deficiency in the amounts due to the Port Authority from the Lessee for any calendar year resulting from the adjustment of any Phase IA Charge shall be paid to the Port Authority by the Lessee within thirty (30) days after demand therefor and any excess payments made by the Lessee determined on the basis of an adjusted Phase IA Charge shall be credited against future rentals, such credit to be made within thirty (30) days following the adjustment of the applicable Phase IA Charge, as the case may be.

Section 68. **Entire Agreement**

This Agreement consists of the following: Sections 1 through 68 and Exhibit A, B, M and Z and Schedules A, E, F and X. 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:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By DAVID KAGAN

(Title) ASSISTANT DIRECTOR

(Seal)

WITNESS:

GAZ REALTY, INC.
d/b/a **NEWARK AIRPORT PLAZA INC.**

By

George Abi Zeid

(Title) President

Corporate Seal)

APPROVED:
FORM | TERMS

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GAZ REALTY INC. SEAL NEW YORK 1994

(EXEMPTION 4 – DRAWINGS OF NON-PUBLIC AREAS)

EXHIBIT B

PERFORMANCE AND PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS that we, the undersigned* Contractor and surety company (or companies), as principal and surety (or sureties), respectively,

Contractor **Surety**

are hereby held and firmly bound unto The Port Authority of New York and New Jersey (herein called the "Authority") in the penal sum of

_____

Dollars

and _____ Cents ($ _____.), for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, representatives, executors, administrators, successors and assigns. Each surety, however, if there is more than one, shall be jointly and severally liable for said penal sum.

Signed this _____ day of _____ 2008

The condition of the above obligation is that

WHEREAS, the above named principal has entered into a Contract in writing with the Authority, a copy of which is hereby made a part of this bond as though herein set forth in full and which is designated Contract
and

WHEREAS, the Authority has required this bond for the faithful performance of all obligations imposed by said Contract and also for the payment of all lawful claims of subcontractors, materialmen and workmen arising out of the performance of said Contract;

NOW, if the said principal shall well and faithfully do and perform the things agreed by him to be done and performed according to the terms and true intent and meaning of said Contract and if all lawful claims of subcontractors, materialmen and workmen arising out of the performance of said Contract are paid, then this obligation shall be void, otherwise the same shall remain in full force and effect; it being expressly understood and agreed that, provided the sureties shall comply with the provisions hereof, the aggregate liability of all sureties for any and all claims hereunder shall in no event exceed the penal amount of this obligation as hereinbefore stated.

This undertaking is for the benefit the Authority and all subcontractors, materialmen and workmen having lawful claims arising out of the performance of said Contract, and all such subcontractors, materialmen and workmen (as well as the Authority itself) shall have a direct right of action upon this bond; but the rights and equities of such subcontractors, materialmen and workmen shall be subject and subordinate to those of the Authority.

The sureties, for value received, hereby stipulate and agree that the obligations of said sureties and their bond shall be in no way impaired or affected by any extensions of time, modification, omission, addition or change in or to the said Contract or the construction to be performed thereunder, or by any supervision or inspection or omission to supervise or inspect the construction, or by any payment thereunder before the time required therein, or by any waiver of any provision or condition thereof (whether precedent or subsequent), or by any assignment, subletting or other transfer thereof or of any part thereof or of any construction to be performed or any moneys due or to become due thereunder; and said sureties do hereby waive notice of any and all of such extensions, modifications, omissions, additions, changes, payments, waivers, assignments, subcontracts and transfers, and hereby expressly stipulate and agree that any and all things done and omitted to be done by and in relation to assignees, subcontractors and other transferees shall have the same effect as to said sureties as though done by or in relation to said principal.

The sureties shall give the General Counsel of the Authority the following notices:

A. Written notice of an intent to pay any claim of a subcontractor, materialman or workman hereunder;

B. Written notice within five days of the institution of an action by a subcontractor, materialman or workman hereunder.

The sureties shall not pay the claim of any subcontractor, materialman or workman hereunder until the expiration of thirty days after receipt by said General Counsel of notice under either subparagraph A or B above, describing the claim to be paid.

IN WITNESS WHEREOF, the principal and the sureties have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

_____

Principal

(Seal)

By_____

_____

Surety

By _____

APPROVED AS TO ACCEPTABILITY OF SURETIES:

_____

Credit Manager _____ 2008

ACKNOWLEDGMENT OF PRINCIPAL, IF A CORPORATION

State of _____
_____ SS:
County of _____

On this _____. day of _____, 2008, before me personally came and appeared _____, to me known, who being by me duly sworn, did depose and say that he resides at _____; that he is the _____. of _____ the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that one of the seals affixed to said instrument is such seal; that it was so affixed by order of the directors of said corporation, and that he signed his name thereto by like order.

(Seal) _____.

ACKNOWLEDGMENT OF PRINCIPAL, IF A PARTNERSHIP

State of _____
_____ SS:
County of _____

On this _____. day of _____, 2008, before me personally came and appeared _____, to me known, and known to me to be one of the members of the firm of _____ described in and who executed the foregoing instrument and he acknowledged to me that he executed the same as and for the act and deed of said firm.

(Seal) _____.

ACKNOWLEDGMENT OF PRINCIPAL, IF AN INDIVIDUAL

State of _____

_____ SS:

County of _____

On this _____ day of _____, 20 , before me personally came and appeared _____, to me known and known to me to be the person described in and who executed the foregoing instrument and he acknowledged to me that he executed the same.

(Seal) _____

AFFIX ACKNOWLEDGMENT AND JUSTIFICATION OF SURETY

PERFORMANCE AND PAYMENT BOND

* If the Authority shall in its sole discretion so elect at the time of accepting the Contractor's Proposal, the Contractor shall require the general contractor(s) to which the Contractor subcontracts the construction portion of the Contract to furnish a bond for the faithful performance of all construction obligations imposed upon such general contractor(s) pursuant to such subcontract(s). Such bond, if so required, shall be in such form and sum as are required by the Authority (not to exceed that portion of the Contract constituting construction) and such bond shall be signed by one or more sureties satisfactory to the Authority.

At any time after the opening of Proposals, the Authority may give notice to one or more proposers to advise the Authority as to the names of their proposed sureties. Within forty-eight hours thereafter each proposer so notified shall so advise the Authority. The giving of such notice to a proposer shall not be construed as an acceptance of his Proposal, and omission to give such notice shall not be construed as an election by the Authority not to require a bond.

If the Authority elects to require the foregoing bond from the general contractor(s), the Contractor shall deliver such bond to the Authority within fifteen (15) business days after the execution and delivery by the general contractor(s) of the subcontract(s) with the Contractor, but in no event later than thirty (30) days following receipt by the Contractor of the acceptance of his Proposal, and Proposal, and the sureties thereon shall be as proposed by him provided, that if the Authority has theretofore given notice to him that his proposed sureties or any of them are not satisfactory, the bond shall be executed by other sureties satisfactory to the Authority.

The Authority shall give notice to the Contractor within ten (10) days after receipt of the foregoing bond as to whether or not such bond is satisfactory.

In the event of a default by the Contractor in his obligation to furnish a satisfactory bond on behalf of his general contractor within the time period referenced above, such default shall entitle the Authority in its discretion to terminate this Contract at any time within forty-five (45) days after the acceptance of the Proposal, without any liability on the part of the Authority. Inasmuch as the damages to the Authority resulting from a termination by it upon the failure of the Contractor to furnish a satisfactory bond will include items whose accurate amount will be difficult or impossible to compute, such damages shall be liquidated in the sum of the following amounts:

A. The excess, if any, of the Estimated Total Contract Price in the Proposal finally accepted over that in the Proposal of the Contractor; and

B. The expense of such new advertisement of the Contract, if any, as may be deemed necessary by the Authority; and

C. The sum of $500 for each day after the receipt by the Contractor of the acceptance of his Proposal that the performance of the Contract is not commenced by reason of the failure of the Contractor to furnish the required bond.

In the recovery of the damages above specified, the Authority may procced against the sum represented by the certified check deposited with it or against the Bid Bond and take such other action, as it may deem best in the public interest.

If the Contractor furnishes a bond in accordance with the requirements of the Authority under this numbered clause, the Authority shall reimburse the Contractor for the net amount actually paid by him to the surety or sureties as the premium on such bond. The Contractor shall deliver to the Engineer receipts from the surety or sureties evidencing such payment and the amount thereof. Within fifteen days after receipt of such evidence satisfactory to the Engineer, the Authority shall pay to the Contractor by check the amount provided in this numbered clause.

If at any time the Authority shall be or become dissatisfied with any surety or sureties then upon any bond furnished in accordance with the requirements of the Authority, or if for any other reason such bond shall cease to be adequate security to the Authority, the Contractor shall, within fifteen (15) business days after notice from the Authority so to do, substitute a new bond in such form and sum and signed by such other sureties as may be necessary in the opinion of the Authority to constitute adequate security.

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

Lease No. –
Newark Liberty Airport

CONSENT TO LICENSE AGREEMENT

THIS AGREEMENT, made as of 20 , by and among 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 Jersey and New York, with the consent of the Congress of the United States of America and having an office at 225 Park Avenue South, in the Borough of Manhattan, City, County and State of New York, and

(hereinafter called "the Lessee") and

(hereinafter called the "Licensee") a corporation organized and existing under the laws of having an office at

, whose representative is

WITNESSETH, That:

WHEREAS, the Port Authority and the Lessee have heretofore entered into an agreement of lease identified above by Port Authority Lease Number (which agreement of lease, dated as of , 20 , as the same may have been supplemented and amended, is hereinafter called "the Lease") covering premises at Newark Liberty Airport (hereinafter referred to as "the Airport"); and

WHEREAS, pursuant to the applicable provisions of the Lease, the Lessee and the Licensee have entered into a license agreement, a copy of which is attached hereto and made a part hereof (hereinafter called "the License Agreement") granting permission to the Licensee to use and occupy all or a portion of the premises under the Lease (such portion being hereinafter referred to as "the licensed premises") to operate a multi-fuel vehicle service station and towing service and the Lessee has requested the consent of the Port Authority to the Lessee entering into the License Agreement; 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 Lessee and the Licensee hereby agree as follows:

1. On the terms and conditions hereinafter set forth, the Port Authority consents to the License Agreement.

2. Notwithstanding any provision of the License Agreement to the contrary, both this Consent and the License Agreement shall terminate, without notice to the Lessee or the Licensee, on the day preceding the earliest to occur of the dates of expiration, revocation or earlier termination of the Lease, or on the date of the expiration or earlier termination of the License Agreement, on the effective date of any revocation of this Consent by the Port Authority or on such earlier date as the Lessee and the Licensee may agree upon. The Licensee shall cease its use and occupancy of the licensed premises and shall quit such 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. If the Lessee shall at any time be in default under the Lease, the Licensee shall on demand of the Port Authority pay directly to the Port Authority any rental, fee or other amount due to the Lessee. No such payment shall relieve the Lessee from any obligation under the Lease or under this Consent or affect the Port Authority's rights and remedies thereunder, but all such payments shall be credited against the obligations of the Lessee or of the Licensee, as the Port Authority may determine for each payment or part thereof.

4. In any case of any difference between the provisions of the Lease or this Consent and those of the License Agreement, the provisions of the Lease 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 Lessee's rights (to the extent permitted by the License Agreement and this Consent) by the Licensee and not to enlarge or otherwise change the rights granted by the Lease. All of the terms, provisions, covenants and conditions of the Lease shall be and remain in full force and effect. No alterations to the licensed premises shall be made under the License Agreement or otherwise without the prior written approval of the Port Authority.

5. Neither this Consent nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to, nor shall they create an inference or implication that there has been consent to, any enlargement, variation or change in the rights and privileges granted to the Lessee under the Lease, nor consent to the granting or conferring any rights, powers or privileges to the Licensee as may be provided by the License Agreement if not granted to the Lessee under the Lease, nor shall they impair or affect any of the duties, liabilities and obligations imposed on the Lessee under the Lease. The License Agreement is an agreement between the Lessee and the Licensee with respect to the various matters set forth therein. Neither this Consent nor anything contained herein nor the consent granted hereunder shall constitute an agreement between the Port Authority and the Lessee that the provisions of the License Agreement shall apply and pertain as between the Lessee and the Port Authority, it being understood that the terms, provisions, conditions and agreements of the Lease shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of the License Agreement, including without limitation thereto any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent or shall hereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion as to granting any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provision of the License Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required.

No provisions of the License Agreement, including but not limited to those imposing obligations on the Licensee with respect to laws, rules, regulations, taxes, assessments and liens, shall be construed as a submission or admission by the Port Authority that the same could or does lawfully apply to the Port Authority, nor shall the existence of any provision of the License Agreement covering action which may be undertaken by the Lessee or the Licensee including but not limited to those involving signs, construction, insurance, assignment and subletting, be deemed to imply or infer that Port Authority consent or approval thereto has or will be given or that Port Authority discretion with respect thereto will in any way be affected or impaired. References in this Paragraph to specific matters and provisions as contained in the License Agreement shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to granting or withholding approvals or consents as to other matters and provisions in the License Agreement which are not specifically referred to herein.

6. The Licensee, in its operations under or in connection with the License Agreement and its use of the licensed premises, agrees to assume, observe, be bound by and comply with all the terms, provisions, covenants and conditions of the Lease. Without limiting the generality of the foregoing, the Licensee shall use the licensed premises as a multi-fuel vehicle service station and towing service and for no other purpose whatsoever.

7. (a) Without in any wise affecting the obligations of the Lessee under the Lease and under this Consent and notwithstanding the terms and provisions of the License Agreement, the Licensee shall make repairs and replacements as if it were the Lessee under the Lease. In addition, the Licensee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives from and against (and shall reimburse the Port Authority for its costs and expenses including attorney's 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, for personal injuries and for property damages, arising out of a breach or default of any term or provision of this Consent by the Licensee or out of its operations under the License Agreement or at the licensed premises, or out of the use or occupancy of the licensed premises by the Licensee or by others with its consent, or out of any other acts or omissions of the Licensee, its officers, employees, agents, representatives, contractors, customers, guests, invitees and others who are doing business with the Licensee at the licensed premises, or out of any other acts or omissions of the Licensee, its officers and employees at the Airport, including claims and demands of the City of Newark (hereinafter "the City") from which the Port Authority derives its right in the Airport, for indemnification, arising by operation of law or pursuant to the Basic Lease (as defined in the Lease) whereby the Port Authority has agreed to indemnify the City against claims. However, all acts and omissions of the Licensee shall be deemed to be acts and omissions of the Lessee under the Lease and the Lessee shall also be severally responsible therefor, including but not limited to the obligations of indemnification, repair and replacement.

(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 Lessee under the Lease, the Licensee during the period the License Agreement shall remain in effect shall in its own name as insured and including the Port Authority, the Lessee and the City as additional insureds obtain, maintain and pay the premiums on a policy or policies of commercial general liability insurance, including, but not limited to products liability, premises-operations and completed operations, and covering bodily injury, including death, and property damage liability, and garage liability (with automobile hazard 2 coverage), garage keepers legal liability, none of the foregoing to contain care, custody or control exclusions (endorsed to include all risks of physical loss and damage including lift collision coverage and collision upset coverage in limits sufficient to cover vehicles and other property in the care, custody and control of the Lessee), and comprehensive automobile liability insurance covering owned. non-owned and hired vehicles, and including automatic coverage for newly-acquired vehicles, and all applicable requirements for underground storage tanks including the Federal Financial Responsibility Requirements, in limits not less than $2,000,000 combined single limit per occurrence for bodily injury and property damage liability. Such policy or policies shall include Environmental Impairment Liability insurance coverage in limits not less than $2,000,000 combined single limit per occurrence. All the aforesaid policy or policies 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, the Lessee, the City or any two or all of them, but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority, the Lessee and the City as additional insureds. In addition, the insurance required hereunder shall provide or contain an endorsement providing that the protections afforded the Port Authority, the Lessee, the City or any two or all of them, thereunder as additional insureds with respect to any claim or action against the Port Authority or the Lessee, or both, 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 and the Lessee were the named insureds thereunder. Further, the said policy or policies of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Licensee under subparagraphs (a) and (b) hereof.

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 the terms and provisions hereof.

All insurance coverages and policies required under this Paragraph may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the period the License 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 amounts or against such other insurable hazards, as the Port Authority may deem advisable and the Licensee shall promptly comply therewith.

(d) As to the insurance required by the provisions of this Paragraph, a certified copy of the policies or a certificate or certificates or binders satisfactory to the Port Authority evidencing the existence thereof, shall be delivered by the Lessee to the Port Authority within fifteen (15) days after delivery of this Consent 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 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 License 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 a new and satisfactory policy in replacement thereof. If the Port Authority at any time so requests, a certified copy of each of the policies shall be delivered to the Port Authority.

8. (a) The Licensee agrees that it will conduct a first-class operation, 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 and shall maintain its fixtures, equipment and personal property in the licensed premises in first-class operating order, condition and appearance at all times, making all repairs and replacements necessary therefor, regardless of the cause of the condition necessitating any such repair or replacement.

(b) Nothing herein contained shall relieve the Lessee of its obligations to secure the Port Authority's written approval before permitting the Licensee to install any fixtures in or upon or making any alterations, decorations, additions or improvements in the licensed premises.

9. The Licensee shall daily remove from the Airport by means of facilities provided by the Licensee all garbage, debris and other waste material arising out of or in connection with its operations.

10. This Agreement and the consent granted hereunder may be revoked at any time by the Port Authority without cause on thirty (30) days' notice to the Lessee and the Licensee and no such revocation shall be deemed to affect the Lease or the continuance thereof, but the permission granted the Licensee with respect to the use and occupancy of the licensed premises and the License Agreement shall be deemed terminated thereby and upon such termination the Lessee shall cause the Licensee to be removed from the licensed premises.

11. The granting of this Consent by the Port Authority shall not be deemed to operate as a waiver of the rights of the Port Authority, or of the requirement for consent to any subsequent license agreement (by the Lessee or by the Licensee) or to any assignment of the Lease, of the License Agreement or of any rights under either of them, whether in whole or in part.

12. References herein to the "*Lessee*" or the "*Licensee*" shall mean and include each of the Lessee and the Licensee, their respective officers, agents, employees and also others at the licensed premises or the Airport with the consent of either the Lessee or the Licensee.

13. The Lessee and the Licensee hereby represent to the Port Authority that they have complied with and will comply with all laws, governmental rules, regulations and orders which as a matter of law are applicable to or which affect the operations of the Lessee and the Licensee under the Lease or its or their use of the licensed premises. The obligation of the Lessee and the Licensee hereunder to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property. 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.

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

15. The License Agreement shall not be changed, modified or extended except by written instrument duly executed by the parties thereto and only with the express prior written consent of the Port Authority.

16. Neither the Commissioners of the Port Authority nor any of them, nor any officer, agent or employee thereof shall be held personally liable to the Lessee or to the Licensee under any term or provision of this Consent or because of its execution or because of any breach or alleged breach thereof.

IN WITNESS WHEREOF, the Port Authority, the Lessee and the Licensee have executed these presents.

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

_____
Secretary

By_____

Title_____

(Seal)

ATTEST:

_____
Secretary

By_____

Title_____ President

(Corporate Seal)

ATTEST;

_____
Secretary

By_____

Title_____ President

(Corporate Seal)

(Port Authority Acknowledgment)

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

On the day of in the year 20 before me, the undersigned, a Notary Public in and for said state, personally appeared
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 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.

(Seal or Stamp) _____
(Signature of Notary Public)

(Permittee Acknowledgment)

STATE OF)
)ss.:
COUNTY OF)

On the day of in the year 200 before me, the undersigned, a Notary Public in and for said state, personally appeared
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 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.

(Seal or Stamp) _____
(Signature of Notary Public)

(Licensee Acknowledgment)

STATE OF)
)ss::
COUNTY OF)

On the day of in the year 200 before me, the undersigned, a Notary Public in and for said state, personally appeared
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 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.

(Seal or Stamp) _____
(Signature of Notary Public)

SCHEDULE A

The Lessee shall pay the rental at the rate stated in paragraph (a) of Section 4 of the Agreement to which this Schedule is attached (which Agreement is hereinafter sometimes called "the Lease"), until the said rate is adjusted as hereinafter provided. After the close of calendar year 1991 and after the close of each calendar year thereafter, the Port Authority will adjust the Airport Services Factor of the annual rate of rental specified in paragraph (a) of Section 4 of the Lease, upwards or downwards, as follows:

I. The Port Authority shall determine the total of the following major elements of costs actually incurred or accrued during the calendar year for which the adjustment is being made, in connection with Airport Services:

(a) Fixed charges on Port Authority investment in Airport Services.

(b) The Port Authority's cost of direct labor, materials, payments to contractors and suppliers and other costs for operation, maintenance, repairs and replacements charged directly to Airport Services, and the pro rata share of the cost of snow and ice removal; such costs, however, to exclude those charged to Port Authority non-revenue producing areas.

(c) The Port Authority's cost of direct labor, materials, payments to contractors and suppliers and other costs charged directly to Policing and Traffic functions at the Airport (whether performed by the Airport Police Section or such other Sections or other Port Authority organization unit or units as may hereafter perform the same or similar functions).

(d) The Port Authority's cost of labor, which was charged directly to the Airport Manager's Office (or such other Port Authority office or organization unit or units as may hereafter from time to time perform the same or similar functions).

II. The Port Authority shall also determine during the calendar year for which the adjustment is being made the percentage of total developed land area at the Airport occupied by the Lessee s premises.

III. The Port Authority will multiply the Airport Services Factor as stated in paragraph *(a)* of Section 4 of the Lease by a fraction the numerator of which shall be the total of the major elements of costs actually incurred or accrued as determined under Paragraph I, subparagraphs (a) through (d) above and the denominator of which shall be the total of the major elements of costs actually incurred or accrued as determined for the year prior to the year for which the adjustment is being made (for the calendar year 2007 adjustment, it is hereby agreed said denominator shall be $84,845,423); and the resulting product shall be multiplied by a fraction the numerator of which shall be the percentage determined in Paragraph II above and the denominator of which shall be the actual percentage of total developed land area occupied by the *Lessee's* premises determined *for the year prior to the year for which the adjustment* is being made (for the calendar year 2007 adjustment, it is hereby agreed said denominator shall be 0.078%).

IV. The resultant product shall constitute the final Airport Services Factor for the calendar year for which the adjustment is being made. It shall also constitute the tentative Airport Services Factor for the calendar year in which such factor is calculated. The final Airport Services Factor shall be the amount due and payable by the Lessee to the Port Authority for the calendar year so adjusted and for the months, which have elapsed since the end of that calendar year. The Lessee shall continue to make payments based on the new tentative Airport Services Factor until the same is further adjusted.

V. In the event more than one Airport Services Factor is in effect during the calendar year for reasons other than the adjustment pursuant to Paragraph IV hereof, the Port Authority will multiply each such Airport Services Factor by the fractions stated in Paragraph iii above, except that the percentage to be used as the denominator of the second of the said fractions shall be the percentage in effect at the same time as each such Airport Services Factor is in effect.

VI. In the event more than one Airport Services Factor is in effect during a calendar year for reasons other than the adjustment pursuant to Paragraph IV hereof, resulting in more than one resultant product after the adjustments pursuant to Paragraph V hereof have been made, the resultant product of that adjustment involving the Airport Services Factor in effect at the end of the calendar year for which the adjustment is being made shall constitute the final Airport Services Factor for the portion of said calendar year during which said Airport Services Factor was in effect It shall also constitute !;he tentative Airport Services Factor for the calendar year in which such factor is calculated. All other resultant products shall each constitute the final Airport Services Factor for that portion of the calendar year for which the adjustment is being made during which the respective tentative Airport Services Factor was in effect.

VII. Any deficiency in the rentals and fees due to the Port Authority from the Lessee for any calendar year resulting from the adjustment of the Airport Services Factor of the rentals shall be paid to the Port Authority by the Lessee within thirty (30) days after demand thereof and any excess payments made by the Lessee determined on the basis of an adjusted Airport Services Factor shall be credited against future rentals or refunded to the Lessee if no future rentals shall be due under this Agreement, such credit or refund to be made within thirty (30) days following the adjustment of the Airport Services Factor.

VIII. The following terms, when used in the Lease, shall, unless the context shall require otherwise, have the respective meanings given below:

(a) "Airport Services" for the purpose of the Lease shall mean such systems, non-revenue producing areas, operations and functions as may be related to serving the Airport from time to time during the term of the letting including without limitation thereto, air terminal highways (as so designated by the Port Authority from time to time), communications and signals, storm and sanitary sewers, water distribution, and other systems designed to provide utilitarian services to Airport areas, restricted use service highways, non-revenue producing space in structures, facilities, areas or subdivisions thereof necessary to the operations of the Port Authority administrative, maintenance, policing and operations space.

(b) "Total Developed Land Square Feet on the Airport" shall mean all land within the Airport boundary as the same may be changed from time to time (exclusive, however, of land situated to the north and west of United States Routes 1-9) which is revenue-producing, including but not limited to, all land under lease or permit, land actually developed for a specific use and all land specifically designated as part of the Public Aircraft Facilities.

(c) "Port Authority Investment" as used for the computation of fixed charges shall consist of:

A. Construction costs

(1) payments to contractors and/or vendors and suppliers;

(2) premiums or charges for Performance Bonds;

(3) insurance premiums or charges;

(4) direct payroll and expenses of Port Authority forces engaged in performance or supervision of construction work, charged in accordance with Port Authority accounting practice.

B. Engineering Services

(1) payments to outside consultants and engineering firms;

(2) direct payroll and expenses of Port Authority staff, charged in accordance with Port Authority accounting practice.

C. Land acquisition costs and the cost of acquisition of any interest therein, including air rights whether by purchase, lease, condemnation or other taking for a purpose, use or otherwise.

D. Other direct costs charged in accordance with Port Authority accounting practice.

E. Liquidated overhead in lieu of the Port Authority's administration and overhead costs in the amount of ten percent (10%) of the sum of all other elements of cost included in Port Authority investment (including Financial Expense, "F" below).

F. Financial Expense on the foregoing computed in accordance with Port Authority accounting practice.

(d) "Fixed charges on Port Authority investment" shall mean amortization and interest on Port Authority investment in items completed subsequent to December 31, 1964. Such fixed charges shall be determined on the basis of an equal annual payment method. The interest factor used in determining the fixed charges for all of the foregoing shall be the weighted average coupon rate for the twelve months ending November 30 of each year, rounded to the nearest hundredth percent, on all long-term bonds outstanding, the proceeds of which were made available for construction at the Airport

(e) The symbol "%" and the words "percentum" and "percent" whenever used herein or in the Agreement shall be deemed to be used synonymously and interchangeably.

IX. The Port Authority and the Lessee hereby agree that the Phase 1A Costs, as defined in Section 67 of the Lease, shall not be included in any calculation under this Schedule A. All costs for construction, repair, maintenance, modification and operation of the Phase 1A Roadway not included in the Phase 1A Costs shall be included hereunder.

Initialled:

For the Port Authority

For the Lessee

SCHEDULE E

AFFIRMATIVE ACTION-EQUAL OPPORTUNITY---MINORITY BUSINESS ENTERPRISES ---WOMEN-OWNED BUSINESS ENTERPRISES REQUIREMENTS

Part I. Affirmative Action Guidelines - Equal Employment Opportunity

Without limiting any of the terms and conditions of the Lease between The Port Authority of New York and New Jersey (the "***Port Authority***") and **GAZ REALTY INC.** (*"the **Lessee**"*) under Lease No. ANB-862 (the "***Lease***"), the Lessee understands and agrees that it shall put into effect prior to the commencement of any construction work (including but not limited to any work under a Tenant Alteration Application) an affirmative action program and Minority Business Enterprise (MBE) program and Women-owned Business Enterprise (WBE) program in accordance with the provisions of this Schedule E. As used in this Schedule E the term "***construction work***" shall be deemed to include also any and all construction work and/or alteration work under each Tenant Alteration Application. The provisions of this Schedule E shall be applicable to the Lessee's contractor or contractors and subcontractors at any tier of construction as well as to the Lessee itself and the Lessee shall include the provisions of this Schedule E within all of its construction contracts so as to make said provisions and undertakings the direct obligation of the construction contractor or contractors and subcontractors at any tier of construction. The Lessee shall and shall require its said contractor, contractors and subcontractors to furnish to the Port Authority such data, including but not limited to compliance reports relating to the operation and implementation of the affirmative action, Minority Business Enterprise (MBE) and Women-owned Business Enterprise (WBE) programs called for hereunder as the Port Authority may request at any time and from time to time regarding the affirmative action, Minority Business Enterprises (MBE) and Women-owned Business Enterprises (WBE) programs of the Lessee and its contractor, contractors, and subcontractors at any tier of construction, and the Lessee shall and shall also require that its contractor, contractors and subcontractors at any tier of construction make and put into effect such modifications and additions thereto as may be directed by the Port Authority pursuant to the provisions hereof and this Schedule E to effectuate the goals of affirmative action and Minority Business Enterprise (MBE) and Women-owned Business Enterprise (WBE) programs.

In addition to and without limiting any terms and conditions of the Lease, the Lessee shall provide in its contracts and all subcontracts covering the construction work or any portion thereof, that:

(aa) The contractor shall not discriminate against employees and 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;

(bb) 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 Letter 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;

(cc) 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;

(dd) The contractor will include the provisions of subparagraphs (aa) through (cc) 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;

(ee) 'Contractor' as used herein shall include each contractor and subcontractor at any tier of construction.

I. As a matter of policy the Port Authority hereby requires the Lessee and the Lessee shall require the Contractor, as hereinafter defined, to comply with all of the provisions of this Schedule E, the foregoing provisions set forth above and the provisions set forth hereinafter in this Schedule E. The provisions set forth in this Part I are similar to the conditions for bidding on federal government contract adopted by the Office of Federal Contract Compliance and effective May 8, 1978.

The Lessee as well as each bidder, contractor and subcontractor of the Lessee and each subcontractor of a contractor at any tier of construction (herein collectively referred to as "the Contractor") must fully comply with the following conditions set forth herein as to each construction trade to be used on the construction work or any portion thereof (said conditions being herein called "Bid Conditions"). The Lessee hereby commits itself to the goals for minority and female utilization set forth below and all other requirements, terms and conditions of the Bid Conditions. The Lessee shall likewise require the Contractor to commit itself to the said goals for minority and female utilization set forth below and all other requirements, terms and conditions of the Bid Conditions by

submitting a properly signed bid.

II. The Lessee and the Contractor shall each appoint an executive of its company to assume the responsibility for the implementation of the requirements, terms and conditions of the following Bid Conditions:

(a) The goals for minority and female participation expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work are as follows:

(1)	Minority participation	
	Minority, except laborers	30%
	Minority, laborers	40%
(2)	Female participation	
	Female, except laborers	6.9%
	Female, laborers	6.9%

These goals are applicable to all the Contractor's construction work performed in and for the premises.

The Contractor's specific affirmative action obligations required herein of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the Contractor shall make good faith efforts to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from contractor to contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract. Compliance with the goals will be measured against the total work hours performed.

(b) The Contractor shall provide written notification to the Lessee and the Lessee shall provide written notification to the Manager of the Office of Business and Job Opportunity of the Port Authority within 10 working days of award of any construction subcontract in excess of $10,000 at any tier for construction work. The notification shall list the name, address and telephone number of the subcontractor; employer identification number; estimated starting and completion dates of the subcontract; and the geographical area in which the subcontract is to be performed.

(c) As used in these specifications:

(1) "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941:

(2) "Minority" includes:

(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 culture or origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); 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).

(d) Whenever the Contractor, or any subcontractor at any tier, subcontracts a portion of the construction work involving any construction trade, it shall physically include in each subcontract in excess of $10,000 those provisions which include the applicable goals for minority and female participation.

(e) The Contractor shall implement the specific affirmative action standards provided in subparagraphs (1) through (16) of Paragraph (h) hereof. The goals set forth above are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the premises. The Contractor is expected to make substantially uniform progress toward its goals in each craft during the period specified.

(f) Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations hereunder.

(g) In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

(h) The Contractor shall take specific affirmative actions to ensure equal employment opportunity ("EEO").

The evaluation of the Contractor's compliance with these provisions shall be based upon its good faith efforts to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall 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 Sites, and in all facilities 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 number 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 union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions 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 training 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 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 decision including specific review of these items with on-premises 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 and 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 areas of a Contractor's workforce.

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

(12) Conduct, at least every six months, an inventory and evaluation at least 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 Contractors' EEO policies and affirmative action obligations.

(i) Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (subparagraphs (1)-(16) of Paragraph (h) above). 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 (h) hereof provided that: the Contractor actively participates in the group, makes good faith efforts 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 good faith efforts 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 obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's non-compliance.

(j) A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation hereof 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 hereof if a specific minority group of women is underutilized).

(k) The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex or national origin.

(l) The Contractor shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

(m) The Contractor shall carry out such sanctions and penalties for violation of this clause including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered by the Lessee. Any Contractor who fails to carry out such sanctions and penalties shall be in violation hereof.

(n) The Contractor, in fulfilling its obligations hereunder shall implement specific affirmative actions steps, at least as extensive as those standards prescribed in paragraph (h) hereof so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of these provisions, the Lessee shall proceed accordingly.

(o) The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g. mechanical apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and location at which the work is performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

(p) 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).

(q) Without limiting any other obligation, term or provision under the Lease, the Contractor shall cooperate with all federal, state or local agencies established for the purpose of implementing affirmative action compliance programs and shall comply with all procedures and guidelines established or which may be established by the Port Authority.

PART II.

MINORITY BUSINESS ENTERPRISES/WOMEN-OWNED BUSINESS ENTERPRISES

As a matter of policy the Port Authority requires the Lessee and the Lessee shall itself and shall require the general contractor or other construction supervisor and each of the Lessee's contractors to use every good faith effort to provide for meaningful participation by Minority Business Enterprises (MBEs) and Women-owned Business Enterprises (WBEs) in the construction work pursuant to the provisions of this Schedule E. For purposes hereof, "Minority Business Enterprise" "(MBE)" shall mean any business enterprise which is at least fifty-one percentum owned by, 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. For the purposes hereof, "Women-owned Business

Enterprise" "(WBE)" shall mean any business enterprise which is at least fifty-one percentum owned by, or in the case of a publicly owned business, at least fifty-one percentum of the stock of which is owned by women and such ownership is real, substantial and continuing. A minority shall be as defined in paragraph II(c) of Part I of this Schedule E. "Meaningful participation" shall mean that at least seventeen percent (17%) of the total dollar value of the construction contracts (including subcontracts) covering the construction work are for the participation of Minority Business Enterprises and Women-owned Business Enterprises, of which at least twelve percent (12%) are for the participation of Minority Business Enterprises. Good faith efforts to include meaningful participation by MBEs and WBEs shall include at least the following:

(a) Dividing the work to be subcontracted into smaller portions where feasible.

(b) Actively and affirmatively soliciting bids for subcontracts from MBEs and WBEs, including circulation of solicitations to minority and female contractor associations. The Contractor shall maintain records detailing the efforts made to provide for meaningful MBE and WBE participation in the work, including the names and addresses of all MBEs and WBEs contacted and, if any such MBE or WBE is not selected as a joint venturer or subcontractor, the reason for such decision.

(c) Making plans and specifications for prospective construction work available to MBEs and WBEs in sufficient time for review.

(d) Utilizing the list of eligible MBEs and WBEs maintained by the Port Authority or seeking minorities and women from other sources for the purpose of soliciting bids for subcontractors.

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

(f) Insuring that provision is made to provide progress payments to MBEs and WBEs on a timely basis.

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

Certification of MBEs 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 already certified by the Port Authority, it 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 then required by the Port Authority. All such requests shall be in writing addressed to the Office of Business and Job Opportunity, the Port Authority of New York and New Jersey, 225 Park

Avenue South, New York, New York 10003 or such other address as the Port Authority may specify by notice to the Lessee. Certification shall be effective only if made in writing by the Director in charge of the Office of Business and Job Opportunity of the Port Authority. The determination of the Port Authority shall be final and binding.

The Port Authority has compiled a list of the firms that the Port Authority has determined satisfy the criteria for MBE and WBE certification. This list may be supplemented and revised from time to time by the Port Authority. Such list shall be made available to the Contractor upon request. The Port Authority makes no representation as to the financial responsibility of such, firms, their technical competence to perform, or any other performance-related qualifications.

Only MBE's and WBE's certified by the Port Authority will count toward the MBE and WBE goals.

Please note that only sixty percent (60%) of expenditures to MBE or WBE suppliers will count towards meeting the MBE and WBE goals. However, expenditures to MBE or WBE manufacturer's (i.e..suppliers that produce goods from raw materials or substantially alter them before resale) are counted dollar for dollar.

For the Port Authority

Initialled:

For the Lessee

SCHEDULE F

LOCAL BUSINESS ENTERPRISES COMMITMENT

As a matter of policy the Port Authority hereby requires the Lessee and the Lessee shall require any Contractor utilized by the Lessee to perform construction work on the Premises to comply with the provisions set forth hereinafter in this Schedule F.

(1) The Lessee and each Contractor shall use every good faith effort to maximize the participation of Local Business Enterprises (LBEs) in all construction work on the Premises, including without limitation the Construction Work. In order to assure familiarity with the services and materials provided by LBEs, the Contractor shall attend such meetings as may be called by the General Manager of the Airport on LBEs and shall contact the Queens Air Services Development Office (ASDO), located at John F. Kennedy International Airport, Bldg. 80, First Floor, South Service Court, Jamaica, NY 11430 to obtain LBE Vendor Profiles and access ASDO's on-line vendor retrieval system (BASIS). The Port Authority has not checked the references, capabilities or financial background of the LBEs registered with the ASDO, but is referring the Contractor to the ASDO and BASIS solely for the purpose of advising Contractors of LBDs who may be interested in providing services and/or materials to the Contractor.

(2) Good faith efforts to include participation by LBEs in construction work shall include at least the following:

(i) Dividing the work to be subcontracted and services and materials to be procured into small portions, where feasible

(ii) Soliciting bids on portions of the work to be subcontracted and services and materials to be procured from LBE's registered with ASDO and such other LBEs as the Contractor deems appropriate.

(3) The Port Authority is committed to making employment opportunities available to local residents and expects that the Contractor will utilized LBEs.

(4) It is specifically understood and agreed that the requirements set forth herein for the participation of LBEs shall not alter, limit, diminish or modify any of the obligations under this Lease including, without limitation, the obligation to put into

effect the affirmative action program and the MBE and WBE programs in accordance with the provisions set forth above in Schedule E hereof.

For the Port Authority

Initialed:

For the Lessee

Schedule X

Towing	$125.00 per vehicle
Relocation of Vehicle via Flatbed	$ 80.00 per vehicle
Drop Fee	$ 75.00 per vehicle
Relocation of Vehicle	$ 40.00 per vehicle
Road Service (jump starts, lockouts, tire changes, lock deicing, fuel, etc.)	$ 25.00 per vehicle

Storage

$ 15.00 per calendar day

For the Port Authority

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

On this 20th day of Oct., 2008, before me, the subscriber, a notary public of New York, personally appeared David Kagan the Assistant Director of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument: and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of the Board of Commissioners.

Marie M. Edwards
(notarial seal and stamp)

Marie M. Edwards
Notary Public, State of New York
No. 01ED4959693 Richmond
Qualified in Kings County
Commission Expires 2/9/2010

For Gaz Realty, Inc.

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

On this 24 day of September, 2008, before me, the subscriber, a notary public of , personally appeared George Abizeid

the President of Gaz Realty Inc

who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of the Board of Directors.

Michelle Ventura
(notarial seal and stamp)

MICHELLE VENTURA
Notary Public - State of New York
NO. 01VE6128903
Qualified in Nassau County
My Commission Expires 6/20/09