1.269 "Standard Application Procedure" shall have the meaning provided in Subsection 19.4.2.

1.270 "Structural Integrity Program" shall have the meaning provided in Section 13.4.

1.271 Intentionally Omitted.

1.272 "Subject to Adjustment" shall mean, the amount in question, multiplied by a fraction, the numerator of which shall be the Consumer Price Index for the calendar month preceding the date through which such amount is to be adjusted and the denominator of which shall be the Consumer Price Index published as of the month during which the Commencement Date occurs.

1.272.1 "Submeter" shall have the meaning provided in Section 48.1.

1.273 "Submission Date" shall have the meaning provided in Subsection 45.2.3.

1.274 "Subsequent Review Timetable" shall mean the time, as set forth below, for which the Code Compliance Office shall be required to deliver comments, with reasonable specificity, to the Lessee, if any, from the date a revised Alteration Application Form is received by the Code Compliance Office; provided, however, that nothing contained in this definition shall limit the right of the Lessee to expedited review under the section of the TCA/TAA Guide entitling the Lessee to "Review by Appointment."

| **Estimated Construction Cost** | **Timing** |
|---|---|
| [redacted] | Ten (10) Business Days |
| [redacted] | Twelve (12) Business Days |
| [redacted] | Fourteen (14) Business Days |
| [redacted] | Fourteen (14) Business Days |

For the purposes of this definition, the "Estimated Construction Cost" shall be an estimate of the cost of the work described in the Alteration

Application Form, which estimate shall be determined by the Lessee in consultation with the A/E and/or contractor of record for such project. The Estimated Construction Costs set forth above shall be Subject to Adjustment by the Port Authority not more than once every five (5) calendar years. The times set forth above may be increased by the Port Authority in the event that such times are increased by other governmental entities in similar circumstances.

1.274.1 "Subsequent Stabilization Test Date" shall have the meaning provided in Section 5.2(c).

1.274.2 "Substantial Completion or Substantially Complete(d)" shall mean substantial completion of the core and shell improvements (i.e. base building) of the Tower Project to the extent necessary (reasonably and objectively determined) to satisfy the conditions for issuance of a "Temporary Permit to Occupy and Use" for such core and shell improvements under the terms of the Original Port Authority Manual, subject, however to Sections 1.3(c), 1.3(g) and 1.3(j) of the Development Agreement; provided, however, that in each case the following shall be excluded from the definition of Substantial Completion, and Substantial Completion shall be deemed to have been achieved even though: (A) the following shall not have been commenced: (i) customary punch-list work, including, without limitation, corrections, repairs, touch ups and replacements, final installation of finish and trim work, and installation of tenant improvement fit-out, (ii) work intentionally postponed to facilitate efficient completion of tenant and/or retail improvements, including, without limitation, removal of the hoists and work at hoist runs and corresponding at-grade delivery areas, and (iii) work at hoist runs and street loading areas that remain in service, which work is postponed due to the unavailability, or

inadequate capacity, of construction delivery access through the Vehicle Security Center (as defined in the Development Agreement) to the loading docks for the Building; (B) commissioning for life safety, mechanical, electrical, plumbing, fire protection and security systems shall not have been conducted or completed (provided that such systems shall be functional, operational and in working order); and (C) final sign off and/or use permits shall not have been granted for passenger and service elevators (provided that, with respect to service elevators only, such elevators shall have been approved for construction use purposes only).

1.274.3 "Substantial Completion Date" shall mean the date on which Substantial Completion shall have occurred.

1.275 "Successor Landlord" shall have the meaning provided in Section 60.1.

1.276 "Successor Landlord's Tax Obligations" shall have the meaning provided in Subsection 60.2.2.

1.277 "Support Rights" shall have the meaning provided in Section 2.1.

1.278 "Tax" and "Taxes" shall mean any and all real estate taxes or any other tax, assessment, levy, fee or charge, general or special, ordinary or extraordinary, foreseen or unforeseen of whatever nature or kind (whether or not the same shall have been within the express contemplation of the parties hereto) which during the Term hereunder, may be levied, assessed, imposed or charged by the United States of America, the State of New York, the City of New York or any municipality or other governmental entity (excluding the Port Authority) upon the Premises or upon the leasehold estate hereby created, or with respect to the rental or the Lessee's income therefrom, in each case, in lieu of any tax, assessment, levy or charge which would otherwise be a real estate tax, assessment, levy or charge, together with penalties, interest and late charges thereon, excluding, however, Tax Equivalent Rental, any amounts otherwise due

under PILOT, the City Agreement, BID, any other payments in lieu of taxes, capital gains, mortgage recording, transfer, succession, franchise, unincorporated business, income, inheritance, excise, gift, estate, payroll, or stamp taxes, tax on rent under this Agreement, and penalties or late charges thereon.

1.279 Intentionally Omitted.

1.280 "Tax Contest Proceeding" shall have the meaning provided in Subsection 6.11.3.

1.281 "Tax Equivalent Rental" shall have the meaning provided in Section 6.10.

1.282 "Tax Equivalent Rental Payment Date" shall have the meaning provided in Section 6.10.

1.283 "Tax Equivalent Rental Payment Period" shall have the meaning provided in Section 6.10.

1.284 "Tax Year" shall mean the twelve (12) month period established by the City of New York as its fiscal tax year for purposes of real estate tax assessment and calculation.

1.284.1 "TCA/TAA Guide" shall mean the Tenant Construction Application/Tenant Alteration Application Process and Procedures Guide (for WTC Properties).

1.285 "Temporary Measures" shall have the meaning provided in Subsection 13.4.3.

1.286 "Tenant Construction Review Manual" shall mean the Tenant Construction Review Manual that is part of the Port Authority Manual.

1.287 "Tenant Support Agreement" shall mean that certain Tower 3 Tenant Support Agreement dated as of the Net Lessee Execution Date between the Port Authority and the Lessee, as the same may be amended, modified, revised or supplemented from time to time.

1.287.1 "Tenant Support Agreement Event of Default" shall mean an Event of Default, as defined in the Tenant Support Agreement.

1.288 "Term" shall have the meaning provided in Section 3.

1.289 "Termination Notice" shall have the meaning provided in Section 21.1.

1.289.1 "Terrorism Insurance" shall have the meaning provided in Section 14.1.1.

1.289.2 "Third Appraiser" shall have the meaning provided in Section 5.2(f).

1.289.3 "Third Appraiser Determination" shall have the meaning provided in Section 5.2(f).

1.289.4 "Three Month Average" shall have the meaning provided in Section 48.3.

1.290 "Total Receipts" shall have the meaning provided in Section 24.13.12.

1.290.1 "Total Substantial Completion Date Principal" shall mean, as of the Substantial Completion Date, the sum of (i) the outstanding principal balance of the Senior Mortgage and (ii) the outstanding principal balance of the Mezzanine/Junior Loan.

1.290.2 "Tower 1/Tower 5 Lessee" shall have the meaning provided in the Recitals.

1.290.3 "Tower 4 Tenant Support Agreement" shall mean that certain Tower 4 Tenant Support Agreement dated as of the Net Lessee Execution Date between the Port Authority and the Four World Trade Center Lessee, as the same may be amended, modified, revised or supplemented from time to time.

1.290.4 "Tower 5 Lease" shall have the meaning provided in the Recitals.

1.290.5 "Tower Construction Commencement Date" shall have the meaning provided in Section 5.2(k).

1.290.6 "Tower Financing" shall have the meaning provided in Section 8.13.

1.290.7 "Tower Leases" shall mean the Two World Trade Center Lease and the Four World Trade Center Lease

1.290.8 "Tower Lessees" shall mean the Two World Trade Center Lessee and the Four World Trade Center Lessee.

1.290.9 "Tower Lessees' Parking Area" shall have the meaning provided in Subsection 6.2.12.

1.290.10 "Tower PDC" shall have the meaning provided in Section 48.2.

1.290.11 "Tower Project" shall mean the "Tower 3 Project" as such term is defined in the Development Agreement.

1.291 "Transaction" shall have the meaning provided in Section 24.9.

1.292 "Transaction Certificate" shall have the meaning provided in Section 24.6.

1.292.1 "Transaction Documents" shall mean the REOA, the Development Agreement, the One World Trade Center Development Agreement, the Original Mutual Release, the Mutual Release, the Tenant Support Agreement and any other documents to which the Port Authority and the Lessee are parties that (i) were entered into contemporaneously with the execution of the Restated Four World Trade Center Lease and are still in effect as of the Net Lessee Execution Date or (ii) are being entered into contemporaneously with the execution of this Agreement.

1.293 "Transaction Payment" shall have the meaning provided in Section 24.2.

1.293.1 "Transaction Payment Outside Date" shall have the meaning provided in Section 24.13.13.

1.294 "Transferee" shall have the meaning provided in Subsection 24.13.14.

1.295 "Transferor" shall have the meaning provided in Subsection 24.13.15.

1.296 "Treasury Rate" shall have the meaning provided in Section 6.13(b).

1.297 Intentionally Omitted.

1.298 "Trustee" shall have the meaning provided in Subsection 24.12.1.

1.299 "Two World Trade Center Lease" shall have the meaning provided in the Recitals.

1.300 "Two World Trade Center Lessee" shall have the meaning provided in the Recitals.

1.300.1 "2001 NYPA Supplement" shall have the meaning provided in Section 1.110.

1.300.2 "2006 PILOT Agreements" shall mean (i) that certain letter agreement entered into between the Port Authority and the City of New York and dated November 16, 2006 relating to a credit under the City Agreement in connection with certain matters with respect to the development of Cortlandt Way and (ii) that certain letter agreement entered into between the Port Authority and the City of New York and dated November 16, 2006 relating, inter alia, to certain terms applicable to leases regarding space within the World Trade Center to be occupied by the City of New York.

1.300.3 "2010 BID Amendment" shall have the meaning provided in Section 6.8.2(b).

1.301 "Unavoidable Delay" shall mean; for the purposes of this Agreement other than for the purposes of the Development Agreement (in respect of which Development Agreement, 'Unavoidable Delay' is therein separately defined), actual delays (after taking into account all

reasonable measures that are taken or could reasonably have been taken by the Lessee to mitigate the effect of the following) caused by (a) acts of God, war, sabotage, hostilities, invasion, insurrection, riot, mob violence, malicious mischief, embargo, enemy action, civil commotion, earthquake, flood, fire or other casualty, strikes, labor troubles, unusual weather conditions, and inability to procure labor, equipment, materials or supplies (exclusive of delays inherent in the ordering of long-lead items, unless the need for any such long-lead item could not reasonably be anticipated), to the extent not attributable to the acts or omissions of the Lessee, and (b) any other matter beyond the reasonable control of the Lessee. Inability to pay a sum of money or to obtain or to timely obtain any permits or certificates from applicable governmental entities shall not constitute Unavoidable Delay and delay caused by any dispute between the Lessee and Mortgagee or other lender shall not constitute an Unavoidable Delay, unless the inability to timely obtain a permit or certificate is not due to any delay, failure or refusal to apply for, or comply with applicable rules, laws or regulations relating to, such permit or certificate (unless such failure to so apply or comply is expressly permitted pursuant to the provisions of this Agreement). The Lessee shall advise the Port Authority by notice as to the measures taken or proposed to be taken by the Lessee to mitigate the delay caused by such occurrence of Unavoidable Delay and thereafter shall keep the Port Authority reasonably informed as to the status of such measures, and notify the Port Authority as to the termination of the occurrence of Unavoidable Delay within five (5) Business Days thereafter.

1.301.1 "Uninsured Casualty Amount" shall have the meaning provided in Subsection 15.1.5.

1.301.2 "Uninsured Casualty Funding Notice" shall have the meaning provided in Subsection 15.1.5.

1.302 "Unknown Pre-Existing Conditions" shall have the meaning provided in Subsection 6.4.1.

1.303 "Unrecovered Capital Investment" shall have the meaning provided in Section 24.13.16.

1.304 Intentionally Omitted.

1.305 "Variance" shall have the meaning provided in Subsection 19.1.1.

1.305.1 "Vertical Gore Letter" shall mean that certain letter agreement between the Port Authority and the City of New York, dated as of November 16, 2006, pursuant to which, among other things, the parties thereto agree to cooperate to resolve any strips or gores created by land transfers among such parties.

1.306 "Violations Notice" shall mean a notice, issued by the Code Compliance Office to the Lessee, in connection with a violation of the rules and/or regulations set forth in the Port Authority Manual, which notice shall set forth, in reasonable detail, the particular rule and/or regulation which was violated and the period of time within which the repair, modification, addition, improvement and/or alteration described in such notice shall be completed, which period shall be consistent with the cure periods granted to the Lessee in Subsection 6.4.6 or Section 67.3 (as applicable) for the performance of work and curing violations.

1.307 "Voluntary Increase" shall have the meaning provided in Subsection 6.8.6.

1.308 "Waiver" shall have the meaning provided in Subsection 61.4.1.

1.309 "World Trade Center" shall have the meaning provided in the Recitals.

1.310 "World Trade Center Legislation" shall have the meaning provided in the Recitals.

1.311 "World Trade Center Tenants" shall mean any Person having a leasehold interest in the World Trade Center, other than Space Tenants or their subtenants.

1.312 "WTC Electric Rates" shall have the meaning provided in Section 48.9.

1.313 "WTC Site" shall have the meaning provided in Section 14.20.1.

Section 2. Letting.

2.1 The Port Authority hereby lets to the Lessee and the Lessee hereby hires and takes from the Port Authority at the World Trade Center:

(a) subject to modification pursuant to the terms of Section 2.1.1 below, all that certain volume of space, lying and being in the Borough of Manhattan, County, City and State of New York, (i) the exterior horizontal limits of the grade and above-grade portion of said volume of space being more particularly bounded and described on "Exhibit A-1" attached hereto (with no upper vertical limit), and (ii) the exterior horizontal limits of the below-grade portions of said volume of space being more particularly bounded and described on "Exhibit A-2" attached hereto (with no lower vertical limit), excluding the Excluded Space (collectively, the "Demised Space");

(b) together with all buildings now or hereafter occupying the Demised Space and all other improvements, fixtures, machinery, apparatus, and fittings now or hereafter affixed thereto (including antennas and satellite dishes), whether or not the same are considered real property by operation of law, and any additions thereto, or replacements thereof (individually and collectively, the "Building"), subject to the non-exclusive right of support of PATH, the Tower Lessees and the Retail Lessee; and

(c) together with the right of support of the Building, including, without limitation, the right to use the foundation and column construction work, structural steel,

supports, footings and other structural elements which presently or hereafter attach to the land described on Exhibits A-1 and A-2 attached hereto (the "Support Rights").

2.1.2 The Port Authority and the Lessee acknowledge that (i) Exhibits A-1, A-2 and A-3 are attached to this Agreement as an interim measure pending the preparation of final legal descriptions and drawings of the Demised Space and the Excluded Space (collectively, the "Final Descriptions") which will be substituted for the aforesaid interim legal descriptions and drawings in accordance with this Section 2.1.1. The Port Authority and the Lessee agree to cooperate in obtaining the Final Descriptions of the entirety of the Demised Space and the Excluded Space as soon as possible after the completion of final As-Built Plans for the Demised Space and further agree that, upon obtaining the Final Descriptions, the Port Authority and the Lessee shall execute an amendment to this Agreement and the memorandum of this Agreement recorded contemporaneously with the execution of this Agreement (the "Lease Memorandum"), amending the interim definitions of the Demised Space and the Excluded Space to substitute the Final Descriptions for such interim descriptions. In addition, at the request of either the Port Authority or the Lessee, the Port Authority and the Lessee shall cooperate in obtaining modified interim descriptions of the entirety of the Demised Space and the Excluded Space as soon as possible after the completion of each of the final schematic design drawings, final design development documents and final construction documents for the Demised Space and Excluded Space (each of the foregoing, "Design Drawings") and further agree that, upon obtaining each of the Design Drawings, at the request of either the Port Authority or the Lessee, the Port Authority and the Lessee shall execute an amendment to this Agreement and the Lease Memorandum, amending the then current interim definitions of the Demised Space and the Excluded Space to reflect the contents of the Design Drawings. In particular, but without limiting the generality of

the foregoing, the parties agree that the Demised Space, as replaced by the Final Descriptions, is intended to be, and shall be, that volume of space to be occupied by the Tower Project, as constructed and installed pursuant to the Development Agreement and the Tenant Support Agreement, and any replacements thereof, which Tower Project shall be known and designated as Three World Trade Center or Tower T-3. If there is a dispute with respect to the accuracy of the Final Descriptions or the Design Drawings, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

As referenced in Section 2.1(a) hereof, the term "grade" shall mean, (a) for purposes of the interim legal descriptions and drawings, the horizontal plane lying 1.35 feet below top of legal curb grade as indicated on the City of New York President of the Borough of Manhattan Topographical Bureau Sectional Maps Nos. 3 and 5 (as such maps existed on the Net Lessee Execution Date), and (b) for purposes of the Final Descriptions, the horizontal plane lying 1.35 feet below top of legal curb grade as actually constructed at the World Trade Center site.

It is acknowledged that rights have been granted to the Lessee with respect to the easements and benefits of which the Port Authority is the grantee, the East Bathtub Common Areas, the East Bathtub Common Building Systems, the Site-Wide Common Areas, the Site-Wide Common Building Systems and the Site-Wide Facilities all as defined and described in the REOA (which areas and rights, together with the Support Rights, are hereinafter referred to as the "Appurtenances"), to be used by the Lessee in common with others in accordance with and subject to the terms and conditions set forth in the REOA.

2.1.3 The Demised Space, the Building and the Appurtenances, excluding in all cases the Excluded Space, are hereinafter referred to, individually and collectively, as the context requires, as the "Premises".

2.1.4 Notwithstanding anything to the contrary set forth elsewhere in this Agreement, or the granting to the Lessee of the rights described in this Section with respect to the Premises, it is understood and agreed that this Agreement is expressly subject to the REOA, as the same may apply to the rights of the Lessee hereunder.

2.2 The Lessee acknowledges that, pursuant to the REOA, it has granted certain non-exclusive easement rights to the Tower Lessees and the Retail Lessee with respect to the portion of the Loading Docks (as such term is defined in the REOA) appurtenant to the Building that is included within the Premises, subject to the terms and conditions set forth in the REOA relating thereto.

2.3 Prior to the execution of this Agreement, the Lessee has thoroughly examined the Premises and the Lessee agrees, subject to the Port Authority's obligations and the provisions expressly contained in the Transaction Documents, to accept the Premises, as is, in the condition existing on the Net Lessee Execution Date. The Port Authority makes no representations or warranties with respect to the condition of the Premises or the suitability thereof for the Lessee's operations therein under this Agreement.

2.4 Upon the request of the Lessee and any Tower Lessee, the Port Authority shall consider permitting any portion of the Premises demised under this Agreement to be released herefrom and thereafter demised to such Tower Lessee. Any such arrangement shall be subject to such terms and conditions as the Port Authority may require, in its sole and absolute discretion.

2.5 The Port Authority and the Lessee hereby acknowledge and agree that (i) no ownership interest in the Premises or any part thereof is being transferred or conveyed to the Lessee under this Agreement, (ii) the Port Authority is the owner and lessor of the Premises, (iii)

the Lessee is the lessee of the Premises pursuant to the terms of this Agreement, and (iv) Rental payments are rents paid pursuant to the letting of the Premises for which Lessee becomes liable on account of the use of the Premises. Neither the Lessee nor the Port Authority shall take or publish any position which is inconsistent with the immediately preceding sentence.

Section 3. Term.

The term of the letting under this Agreement (the "Term") commenced on July 16, 2001 (hereinafter called the "Commencement Date") and, unless sooner terminated, shall expire at 11:59 o'clock P.M. on the Business Day preceding the ninety-ninth (99th) anniversary of the Commencement Date (such date, or the effective date of any earlier termination of the Term, being hereinafter called the "Expiration Date").

Section 4. Use of Premises.

Following the Substantial Completion Date, the Lessee shall use, operate and maintain the Premises, subject to all the provisions of this Agreement, as an office building, together with ancillary uses that are commonly found in office buildings, such ancillary uses to include the use by Space Tenants of Communications Equipment on the roof of the Premises for the exclusive non-revenue producing private communications needs of such Space Tenants for their business operations as specifically set forth in Section 64 below, in a manner generally consistent with other office buildings located within the Borough of Manhattan, which building to be built pursuant to the Development Agreement shall be comparable in quality to the buildings more particularly set forth on Schedule 4 attached hereto and made a part hereof (collectively, "Comparable Buildings").

Section 5. Rental.

5.1 The Port Authority and the Lessee acknowledge that the Lessee has paid in full all rents and other amounts owing under this Agreement up to and including the day immediately preceding the Net Lessee Execution Date.

5.2 (a) The Lessee shall pay, as rent for the letting of the Premises, to the Port Authority, without notice or demand, the amounts set forth in this Section 5.2 (collectively, "Base Rent" or "Rental"), to be paid each month in advance, commencing on the Net Lessee Execution Date and continuing thereafter on the first day of each calendar month throughout the Term, which amounts shall be prorated for any partial calendar months.

(b) Subject to the provisions of Section 5.2(j) below, the Base Rent payable for each month during the period commencing on September 1, 2010 and ending on the Tower Construction Commencement Date shall be an amount equal to [redacted] per month.

(c) Subject to the provisions of Section 5.2(j) below, the Base Rent payable for each month during the period commencing on the day immediately following the Tower Construction Commencement Date and ending on the Stabilization Date shall be as set forth in this Section 5.2(c).

(i) The Base Rent payable for each month during the period commencing on the day immediately following the Tower Construction Commencement Date and ending on the last day of the sixth (6th) full calendar month following the 50% Stabilization Date (the "First Stabilization Test Date") shall be an amount equal to [redacted] per month.

(ii) With respect to each period of six (6) full calendar months following the First Stabilization Test Date until the Stabilization Date (or, with respect to the last such period, such shorter period, if applicable) (each such period, a "Stabilization Phased Rent

Period"; the final day of each such Stabilization Phased Rent Period, except for the final Stabilization Phased Rent Period ending on the Stabilization Date, a "Subsequent Stabilization Test Date"; each of the First Stabilization Test Date and each Subsequent Stabilization Test Date is sometimes referred to herein as a "Stabilization Test Date"), the Base Rent for each month during such Stabilization Period shall be an amount equal to the greater of (A) the monthly Base Rent in effect during the immediately preceding Stabilization Phased Rent Period (or, with respect to the first Stabilization Phased Rent Period, an amount equal to [redacted] per month) and (B) the product of (x) the Stabilization Percentage multiplied by (y) the Minimum Stabilized Base Rent Amount.

(iii) Upon the occurrence of the 50% Stabilization Date, the Lessee shall deliver a written notice to the Port Authority (the "50% Stabilization Notice") setting forth (A) the number of Rentable Square Feet in the Building that is subject to Delivered Space Leases, and (B) the names of the Space Tenants under such Delivered Space Leases.

(iv) On the date that is no more than twenty (20) Business Days and no fewer than ten (10) Business Days prior to each Stabilization Test Date, the Lessee shall deliver to the Port Authority a notice (a "Stabilization Test Notice") setting forth the Lessee's good faith determination of the Stabilization Percentage that will be in effect as of such Stabilization Test Date, together with a schedule setting forth the Lessee's good faith determination of the number of Rentable Square Feet in the Building demised under each Space Lease used in calculating such Stabilization Percentage and the name of each Space Tenant that is a party to each such Space Lease.

(v) If the Lessee shall fail to timely deliver a 50% Stabilization Notice pursuant to Section 5.2(c)(iii) above or if the Lessee shall fail to timely deliver a Stabilization

Test Notice pursuant to Section 5.2(c)(iv) above, then the Port Authority shall be entitled to deliver written notice to the Lessee setting forth the Port Authority's determination of the occurrence of the 50% Stabilization Date or the amount of the Stabilization Percentage, as applicable, based on information available to the Port Authority, and, in such case, subject to Section 5.2(c)(vi) below, said written notice shall be deemed to be the 50% Stabilization Notice or a Stabilization Test Notice.

(vi) Notwithstanding anything to the contrary contained in this Section 5.2(c), if the Port Authority shall deliver notice pursuant to Section 5.2(c)(v) above and the Lessee shall not agree with the Port Authority's determination of the occurrence of the 50% Stabilization Date or the amount of the Stabilization Percentage, as applicable, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45. If the results of said arbitration shall determine that the Base Rent paid by the Lessee pursuant to this Section 5.2(c) based on the Port Authority's notice was greater than the actual Base Rent due and payable, the amount of such excess shall be credited against the Lessee's next monthly installment(s) of Base Rent pursuant to this Section 5.2.

(d) Subject to the provisions of Section 5.2(g) below, during the period (the "Initial Post-Stabilization Period") commencing on the day immediately following the Stabilization Date and ending on the twentieth (20th) anniversary thereof, the Base Rent payable for each month shall be an amount equal to the greater of (i) [redacted] per month (the "Minimum Stabilized Base Rent Amount") and (ii) the quotient obtained by dividing the FMRV Amount then determined by twelve (12).

(e) Subject to the provisions of Section 5.2(g) below, with respect to each 20-year period during the Term following the expiration of the Initial Post-Stabilization

Period (or, with respect to the last such period during the Term, such shorter period, if applicable) (each, a "Future Post-Stabilization Period"; each of the Initial Post-Stabilization Period and each Future Post-Stabilization Period is sometimes referred to herein as a "Post-Stabilization Period"), the Base Rent for each month during such Future Post-Stabilization Period shall be an amount equal to the greater of (i) the monthly Base Rent in effect during the immediately preceding Post-Stabilization Period and (ii) the quotient obtained by dividing the FMRV Amount then determined by twelve (12).

(f) The Fair Market Land Value shall be determined in accordance with this Section 5.2(f).

(i) Beginning on the date that is one (1) year prior to the commencement of the applicable Post-Stabilization Period, the Port Authority and the Lessee shall negotiate in good faith to agree upon the Fair Market Land Value, it being agreed, however, that the failure of the Port Authority and the Lessee to strictly comply with the aforesaid date shall not in any way reduce the Port Authority's or the Lessee's rights or obligations under this Section 5.2, it being further expressly acknowledged that the Port Authority's failure to timely initiate the process for agreeing upon and determining the Fair Market Land Value under this Section 5.2 for any Post-Stabilization Period shall not in any way preclude the Port Authority from initiating such process for such Post-Stabilization Period at a later date. If the Port Authority and the Lessee have not reached agreement upon the Fair Market Land Value by the date that is one hundred eighty (180) days prior to the commencement of the applicable Post-Stabilization Period, the Port Authority, at its sole cost and expense, and the Lessee, at its sole cost and expense, shall each select a Qualified Appraiser (with each such Qualified Appraiser being referred to herein as the "Port Authority Appraiser" and the "Lessee Appraiser",

respectively) who shall prepare a written appraisal report specifying the Fair Market Land Value and giving the analysis thereof (with each such appraisal report being referred to herein, respectively, as an "Appraisal Report"). No later than the date that is one hundred fifty (150) days prior to the commencement of the applicable Post-Stabilization Period (the "Appraiser Notification Date"), the Port Authority shall notify the Lessee of the identity of the Port Authority Appraiser, and the Lessee shall notify the Port Authority of the identity of the Lessee Appraiser. The Port Authority Appraiser and the Lessee Appraiser shall have a period of sixty (60) days following the Appraiser Notification Date to conduct their respective appraisal investigations and produce their respective Appraisal Reports (with the Appraisal Report prepared by the Port Authority Appraiser referred to herein as the "Port Authority Appraisal Report" and the Appraisal Report prepared by the Lessee Appraiser referred to herein as the "Lessee Appraisal Report"). In connection therewith, each of the Port Authority Appraiser and the Lessee Appraiser shall be afforded full access to the Premises for purposes of conducting its appraisal investigations and shall be provided all information reasonably requested. Upon completion of their respective Appraisal Reports, the Port Authority Appraiser shall deliver a copy of the Port Authority Appraisal Report to the Lessee, and the Lessee Appraiser shall deliver a copy of the Lessee Appraisal Report to the Port Authority.

(ii) If the Fair Market Land Value determined by the Lessee Appraisal Report (the "Lessee Appraiser Determination") is within [redacted] of the Fair Market Land Value determined by the Port Authority Appraisal Report (the "Port Authority Appraiser Determination"), then the Fair Market Land Value for purposes of this Section 5.2 for such Post-Stabilization Period shall be deemed to be the mean (i.e., average) of the Lessee Appraiser Determination and the Port Authority Appraiser Determination.

(iii) If the Lessee Appraiser Determination is not within [redacted] of Port Authority Appraiser Determination, then the Port Authority and the Lessee shall once again negotiate in good faith in an attempt to reach a mutual agreement as to the Fair Market Land Value. If, within thirty (30) days after the date that shall be the latest to occur of (x) sixty (60) days following the Appraiser Notification Date, (y) the delivery by the Port Authority Appraiser to the Lessee of a copy of the Port Authority Appraisal Report and (z) the delivery by the Lessee Appraiser to the Port Authority of a copy of the Lessee Appraisal Report, the Port Authority and the Lessee are unable to reach a mutual agreement as to the Fair Market Land Value, then, within fifteen (15) days thereafter, the Port Authority Appraiser and the Lessee Appraiser shall jointly select a third Qualified Appraiser (the "Third Appraiser"). If the Port Authority Appraiser and the Lessee Appraiser shall not have selected the Third Appraiser within such 15-day period, the real estate valuation panel of the AAA shall select the Third Appraiser. The fees and expenses of the Third Appraiser shall be shared equally by the Port Authority and the Lessee. The Third Appraiser shall independently determine the Fair Market Land Value, with no instructions from the Port Authority, the Port Authority Appraiser, the Lessee or the Lessee Appraiser or their respective representatives, and taking into account such facts, circumstances and assumptions as the Third Appraiser shall determine in his or her sole discretion (including, without limitation the prior Appraisal Reports, it being agreed that the Port Authority and the Lessee shall deliver to the Third Appraiser the Port Authority Appraisal and the Lessee Appraisal, respectively). The Third Appraiser shall make his or her determination of the Fair Market Land Value (the "Third Appraiser Determination") within thirty (30) days following his or her appointment as the Third Appraiser. In the event that this subparagraph (iii) shall apply, the Fair Market Land Value for purposes of this Section 5.2 for such Post-

Stabilization Period shall be deemed to be the mean (i.e., average) of (x) the Third Appraiser Determination and (y) whichever of the Lessee Appraiser Determination and the Port Authority Appraiser Determination that is closer in absolute value to the Third Appraiser Determination.

(g) If the Fair Market Land Value has not been determined by the first day of the Initial Post-Stabilization Period, then the Base Rent to be paid by the Lessee to the Port Authority pursuant to Section 5.2(d) above for each month during the Initial Post-Stabilization Period until such determination has been made shall be an amount equal to the greater of (x) [redacted] per month and (y) the quotient obtained by dividing (1) the product of (A) the Applicable FMRV Percentage and (B) the mean (i.e., the average) of the Port Authority Appraiser Determination and Lessee Appraiser Determination by (2) twelve (12).

(h) If the Fair Market Land Value has not been determined by the first day of a Future Post-Stabilization Period, then the Base Rent to be paid by the Lessee to the Port Authority pursuant to Section 5.2(e) above for each month during such Future Post-Stabilization Period until such determination has been made shall be an amount equal to the greater of (x) the monthly Base Rent in effect during the immediately preceding Post-Stabilization Period and (y) the quotient obtained by dividing (1) the product of (A) the Applicable FMRV Percentage and (B) the mean (i.e., the average) of the Port Authority Appraiser Determination and Lessee Appraiser Determination by (2) twelve (12). After such determination has been made, any excess rental theretofore paid by the Lessee to the Port Authority shall be credited by the Port Authority against the next ensuing installment(s) of Base Rent payable by the Lessee to the Port Authority, or any shortfall shall be paid by the Lessee to the Port Authority within thirty (30) days after such determination, as the case may be.

(i) Promptly after the Base Rent has been determined pursuant to Section 5.2(d) or Section 5.2(e), as applicable, the Port Authority and the Lessee shall execute, acknowledge and deliver an agreement setting forth the Base Rent for the applicable Post-Stabilization Period, as finally determined, provided that the failure of the parties to do so shall not affect their respective rights and obligations under this Agreement.

(j) Notwithstanding anything to the contrary contained in Sections 5.2(b) and 5.2(c) above, if the Tower Construction Commencement Date shall not have occurred on or before the Outside Tower Construction Commencement Date, (i) during the period commencing on the day immediately following the Outside Tower Construction Commencement Date and ending on the Tower Construction Commencement Date, the Base Rent shall be an amount equal to [redacted] per month, (ii) during the period commencing on the day immediately following the Tower Construction Commencement Date and ending on the Stabilization Date, the Base Rent shall be the amount set forth in Section 5.2(c) above, and (iii) during the portion of the Term following the Stabilization Date, the Base Rent shall be determined pursuant to Section 5.2(d) or Section 5.2(e) above, as applicable.

(k) For purposes of this Section 5.2 and Section 6.8 below, as applicable, the following terms shall have the following meanings:

(i) "Applicable FMRV Percentage" shall mean (A) with respect to the Initial Post-Stabilization Period and the first Future Post-Stabilization Period, [redacted] and (B) with respect to the second Future Post-Stabilization Period and each Future Post-Stabilization Period thereafter, [redacted].

(ii) "Delivered Space Lease" shall mean a Space Lease that has been unconditionally executed and delivered by all parties thereto and pursuant to which either (i) the

Space Tenant thereunder is in occupancy of the premises demised thereunder for the conduct of business, (ii) the Space Tenant thereunder is paying rent, and/or (iii) the initial fit-out work has been substantially completed so that the premises demised thereunder are available for the Space Tenant's occupancy for the conduct of business.

(iii) "Fair Market Land Value" mean the fair market value of the Land at the time the determination is made, considering the Land to be vacant, unimproved, free and clear of all Liens and leases (including this Agreement and all Space Leases), and assuming that only the Building existing at the time of such determination of fair market value could be built on the Land for a use which is the same as the use of the Tower Project at the time of such determination, and determined in accordance with Section 5.2(f).

(iv) "50% Stabilization Date" shall mean the first date after the occurrence of the Substantial Completion Date on which not less than fifty percent (50%) of the aggregate number of Rentable Square Feet in the Building is subject to Delivered Space Leases.

(v) "FMRV Amount" shall mean an amount equal to the product of (A) the Fair Market Land Value and (B) the Applicable FMRV Percentage.

(vi) "Land" shall mean the parcel of land at grade as more particularly described on "Exhibit A-1" attached hereto.

(vii) "Outside Tower Construction Commencement Date" shall mean the sixth (6th) anniversary of the date which is the later to occur of (A) November 1, 2014 and (B) the date upon which all of the following milestones are achieved by the Port Authority and the elements described in such milestones become available for ongoing public use:

| Activity ID | Activity Description |
|---|---|
| **West Bathtub Hub:** | |
| AM1240 | PATH Hall Complete (minus punch list) |
| TH190 | Transit Hub Substantially Complete |

| | |
|---|---|
| | (TCO) |
| ST00014672 | Station Milestone 7: PATH Station Complete |
| **East Bathtub Hub:** | |
| AM1230 | Oculus Construction Complete (minus punch list) |
| TH00011910 | Terminal Hall Complete |
| TH00011870 | Passenger Entry to Term Hall Activated |
| CN10099 | Terminal Hall Complete |

(viii) "Qualified Appraiser" shall mean a licensed and bonded appraiser who (A) is a member of the American Institute of Real Estate Appraisers (or a successor organization) or a member of the Appraisal Institute (or a successor organization) having the MAI designation, (B) is generally known as reputable within the New York City community, (C) has at least fifteen (15) years of continuous experience appraising properties in Lower Manhattan, New York City comparable to the Land, and (D) has sworn fairly and impartially to perform its duties as an appraiser under Section 5.2(f).

(ix) "Stabilization Date" shall mean that date on which (i) the Substantial Completion Date shall have occurred and (ii) in the aggregate not less than ninety percent (90%) of the aggregate number of Rentable Square Feet in the Building is subject to Delivered Space Leases.

(x) "Stabilization Percentage" shall mean, as of the date of the applicable Stabilization Test Notice, the percentage of the aggregate number of Rentable Square Feet in the Building that is subject to Delivered Space Leases.

(xi) "Tower Construction Commencement Date" shall mean (A) if the Lessee shall have elected the Continuous Construction Option, the date on which the Lessee shall have commenced construction of the Tower Project above the seventh (7th) floor thereof in accordance with the Development Agreement, (B) if the Lessee shall have elected the Interrupted

Construction Option and construction of the Tower Project is resumed prior to the completion of the Capped Podium Building, the date on which the Lessee shall have commenced construction of the Tower Project above the seventh (7th) floor thereof, and (C) if the Lessee shall have elected the Interrupted Construction Option and construction is resumed following delivery of the Capped Podium Building in accordance with Exhibit EE-2 of the Development Agreement, the date on which the Lessee shall have resumed construction of the Tower Project.

(l) Upon the occurrence of each of the Tower Construction Commencement Date, the Outside Tower Construction Commencement Date, the 50% Stabilization Date and the Stabilization Date, the Port Authority and the Lessee shall enter into an agreement to memorialize such date, it being agreed, however, that failure to execute such agreement shall not in any way reduce the Port Authority's or the Lessee's obligations or rights under this Agreement.

5.3 Intentionally Omitted.

5.4 Intentionally Omitted.

5.5 The Base Rent shall be paid solely in accordance with Section 5.2 hereof, without any offset, credit, refund or other adjustment of any amount payable pursuant to this Agreement.

5.6 Intentionally Omitted.

5.7 Intentionally Omitted.

5.8 Base Rent for any Lease Year which does not constitute a full twelve (12) month period shall be prorated and only such portion thereof as is allocable to the period concurrent with the Term and prior to the Expiration Date shall be payable by the Lessee.

5.9 Intentionally Omitted.

5.10 The Port Authority and the Lessee agree that, except as otherwise expressly set forth herein, in the REOA and in the Contract to Lease, the Base Rent shall be absolutely net to the Port Authority without any abatement, deduction, counterclaim, set-off or offset whatsoever, so that this Agreement shall yield, to the Port Authority, the Base Rent payable in each year during the Term such that, except as otherwise expressly provided in this Agreement, the Lessee shall pay all costs, expenses and charges of every kind and nature relating to the Premises, as herein required to be paid by the Lessee, expressly excluding, however, payments for Taxes and any and all amounts expressly excluded from the definition of Taxes, which may arise or become due or payable during or after (but attributable and limited to a period falling within) the Term, and that the Port Authority shall be indemnified by the Lessee against, and held harmless by the Lessee from, the same. Subject to Section 16 below, the Lessee's liability for the payment of Rental which shall become payable after the Term as aforesaid is hereby expressly provided to survive the Term.

Section 6. Law Compliance, Taxes and Excises.

6.1 Subject to the provisions of Sections 6.2, 6.3 and 6.4, during the Interim Period, and during the portion of the Term following the Substantial Completion Date, the Lessee shall be responsible for procuring and maintaining, during the Term, all necessary permits, certificates, authorizations and licenses from all governmental entities having jurisdiction over the operations of the Lessee under this Agreement, including, without limitation, the Port Authority Manual, necessary for the use of the Capped Podium Building by the Lessee or the use and occupation of the Building by the Lessee and its Space Tenants, as applicable, subject to the provisions hereof.

6.2 Except as otherwise provided in this Section 6.2 and Sections 6.3 and 6.4, during the Interim Period, and during the portion of the Term following the Substantial Completion Date, the Lessee shall promptly comply with the Port Authority Manual and all Governmental Requirements which pertain or apply to: (w) the Capped Podium Building (if during the Interim Period), (x) the Building (if during the portion of the Term following the Substantial Completion Date), (y) the operations of the Lessee under this Agreement, or (z) the Lessee's occupancy of the Premises, and the Lessee shall promptly correct or cure, or cause to be corrected or cured, all violations or notices of non-compliance, including any matters set forth in any Violations Notice served on the Lessee or other notice of non-compliance. With respect to Governmental Requirements only, compliance therewith shall not be required unless either (i) a court of competent jurisdiction makes a final, non-appealable, determination that the governmental or municipal entity requiring compliance with the provisions of such Governmental Requirement has jurisdiction over the Premises with respect to such matters (or the Port Authority enters into any settlement or agreement to such effect), or (ii) the Port Authority fails to challenge the validity of a Governmental Requirement within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination.

6.2.1 Intentionally Omitted.

6.2.2 Intentionally Omitted.

6.2.3 Intentionally Omitted.

6.2.4 Intentionally Omitted.

6.2.5 Intentionally Omitted.

6.2.6 Intentionally Omitted.

6.2.7 Intentionally Omitted.

6.2.8 The Lessee shall have the right, in good faith, to contest or challenge any violation or notice of non-compliance, from the Port Authority, of any provisions of the Port Authority Manual. To the extent such violation or notice of non-compliance, as the case may be, does not involve matters of imminent peril to safety, health or preservation of property, the Lessee may defer compliance with any demand that the Lessee comply with any such violation or notice of non-compliance. In the event the Lessee undertakes to so challenge or contest, it shall (i) indemnify the Port Authority against any claims, damages or losses that may arise or result therefrom, and (ii) provide the Port Authority with security in a form reasonably acceptable to it against any loss or penalty which may be imposed against the Port Authority as a result of the Lessee's action. In the event the Lessee contests or challenges any violation or notice of non-compliance and defers compliance therewith, no Event of Default shall be deemed to have occurred unless the Lessee shall have failed to remedy the violation or non-compliant condition within a reasonable period following the final, non-appealable determination that such compliance is required (which shall be extended as long as the Lessee diligently and continuously pursues such contest or challenge, or the cure of such violation or non-compliance, and shall keep the Port Authority fully informed with respect thereto).

6.2.9 Intentionally Omitted.

6.2.10 Notwithstanding anything contained herein to the contrary, neither the Port Authority nor the Code Compliance Office shall be permitted to enforce a violation of, or compliance with, the Port Authority Manual, if such violation or non-compliance is caused by the Port Authority and/or its Affiliates (in their capacities as the lessees or occupants of any of the Excluded Space) or any party claiming by, through or under the Port Authority and/or its Affiliates (in their capacities as the lessees or occupants of any of the Excluded Space).

6.2.11 The Port Authority acknowledges that, pursuant to the REOA, the Net Lessees' Association will be obligated to cause the Appurtenances, the East Bathtub Common Building Systems and the East Bathtub Common Areas to comply with the Port Authority Manual and the provisions of any and all Governmental Requirements. Anything herein to the contrary notwithstanding, the Lessee shall not have the obligation to effect such compliance and any failure by the Net Lessees' Association to perform its obligation to cause the Appurtenances, the East Bathtub Common Building Systems and the East Bathtub Common Areas, as applicable, to comply with the Port Authority Manual and the provisions of any and all Governmental Requirements shall not result in an Event of Default under this Agreement.

6.2.12 The Port Authority hereby grants to the Lessee an irrevocable license to use, in common with each of the Tower Lessees, who are each being granted the same license under the Tower Leases, that portion of the parking facilities serving the World Trade Center depicted on "Exhibit V" annexed hereto (the "Tower Lessees' Parking Area"). Notwithstanding anything in this Agreement or the Development Agreement to the contrary, the location, size or boundaries of the area comprising the Tower Lessees' Parking Area shall not be changed, except to a de minimis extent, without the prior written consent of the Lessee and the Tower Lessees. Such license shall be without charge to the Lessee and the Tower Lessees. The Tower Lessees' Parking Area is solely for the passenger vehicular parking use of the Lessee, the Tower Lessees, each of their respective Space Tenants and undertenants, and such respective Space Tenants' and undertenants' employees; provided, however, that the Lessee may permit passenger vehicle parking (including valet services) for individuals (whether or not such individuals are Space Tenants, undertenants or employees of Space Tenants or undertenants of the Lessee or the Tower Lessees), subject, however, to any restrictions imposed with respect thereto under World Trade

Center site-wide security procedures then in effect. The use of the Tower Lessees' Parking Area shall be subject to all laws, rules and regulations, requirements, orders and directions of the Port Authority, including the Port Authority Manual, and any Governmental Authority. The Lessee and the Tower Lessees shall be permitted, without the consent of the Port Authority, to allocate the use of the parking spaces within the Tower Lessees' Parking Area. The Lessee, severally and jointly with the Tower Lessees, shall be responsible for all of the costs and expenses to maintain and repair in good repair and condition, and operate the Tower Lessees' Parking Area, including the cost of the installation of equipment that will be reasonably required to operate a first class parking facility in a Comparable Building for comparable use, including ingress and egress, gates, and striping, subject to and in accordance with the security requirements of the Port Authority.

6.3 Anything contained herein to the contrary notwithstanding, subject to Sections 6.2 and 6.4 and this Section 6.3, the Port Authority shall have the right to amend, restate, supplement or otherwise modify the Port Authority Manual and the Alteration Application Form from time to time in its sole and absolute discretion, provided (i) such modifications shall be applicable to all other similar facilities owned and/or operated by the Port Authority, and (ii) if such modifications are specific to the World Trade Center, or have the practical effect of affecting no other facilities owned and/or operated by the Port Authority, other than the World Trade Center, the Port Authority shall consult with the Lessee, and provide the Lessee, prior to the date the Port Authority intends to make such modifications, an opportunity to review and comment upon such proposed modifications. If approval of such proposed modifications by the Board of Commissioners of the Port Authority shall be required, or if the staff of the Port Authority shall present such modifications to the Board of Commissioners of the Port Authority for any other

reasons, any formal comments made by the Lessee with respect to such proposed modifications shall be provided by the staff of the Port Authority to the Board of Commissioners of the Port Authority.

6.3.1 The Port Authority shall send to the Lessee a notice of any proposed modification to the Port Authority Manual at least thirty (30) days prior to the date the Port Authority intends to make such modification. Upon the Lessee's receipt of such notice describing in reasonable detail the modification, together with such additional information regarding the proposed modification as the Lessee shall reasonably request, the Lessee shall, if so requested by the Port Authority in such notice, advise the Port Authority whether the Lessee anticipates that compliance with the proposed modification to the Port Authority Manual may result in Port Authority Manual Operating Expenses, and if any Port Authority Manual Operating Expenses are anticipated to occur, an estimate of the amount thereof, which estimate, together with an explanation of the basis therefor, shall be delivered to the Port Authority within thirty (30) days from the later of (i) the date that the Lessee receives a request therefor from the Port Authority or (ii) the date the Lessee receives such additional information regarding the proposed modification as the Lessee reasonably requests.

6.3.2 If the Lessee does not respond to a request from the Port Authority pursuant to Subsection 6.3.1 above within the thirty (30) day time period specified above, the Port Authority shall have the right to deliver a second written notice of such request (a "Reminder Notice") to the Lessee. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED NO INCREASE IN PORT AUTHORITY MANUAL OPERATING EXPENSES IF NOT ANSWERED WITHIN FIVE (5) BUSINESS DAYS"**. The Lessee's failure to respond to the Port Authority within five (5) Business Days after the

Lessee's actual receipt of a Reminder Notice shall be deemed to constitute an agreement with the Port Authority that no Port Authority Manual Operating Expenses are anticipated due to such modification. The information provided in such notification shall not affect Lessee's entitlement to Port Authority Manual Operating Expenses in accordance with the terms of this Agreement, provided the Lessee has made a good faith effort to notify the Port Authority whether it anticipates that a proposed modification to the Port Authority Manual may result in Port Authority Manual Operating Expenses, and the amount thereof, if any.

6.3.3 In the event the Port Authority modifies (or has modified) the Port Authority Manual, modifies (or has modified) any MOU's or enters into (or has entered into) any other memoranda of understanding, in each instance, at any time on or after November 16, 2006 ("Future MOU's"), other than to cause the Port Authority Manual, MOU's or Future MOU's to conform to Code Changes (an "Excess Port Authority Requirement"), the Port Authority shall pay to the Lessee any Excess Improvement Costs and any Reimbursable Port Authority Manual Operating Expenses incurred by the Lessee in connection therewith. Reimbursable Port Authority Manual Operating Expenses shall be paid in accordance with Subsection 6.3.8(b) below. Excess Improvement Costs shall be paid in accordance with a budget approved by the Port Authority pursuant to Subsection 6.3.4 below or as otherwise approved by the Port Authority pursuant to Subsection 6.3.4 below, on written demand therefor accompanied by reasonable documentation supporting such demand for payment, which payment shall be made promptly, but no later than thirty (30) days from the date such notice and reasonable documentation are received by the Port Authority. The Port Authority shall, at the Lessee's option, either pay Excess Improvement Costs directly to the parties entitled to receive payment of the Excess Improvement Costs, or if the Lessee has paid any such amounts directly to any

such party, upon receipt of an invoice marked "paid" or other documentation indicating the amounts due to such party have been paid, reimburse to the Lessee the amounts actually paid to such party. If the payments required to be made by the Port Authority pursuant to this Subsection 6.3.3 (or Subsection 6.3.4 below) are not made within the thirty (30) day time period set forth above, such amounts shall bear interest at the Prime Rate, accruing from the date of expiration of the thirty (30) day period until the date such amounts are paid.

6.3.4 Prior to commencing any action to comply with an Excess Port Authority Requirement, the Lessee shall submit a budget to the Port Authority detailing the action required to be taken to comply with the Excess Port Authority Requirement and the Excess Improvement Costs projected to be incurred in connection therewith, which budget shall be subject to the approval of the Port Authority, which approval shall not be unreasonably withheld, delayed or conditioned. Within ten (10) Business Days of the receipt of such budget, the Port Authority shall advise the Lessee as to whether such budget has been approved or disapproved, and in the event of a disapproval, provide reasonable detail as to the reasons for such disapproval.

(a) If the Lessee anticipates that the Excess Improvement Costs may exceed the amounts set forth in the budget approved by the Port Authority, the Lessee shall provide documentation, in reasonable detail, detailing the reasons for such increased amounts, and requesting the Port Authority's approval of such increase in the approved budget, which approval the Port Authority shall not unreasonably withhold, delay or condition. The Port Authority agrees that it shall be unreasonable to disapprove reasonable costs incurred with respect to matters which were not known by Lessee, or which the Lessee could not have reasonably anticipated, as of the initial budget request. Within ten (10) Business Days of the receipt of such documentation, the Port Authority will advise the Lessee as to whether such

increases have been approved or disapproved, and in the event of (i) a disapproval, provide reasonable detail as to the reasons for such disapproval, or (ii) an approval, payments in connection with Excess Improvement Costs shall be made in accordance with the budget, as amended by the increases that have been approved by the Port Authority. If there is a dispute as to whether the determination by the Port Authority with respect to increases in the amounts set forth in an approved budget was reasonable, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

(b) If the Port Authority does not respond to a request from the Lessee to approve or disapprove a proposed budget, or an increase to a proposed budget within the time periods specified above, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute an approval of such request.

(c) The Lessee shall have no obligation to effect compliance with an Excess Port Authority Requirement to the extent the Port Authority has not approved the Excess Improvement Costs to be incurred in connection therewith. The Lessee shall have a reasonable time period, taking into account the size of the project, subject to Unavoidable Delay, in which to make repairs or perform work at the Premises to conform with an Excess Port Authority Requirement.

6.3.5 If, within five (5) years of the effective date of any Excess Port Authority Requirement (or, if sooner, the Expiration Date), a Conforming Modification with respect to

such Excess Port Authority Requirement becomes effective, the Lessee shall promptly, but no later than sixty (60) days after request from the Port Authority, reimburse to the Port Authority the portion of Excess Improvement Costs paid by the Port Authority in connection with such Excess Port Authority Requirement which the Port Authority would not have been required to pay had the Conforming Modification been made prior to the effectiveness of such Excess Port Authority Requirement. The Lessee shall have no obligation to reimburse the Port Authority for any amounts under this Subsection 6.3.5 in connection with any Conforming Modification which becomes effective after the Expiration Date.

6.3.6 If the Port Authority fails to make the payments to the Lessee within the time period provided in Subsections 6.3.3 or 6.3.4 above, the Port Authority shall pay interest on the amounts so due to the Lessee at the Default Interest Rate, commencing on the date when such amounts are due to the Lessee, through the date on which such amounts are paid by the Port Authority.

6.3.7 As used herein, the term "Conforming Modification" shall mean a future change to the Building Department Code, the Health Code, the Fire Department Code or other enactments, ordinances, resolutions and regulations of the City of New York and its departments, boards and bureaus with regard to construction, maintenance, health and fire protection which (i) would be applicable to the Building if the Port Authority were a private entity, and (ii) impose requirements consistent in all material respects with the requirements imposed pursuant to an Excess Port Authority Requirement previously adopted by the Port Authority.

6.3.8 As used herein: (A) the term "Excess Improvement Costs" shall mean for each ten (10) year period during the Term ("Excess Improvement Period"), the portion of the cost, including, but not limited to, architectural, engineering, permitting, construction

management, construction and general condition costs, in excess of the Lessee's Premises Percentage of [redacted] in the aggregate, incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, as a result of Capital Improvements required to be made in order to comply with any Excess Port Authority Requirements that shall be imposed or adopted during such ten (10) year period; and (B) the term "Reimbursable Port Authority Manual Operating Expenses" shall mean, for each Annual Period, an amount, if any, in excess of the Lessee's Premises Percentage of the first [redacted] of the amount of Port Authority Manual Operating Expenses incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, in order to comply with all Excess Port Authority Requirements that shall be imposed or adopted by the Port Authority from and after November 16, 2006; provided, however, Excess Improvement Costs shall specifically exclude any costs incurred by Space Tenants. The amounts set forth in clauses (A) and (B) of the preceding sentence (1) shall be Subject to Adjustment by the Port Authority not more than one (1) time within the first six (6) months of each Excess Improvement Period, and (2) may, at the Lessee's option and upon written notice to the Port Authority, be calculated on an aggregate basis with the Excess Improvement Costs and Reimbursable Port Authority Manual Operating Expenses to be calculated under any Tower Lease(s).

(a) Excess Improvement Costs shall be attributable to the Excess Improvement Period during which such Excess Improvement Costs are actually incurred by the Lessee, provided, however, with respect to any Capital Improvement that is commenced during an Excess Improvement Period but not completed until the succeeding Excess Improvement Period, the Excess Improvement Cost incurred by the Lessee, or paid by the Lessee to the Net

Lessees' Association in connection therewith shall be attributable to the Excess Improvement Period during which such Capital Improvement is commenced.

(b) Reimbursable Port Authority Manual Operating Expenses shall be paid by the Port Authority to the Lessee monthly, and such amounts shall be paid to the Lessee within thirty (30) days after the Port Authority's receipt of a statement from the Lessee describing in reasonable detail the Port Authority Manual Operating Expenses allocable to such calendar month. At the end of each Annual Period, the Lessee shall provide a statement to the Port Authority describing in reasonable detail the Port Authority Manual Operating Expenses allocable to the immediately preceding Annual Period. If such annual statement shall show that the sums paid by the Port Authority for such Annual Period were less than the Reimbursable Port Authority Manual Operating Expenses payable by the Port Authority for such Annual Period, then the Port Authority shall pay to the Lessee, within thirty (30) days after the Port Authority's receipt of such statement, such deficiency. If such annual statement shall show that the sums paid by the Port Authority as Reimbursable Port Authority Manual Operating Expenses for such Annual Period exceeded the Reimbursable Port Authority Manual Operating Expenses payable by the Port Authority for such Annual Period, the Lessee shall, together with such statement, pay the amount of such excess to the Port Authority.

(c) As used herein, the term "Port Authority Manual Operating Expenses" shall mean, for each Annual Period, the amount by which the Operating Expenses actually incurred by the Lessee or paid by the Lessee to the Net Lessees' Association during such Annual Period exceed an amount equal to the Operating Expenses which would have been incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, during such Annual Period, had there been no Excess Port Authority Requirements enacted at any time prior

to the date such calculation is made. Port Authority Manual Operating Expenses shall not include operating expenses that, at the time, other Class A office buildings in Manhattan commonly incur.

6.3.9 In the event of any conflict between the provisions of this Agreement and the provisions of the Development Agreement as they pertain to which Port Authority Manual governs construction of the Tower Project, including following restart of construction, if any, following the Interim Period, the provisions of the Development Agreement shall control.

6.4 Except as otherwise provided in this Section 6.4 and Sections 6.2 and 6.3 above, during the Interim Period and during the portion of the Term following the Substantial Completion Date, the Lessee shall make any and all improvements, alterations, changes or repairs of or to the Premises, whether structural or non-structural, ordinary or extraordinary, that may be required at any time hereafter under any applicable Governmental Requirement (the "Repairs"). If, during the Interim Period or during the portion of the Term following the Substantial Completion Date, either the Port Authority or the Lessee receives any notices from any governmental entity, including, without limitation, the City of New York or any of its departments, boards and bureaus with regard to compliance of the Premises with any Governmental Requirement, it shall deliver a copy of such notice to the other party. The foregoing shall include any changes, replacements, alterations or substitutions in materials, furniture, furnishings or equipment that may be required at any time under any Governmental Requirements. Any such improvements, alterations or changes shall be performed by the Lessee in accordance with the provisions of Section 19 of this Agreement.

6.4.1 Except as otherwise provided in Sections 6.2 and 6.3 above and in this Section 6.4, any Repairs made to the Premises at the election of the Lessee, or as may be

required in this Agreement, during the Interim Period or during the portion of the Term following the Substantial Completion Date, shall be made at the sole cost and expense of the Lessee. With respect to any condition relating to Hazardous Materials that existed with respect to Site 3 as of the Site 3 PA Actual Final Site Completion Date in violation of the Port Authority Manual or any Governmental Requirement, but specifically excluding such conditions relating to Hazardous Materials with respect to that portion of Site 3 that is below the level to which the Port Authority shall have excavated as part of the Port Authority's work done on Site 3 in connection with and as part of the Port Authority's delivery of Site 3 to the Lessee on the Site 3 PA Actual Final Site Completion Date (individually and collectively, "Unknown Pre-Existing Conditions"), if the Lessee is obligated to cure or remedy any such conditions pursuant to the terms of this Agreement or any Governmental Requirement, provided, in the case of Governmental Requirements, either (x) a court of competent jurisdiction makes a final, non-appealable, determination that the governmental or municipal entity has jurisdiction over the Premises with respect to such matters (or the Port Authority enters into any settlement or agreement to such effect), or (y) the Port Authority fails to challenge the validity of a Governmental Requirement within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination, the Port Authority shall pay to the Lessee any Non-Conforming Repair Costs incurred by the Lessee in connection therewith (as set forth in the budget approved by the Port Authority pursuant to Subsection 6.4.2 below or otherwise deemed approved by the Port Authority pursuant to Subsection 6.4.2 below), on written demand therefor, accompanied by reasonable documentation supporting such demand for payment, which payment shall be made promptly to the Lessee, but no later than thirty (30) days from the date such notice and reasonable documentation are received by the Port Authority.

The Port Authority shall, at the Lessee's option, either pay Non-Conforming Repair Costs directly to the parties entitled to receive payment of the Non-Conforming Repair Costs, or if the Lessee has paid any such amounts directly to such party, upon receipt of an invoice marked "paid" or other documentation indicating the amounts due to such party have been paid, reimburse to the Lessee the amounts actually paid to such party. If the payments to be made by the Port Authority pursuant to this Subsection 6.4.1 or Subsection 6.4.2 below, are not made within the thirty (30) day time period set forth above, such amounts shall bear interest at the Prime Rate, accruing from the date of expiration of the thirty (30) day period until the date such amounts are paid.

6.4.2 Prior to commencing any Repairs required by the Port Authority or other governmental entity and necessary to correct any Unknown Pre-Existing Condition in accordance with the Port Authority Manual or any Governmental Requirement, the Lessee shall submit a budget to the Port Authority detailing the Repairs required to correct any Unknown Pre-Existing Condition in accordance with the Port Authority Manual or any Governmental Requirement and the Non-Conforming Repair Costs projected to be incurred in connection therewith, which budget shall be subject to the approval of the Port Authority, which approval shall not be unreasonably withheld, delayed or conditioned. Within ten (10) Business Days of the receipt of such budget, the Port Authority shall advise the Lessee as to whether such budget has been approved or disapproved, and in the event of a disapproval, reasonable detail as to the reasons for such disapproval.

(a) If the Lessee anticipates that the Non-Conforming Repair Costs may exceed the amounts set forth in the budget approved by the Port Authority for the Repairs, the Lessee shall provide documentation, in reasonable detail, detailing the reasons for such

increased amounts, and requesting the Port Authority's approval of such increase in the approved budget, which approval the Port Authority shall not unreasonably withhold, delay or condition. It shall be unreasonable to disapprove reasonable costs incurred with respect to matters which were not known by the Lessee, or which the Lessee could not have reasonably anticipated, as of the initial budget request. Within ten (10) Business Days of the receipt of such documentation, the Port Authority will advise the Lessee as to whether such increases have been approved or disapproved, and in the event of (i) a disapproval, provide reasonable detail as to the reasons for such disapproval, or (ii) an approval, payments in connection with Non-Conforming Repair Costs shall be made in accordance with the budget, as amended by the increases that have been approved by the Port Authority. If there is a dispute as to whether the determination by the Port Authority with respect to increases in the amounts set forth in an approved budget was reasonable, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

(b) If the Port Authority does not respond to a request from the Lessee to approve or disapprove a proposed budget, or an increase to a proposed budget within the time periods specified above, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute an approval of such request.

(c) The Lessee shall have no obligation to cure or remedy any Unknown Pre-Existing Condition to the extent the Port Authority has not approved the Non-

Conforming Repair Costs to be incurred in connection therewith. The Lessee shall have a reasonable time period, taking into account the size of the project, subject to Unavoidable Delay, in which to make such repairs or perform such work at the Premises in connection with any Unknown Pre-Existing Conditions.

(d) The Lessee may commence an action necessary to (i) correct an Unknown Pre-Existing Condition prior to the date a budget detailing the actions required to be taken to correct such Unknown Pre-Existing Condition is submitted to, and approved by, the Port Authority, if such earlier correction is required pursuant to the terms of the final, non-appealable judgment, and (ii) comply with any requirement by a governmental entity or municipal agency to make Repairs prior to the date a budget detailing the actions required to be taken by the Lessee to comply therewith is submitted to, and approved by, the Port Authority, provided that either (x) a court of competent jurisdiction makes a final, non-appealable, determination that the governmental or municipal entity has jurisdiction over the Premises with respect to such matters (or the Port Authority enters into any settlement or agreement to such effect), or (y) the Port Authority fails to challenge the validity of a requirement within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination. To the extent any portion of the budget, or revised budget, has been approved by the Port Authority, the Port Authority shall reimburse the Lessee for such approved budgeted amounts, regardless of whether the remainder of the budget has been, or will be, approved. Once the remainder of the budget, or revised budget, has been approved by the Port Authority, the balance of any payments shall be made to the Lessee.

6.4.3 If the Port Authority fails to make payments to the Lessee within the time period provided in Section 6.4.1 or 6.4.2 above, the Port Authority shall pay interest on the

amounts so due to the Lessee at the Prime Rate, commencing on the date when such amounts are due to the Lessee, through the date on which such amounts are paid by the Port Authority.

6.4.4 As used herein, the term "Non-Conforming Repair Costs" shall mean the costs and expenses, including, without limitation, any fines and penalties assessed by any governmental entity, incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, in connection with those Repairs which are made at the direction of the Code Compliance Office or any governmental entity and are so requested to be made directly as a result of any Unknown Pre-Existing Condition, to the extent that such Repairs are necessary to cause the Premises to be in compliance with the Port Authority Manual or any Governmental Requirement. Costs and expenses incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, in connection with Repairs made at the direction of a governmental entity, exclusive of the Port Authority, shall not be deemed to be Non-Conforming Repair Costs unless and until either (x) a court of competent jurisdiction makes a final, non-appealable determination that such Repairs shall be made (or the Port Authority enters into any settlement or agreement to such effect), or (y) the Port Authority fails to challenge the validity of a Governmental Requirement within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination. The Lessee shall have no obligation to comply with any such Governmental Requirement unless the conditions set forth in this Subsection 6.4.4 are satisfied.

6.4.5 The Lessee shall promptly obtain a Waste Generator Identification Number for the Premises from the Environmental Protection Agency, which Waste Generator Identification Number shall be posted on its manifest and maintained in accordance with the rules and regulations of the Environmental Protection Agency.

6.4.6 Subject to this Section 6.4 and Sections 6.2 and 6.3 above, during the Interim Period and during the portion of the Term following the Substantial Completion Date, the Port Authority may issue Violations Notices against any portion of the Premises. In the event the Port Authority issues a Violations Notice to a Space Tenant, the Port Authority shall provide a copy of such Violations Notice simultaneously to the Lessee. The Lessee shall use commercially reasonable efforts to cure, or cause the applicable Space Tenant to cure, if applicable, the matters set forth in any Violations Notice delivered to the Lessee within thirty (30) days from the date the Lessee is notified as to such non-compliance; provided, however, that in the event that such non-compliance is not reasonably susceptible of cure within such thirty (30) day period, provided the Lessee or the Space Tenant, as the case may be, commences such cure and continues to diligently perform such cure, the Lessee or Space Tenant, as the case may be, shall have such additional time as is necessary to complete such cure. In the event that such non-compliance shall not be cured as aforesaid, unless the Lessee or Space Tenant, as the case may be, is diligently prosecuting the cure of such non-compliance and has notified the Port Authority of its intent to do so, and such non-compliance does not cause imminent peril to the life, safety or health of Persons at the Premises or the World Trade Center, the Port Authority shall have the right, upon reasonable notice to the Lessee, but not the obligation, to perform any acts necessary to cure such non-compliance. In the event that the Port Authority effects such cure ("Self-Help"), any cost and expense thereof, including reasonable attorneys' fees (collectively, "Non-Compliance Costs and Expenses"), shall be borne by the Lessee, and the Lessee shall reimburse same to the Port Authority within ten (10) days after demand, after receipt of supporting documentation evidencing the costs and expenses attributable thereto, together with (i) interest thereon accruing from the date of expenditure calculated at the Non-

Compliance Rate, and (ii) a charge in an amount equal to [redacted] of the amount of Non-Compliance Costs and Expenses. Additionally, in the event that the Port Authority effects such cure, the Lessee shall provide, or enforce the Lessee's right to cause the Space Tenant to provide, access to the Port Authority to the Premises, and otherwise cooperate with the Port Authority in good faith, as the Port Authority deems reasonably necessary in order to effect all such work. The Port Authority, except as otherwise expressly provided herein, shall have no obligation to perform such acts. The Port Authority shall not engage in any rights of Self-Help while a Chief Engineer Contest is pending.

6.4.7 Any default under this Section 6.4 shall neither be deemed to be an Event of Default nor shall the Port Authority, in its role and capacity as "landlord", be permitted to exercise Self Help, if the actions necessary to cure such default are an obligation of a Space Tenant, other than a default in any payment obligation of the Space Tenant, and shall not be a default only for so long as the Lessee is diligently prosecuting to cure such default, or seeking to cause the applicable Space Tenant to cure such default by enforcing its rights under the Space Lease, and provides the Port Authority with information regarding the status thereof as more particularly described herein.

6.5 The provisions of this Section 6 are not to be construed as a submission by the Port Authority to the application to itself of such governmental laws, rules, regulations, requirements, ordinances, orders and directions, or any of them.

6.5.1 In the event the Port Authority fails to pay any Non-Conforming Repair Costs incurred by the Lessee or the Net Lessees' Association as a result of a Governmental Requirement of any governmental or municipal entity (other than the Port Authority), and if the Lessee or the Net Lessees' Association pays or has paid such Non-Conforming Repair Costs,

then the Lessee shall be entitled to offset such amounts it has paid, or the Lessee's Premises Percentage of the amounts the Net Lessees' Association has paid, with interest at the Default Interest Rate, from the date such amounts were required to be paid by the Port Authority, to the date such amounts are offset, against the Rental next payable under this Agreement.

6.6 Subject to any rights which a Mortgagee may have, upon the expiration or earlier termination of the Term, the Lessee shall cause to be assigned and transferred to the Port Authority or its designee, all assignable or transferable licenses, permits or other authorizations secured by the Lessee or on its behalf for or in connection with the operations and use of the Premises hereunder. The form of such assignment or transfer shall be without recourse or warranty, and as otherwise reasonably approved by the Port Authority and the Lessee, and the Lessee shall cooperate fully in executing such assignment or transfer including attending any hearings required therefor, including, without limitation, cooperation in the taking of any affirmative action as may be necessary or desirable for the issuance of any new license, permit or authorization to the Port Authority or its said designee such as the timely surrender or cancellation by or on behalf of the Lessee of the license, permit or authorization in question. No consideration or monies shall be payable to the Lessee on account of such assignments or transfers, provided, however, the Port Authority shall bear all of the Lessee's out-of-pocket costs in performance pursuant to this Section.

6.7 The Lessee shall pay all Impositions, and the Lessee shall make all applications, reports and returns required in connection therewith. If any bond or other undertaking shall be required by any governmental entity (other than the Port Authority) in connection with any of the operations of the Lessee or any property of the Lessee, the Lessee shall furnish the same and pay all expenses in connection therewith. No alleged or purported immunity or exemption from any

Impositions available to the Port Authority shall be grounds for or excuse non-payment thereof by the Lessee.

6.8

6.8.1 The Lessee shall pay, in a timely manner, subject to the provisions of this Section 6.8, including Section 6.8.6 and Section 6.8.10 below, the BID Allocated Share, such charge being in lieu of an assessment that would otherwise be required from the Port Authority were it a private entity under the District Plan for the BID as approved by the New York City Council, and if the same are paid directly by the Port Authority, the Lessee shall pay the Port Authority therefor as hereinafter set forth.

6.8.2 For purposes of this Section 6.8, the following terms shall have the following meanings:

(a) "BID" shall mean the Alliance for Downtown New York, Inc., the District Management Association for the Downtown Lower Manhattan Business Improvement District.

(b) "BID Agreement" shall mean that certain Agreement dated as of November 4, 2010 between the Port Authority and BID, as amended by (if and when entered into with the prior written consent of the Lessee) that certain Amendment to BID Agreement contemplated to be entered into between the Port Authority and BID with respect to calendar year 2010 (the "2010 BID Amendment").

(c) "BID Allocated Share" shall mean the portion of the Port Authority's BID Charge payable by the Lessee pursuant to this Section 6.8. In particular, the BID Allocated Share shall be (i) for the 2010 calendar year, Lessee's Allocated Share of the Existing BID Charge, (ii) for the portion of the Term commencing on January 1, 2011 and

ending on the Substantial Completion Date, [redacted], (iii) for the portion of the Term commencing on the day immediately following the Substantial Completion Date and ending on the First Stabilization Test Date, Lessee's Allocated Share of [redacted] of the lesser of (x) the Existing BID Charge and (y) the BID Charge, (iv) for each Stabilization Phased Rent Period during the Term, Lessee's Allocated Share of the product of (x) the Stabilization Percentage multiplied by (y) the lesser of (1) the Existing BID Charge and (2) the BID Charge, and (v) during the Post-Stabilization Term, Lessee's Allocated Share of the BID Charge.

(d) "Existing BID Charge" shall mean the Port Authority's BID Charge for calendar year 2010 which is (i) as of the Net Lessee Execution Date, [redacted] and (ii) if the 2010 BID Amendment shall be entered into between the Port Authority and BID with the prior written consent of the Lessee, the amount set forth in the 2010 BID Amendment but in no event greater than [redacted].

(e) "Port Authority's BID Charge" or the "BID Charge" shall mean the charge attributable to the World Trade Center pursuant to the BID Agreement.

(f) "Post-Stabilization Term" shall mean the portion of the Term from and after the day immediately following the Stabilization Date.

6.8.3 If the results of an arbitration conducted pursuant to Section 5.2(c)(vi) of this Agreement shall determine that the BID Allocated Share paid by the Lessee pursuant to this Section 6.8 based on the Port Authority's notice delivered pursuant to Section 5.2(c)(v) of this Agreement was greater than the actual BID Allocated Share due and payable, the amount of such excess shall be credited against the Lessee's next installment of BID Allocated Share pursuant to this Section 6.8.

6.8.4 Unless the provisions of Section 6.8.10 shall apply, the Lessee shall pay the BID Allocated Share, either to the Port Authority, or to the taxing or governmental body, as directed by the Port Authority. If such amounts are paid to the Port Authority, then the Port Authority shall promptly remit payment to the taxing or governmental body and shall be liable for all interest or late payment charges if (i) a payment has been timely made to the Port Authority by the Lessee, and (ii) the Port Authority does not timely remit such payment. The Port Authority acknowledges that, as of the Net Lessee Execution Date, the Lessee has paid the BID Allocated Share covering the 2010 calendar year.

6.8.5 The Lessee and the Port Authority shall each file all applications and furnish all information required of them in connection therewith and, unless the provisions of Section 6.8.10 shall apply, the Lessee shall pay any penalties or interest thereon, to the extent attributable to the Lessee's delay, other than on amounts directly payable by the Port Authority as to which the Lessee has made prompt and timely payments to the Port Authority as required hereunder.

6.8.6 Prior to the commencement of the Post-Stabilization Term, regardless of whether the Lessee shall consent to an amendment to the BID Agreement, the BID Allocated Share shall not be increased from those amounts described in clauses (i) through (iv) of Section 6.8.2(c) above. In the event that, during the Post-Stabilization Term, the Port Authority shall, with the Lessee's consent, enter into a supplement or amendment to the BID Agreement (a "BID Amendment") under which the Port Authority's BID Charge shall be increased or decreased for any year, the "Port Authority's BID Charge" shall thereafter mean, for purposes of this Agreement, the Port Authority's BID Charge as so increased or decreased by such BID Amendment. In the event that, during the Post-Stabilization Term, the Port Authority shall,

without the Lessee's consent, enter into a BID Amendment under which the Port Authority's BID Charge shall be increased for any year (a "Voluntary Increase"), then, unless the provisions of Section 6.8.10 shall apply, (i) the Lessee shall continue to pay to the Port Authority for such year the BID Allocated Share which would have been payable for such year pursuant to the provisions of Section 6.8.1 for such year as if such Voluntary Increase had not occurred, and (ii) the Lessee shall pay to the Port Authority for such year an amount equivalent to the Lessee's Premises Percentage of the lesser of (A) the Voluntary Increase, and (B) the product of (x) the BID Charge that would have been payable had there not been a BID Amendment, and (y) the BID Percentage Increase for said year, assuming there had not been a BID Amendment. The amount determined pursuant to clause (ii) of the preceding sentence shall be added to the BID Charge for purposes of the calculation of the amount payable by the Lessee pursuant to this Section 6.8 in subsequent years. The time and manner of payment of any Voluntary Increase shall insofar as practical be in accordance with Section 6.8.4 above. Rights to appoint any World Trade Center representative to the BID shall be governed by the terms of the REOA.

6.8.7 The Port Authority shall not execute a BID Amendment that provides for a reduction of services being provided to the Premises as of the Substantial Completion Date, unless such reduction would apply to all owners of real property located within, and subject to, the BID. In negotiating any BID Amendment, the Port Authority shall treat the World Trade Center in a non-discriminatory manner.

6.8.8 For purposes of the calculation of the amount payable by the Lessee pursuant to this Section 6.8, (i) the BID Allocated Share for the years in which the Commencement Date and the Expiration Date shall occur shall be prorated and only such portion thereof that is allocable to the Term shall be included, and (ii) if, pursuant to the calculation

described in Section 6.8.2(c) above, the BID Allocated Share shall change on a day that shall be other than the first day of a calendar year, the BID Allocated Share for such calendar year shall be appropriately prorated, and, to the extent of any overpayment or underpayment by the Lessee, the Port Authority and the Lessee shall appropriately adjust same.

6.8.9 The Port Authority shall carry out and fully discharge its obligations under the BID Agreement, or any supplement or amendment thereto, so as to avoid any default thereunder.

6.8.10

(a) Notwithstanding anything to the contrary contained in this Section 6.8, if the Port Authority and the BID shall elect to have the Lessee enter into a direct agreement with the BID pursuant to which the Lessee is required to make payments directly to the BID, the Lessee shall enter into such an agreement in form and substance reasonably acceptable to the Lessee, provided that said agreement contains economic terms no less favorable to the Lessee than the following (such agreement satisfying the requirements of this Section 6.8.10(a), a "Lessee BID Agreement"):

(i) During the portion of the Term commencing on January 1, 2011 and ending on the Substantial Completion Date, the Lessee shall pay to the BID [redacted]

(ii) During the portion of the Term commencing on the day immediately following the Substantial Completion Date and ending on the First Stabilization Test Date, the Lessee shall pay to the BID Lessee's Allocated Share of [redacted] of the Existing BID Charge,

(iii) During each Stabilization Phased Rent Period during the Term, the Lessee shall pay to the BID Lessee's Allocated Share of the product of (x) the Stabilization Percentage multiplied by (y) the Existing BID Charge,

(iv) During the Post-Stabilization Term, the Lessee shall pay to the BID Lessee's Allocated Share of the Existing BID Charge; provided, however, that if the Port Authority shall enter into a Voluntary Increase during any calendar year during such period following the Stabilization Date, then during such period (x) the Lessee shall continue to pay to the BID the amount payable by the Lessee pursuant to the Lessee BID Agreement in effect during the immediately preceding calendar year, and (y) the Lessee shall pay to the BID for such year an amount equivalent to the Lessee's Premises Percentage of the lesser of (1) the Voluntary Increase for such year and (2) the product of (A) the BID Charge that would have been payable had there not been a BID Amendment in such year and (B) the BID Percentage Increase for said year, assuming there had not been a BID Amendment in such year.

(v) If, pursuant to the calculation described in this Section 6.8.10(a) above, the amount required to be paid the Lessee to the BID shall change on a day that shall be other than the first day of a calendar year, the amount payable by the Lessee to the BID for such calendar year shall be appropriately prorated, and, to the extent of any overpayment or underpayment by the Lessee, the BID and the Lessee shall appropriately adjust same.

(b) If the Lessee shall enter into a Lessee BID Agreement, then, in such case, from and after the date that the Lessee's payment obligations commence thereunder and during all period(s) that the Lessee is required to make payments pursuant to a Lessee BID Agreement, the Lessee shall have no obligations to the Port Authority under the remaining provisions of this Section 6.8. If the Lessee shall enter into a Lessee BID Agreement and shall

have already paid the BID Allocated Share covering all or a portion of the period during which the Lessee is required to make payments directly to the BID under such Lessee BID Agreement, then the BID Allocated Share shall be appropriately prorated, and the Port Authority shall refund to the Lessee any payment of the BID Allocated Share, appropriately prorated as necessary, covering the period during which the Lessee is required to make payments directly to the BID under such Lessee BID Agreement.

6.9 The term "governmental" as used in this Section with respect to the Lessee's obligation to comply with "laws, rules and regulations, requirements, ordinances, orders, and directions" or any similar phrase, shall include the Port Authority Manual and the words "governmental entity" as used in this Section with respect to the imposition of the charges, taxes, fees, excises, and duties described in this Section 6 shall not be deemed to include the Port Authority.

6.10 The Lessee shall pay to the Port Authority, without notice or demand, in semi-annual installments in arrears, on the first day of each January and July throughout the Term (each a "Tax Equivalent Rental Payment Date"), the following amounts ("Tax Equivalent Rental") allocable to the six (6) month period preceding each such Tax Equivalent Rental Payment Date (each such period being hereinafter referred to as a "Tax Equivalent Rental Payment Period"):

6.10.1 (a) The Lessee's Allocated PILOT Share of the amount that was payable by the Port Authority to the City of New York as of the Commencement Date in lieu of taxes with respect to the World Trade Center (the "Existing PILOT Base") pursuant to the Existing City Agreement, which amount shall be adjusted annually (the "Existing PILOT Escalations") in accordance with the provisions of the Existing City Agreement (the Existing

PILOT Base, as adjusted by the Existing PILOT Escalations, are hereinafter referred to as the "Existing PILOT Payments"), it being agreed that:

(i) the amounts payable pursuant to this Subsection 6.10.1 shall continue to be payable in accordance with the terms of the Existing City Agreement (pursuant to the methodology employed by the Port Authority through the Commencement Date) whether or not a New City Agreement is executed and whether or not the City of New York prevails on a claim to recalculate the amounts due pursuant to the Existing City Agreement; and

(ii) the amounts payable pursuant to this Subsection 6.10.1 shall be payable by the Lessee in accordance with the terms of the Existing City Agreement (pursuant to the methodology employed by the Port Authority through the Commencement Date), and except as specifically provided in clause (B) of this sentence, (A) without any credit, deduction or offset for credits or other allowances or abatements granted by the City of New York to the Port Authority pursuant to any New City Agreement or pursuant to any other agreement, including, without limitation, the 2006 PILOT Agreements, and (B) notwithstanding the provisions of clause (A) of this sentence, the Lessee shall be entitled to apply certain credits, as more particularly set forth below, against the payments required to be made by the Lessee pursuant to this Subsection 6.10.1 as follows:

(x) an amount equal to [redacted] (the "Prior EXCO –NYBOT Credit Amount"), representing the product of (A) the sum of (1) the aggregate EXCO Credit Amount for the period July 1, 2002 through June 30, 2006 and (2) the aggregate NYBOT Credit Amount for the period July 1, 2002 through June 30, 2006, and (B) a fraction, the numerator of which is 2,100,000 (i.e., the anticipated number of Gross Square Feet of

the Building, as set forth in the Development Agreement) and the denominator of which is [redacted] (i.e., the maximum number of Gross Square Feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement), which amount shall be applied against any payments required to be made by the Lessee pursuant to this Subsection 6.10.1, it being agreed that any unapplied portion of the Prior EXCO-NYBOT Credit Amount shall be carried forward each calendar year until the entire Prior EXCO-NYBOT Credit Amount shall have been applied against any payments required to be made by the Lessee pursuant to this Subsection 6.10.1; and

(y) subject to the provisions of clause (iii) below, an amount equal to [redacted] per Tax Year (the "Future EXCO Credit Amount"), for the period July 1, 2006 through the EXCO Expiration Date, which amount represents [redacted] of the product of (A) the EXCO Credit Amount for each such Tax Year, and (B) a fraction, the numerator of which is [redacted] (i.e., the anticipated number of Gross Square Feet of the Building, as set forth in the Development Agreement) and the denominator of which is [redacted] (i.e., the maximum number of Gross Square Feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement).

(z) subject to the provisions of clause (iii) below, an amount equal to [redacted] per Tax Year (the "Future NYBOT Credit Amount"), for the period July 1, 2006 through the NYBOT Expiration Date, which amount

represents [redacted] of the product of (A) the NYBOT Credit Amount for each such Tax Year, and (B) a fraction, the numerator of which is [redacted] (i.e., the anticipated number of Gross Square Feet of the Building, as set forth in the Development Agreement) and the denominator of which is [redacted] (i.e., the maximum number of Gross Square Feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement).

(iii) In the event that the sum of the Future EXCO Credit Amount and the Future NYBOT Credit Amount attributable to any particular calendar year shall exceed the amount payable by the Lessee pursuant to this Subsection 6.10.1 for such calendar year, the Lessee shall be entitled to carry forward into the next succeeding calendar year and any subsequent calendar years any portion of the Future EXCO Credit Amount and the Future NYBOT Credit Amount attributable to such calendar year that is in excess of said payment pursuant to this Subsection 6.10.1 for such calendar year until the sum of (i) the aggregate Future EXCO Credit Amount payable through the EXCO Expiration Date pursuant to subparagraph (y) of this Subsection 6.10.1(b) and (ii) the aggregate Future NYBOT Credit Amount payable through the NYBOT Expiration Date pursuant to subparagraph (z) of this Subsection 6.10.1(b) shall have been applied against any payments required to be made by the Lessee pursuant to this Subsection 6.10.1.

(b) For purposes of this Subsection 6.10.1, the following terms shall have the following meanings:

(i) The term "EXCO Credit Amount" shall mean the amount of the credit that the Port Authority is entitled to receive from The City of New York in accordance

with that certain agreement between the Port Authority and The City of New York dated August 14, 1997. A schedule setting forth the EXCO Credit Amount for each Tax Year from and after July 1, 2002 is attached hereto as "Exhibit W".

(ii) The term "EXCO Expiration Date" shall mean June 30, 2013.

(iii) The term "NYBOT Credit Amount" shall mean the amount of the credit that the Port Authority is entitled to receive from The City of New York in accordance with that certain agreement between the Port Authority and The City of New York dated March 31, 2000. A schedule setting forth the NYBOT Credit Amount for each Tax Year from and after July 1, 2002 is attached hereto as Exhibit W.

(iv) The term "NYBOT Expiration Date" shall mean June 30, 2015.

(c) An example of the calculation of Tax Equivalent Rental due to the Port Authority pursuant to this Subsection 6.10.1, assuming the Port Authority owes in excess of the minimum PILOT payment under the Existing City Agreement, and before application of any of the credits referred to in this Subsection 6.10.1, is attached hereto as Schedule 6.10.1.

6.10.2 Intentionally Omitted.

6.10.3 From and after the execution of any Space Lease, other than a Space Lease in which the City of New York, or any City Affiliate, or the Port Authority, or any department, board or bureau of the Port Authority, is the Space Tenant thereunder, the Lessee shall pay to the Port Authority, with respect to such Space Lease, the amount by which (i) the Space Tenant Tax Increase allocable to the preceding Tax Equivalent Rental Payment Period, exceeds (ii) the Existing PILOT Escalations allocable to such Tax Equivalent Rental Payment Period.

(a) The term "Space Tenant Tax Increase" shall mean the following amounts calculated with respect to each Space Lease: the amount by which (1) the Space

Tenant's Share of the amount of Taxes that would be payable to the City of New York for the relevant Tax Year if the Port Authority were a private entity, exceeds (2) the Base Tax Amount for such Tax Year.

(b) An example of the calculation of Tax Equivalent Rental due to the Port Authority pursuant to this Subsection 6.10.3 is attached hereto as Schedule 6.10.3.

6.10.4 The Lessee agrees that it shall not include in any Space Lease where the City of New York, or any City Affiliate, or the Port Authority, or any department, board or bureau of the Port Authority is the Space Tenant thereunder, any provision that would require such Space Tenant to make payments in lieu of Taxes or any other payments of, or based on, Tax Equivalent Rental, Space Tenant Tax Increases, PILOT or Existing PILOT Payments to the Lessee.

6.11 The Port Authority will compute the annual rate of the Tax Equivalent Rental payable by the Lessee under Section 6.10 and will notify the Lessee of the annual amount thereof on or about July 1 of each calendar year and, at such time, the Port Authority shall provide the documentation utilized to calculate the Tax Equivalent Rental to the Lessee, and the Lessee shall have a reasonable opportunity to review and comment upon such documentation and the Port Authority's computation of the Tax Equivalent Rental. Nothing contained herein shall, or shall be deemed to, obligate the Lessee to pay any Tax Equivalent Rental which shall accrue either for a period prior to the Commencement Date or for a period subsequent to the Expiration Date. In any year in which the Port Authority would owe the minimum PILOT payment under the Existing City Agreement, Lessee shall pay to the Port Authority [redacted] for such year, which amount is (i) the Port Authority's minimum PILOT payment under the Existing City Agreement (that is,

[redacted] multiplied by (ii) [redacted] which is derived from a fraction, the numerator of which is the number of anticipated Gross Square Feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement (that is, [redacted]) square feet) and the denominator of which is the aggregate number of Gross Square Feet of the World Trade Center site (that is [redacted] ([redacted]) square feet), and multiplied by (iii) a fraction, the numerator of which is the number of anticipated Gross Square Feet of the Building, as set forth in the Development Agreement (that is, [redacted] ([redacted]) square feet) and the denominator of which is the aggregate maximum amount of square feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement (that is, [redacted] square feet).

6.11.1 If the imposition or allocation of the Tax Equivalent Rental under Section 6.10 is delayed for any reason, the Lessee shall nevertheless continue to pay the amounts thereof at the rates then in effect subject to retroactive adjustment, with interest on such retroactive adjustment at the Prime Rate, at such time as the Tax Equivalent Rental is imposed or allocated. Notwithstanding notice from the Port Authority to the Lessee with respect to the amount of the Tax Equivalent Rental payable for any period, the amount of Tax Equivalent Rental shall be subject to adjustment in the event that for such period (i) for any Space Tenants, additional real estate taxes upon which any payment of Tax Equivalent Rental was based is increased or reduced, (ii) the annual per rentable square foot factor is changed, or (iii) the allocation of square feet to the Premises (excluding the Appurtenances) is changed, in each case in accordance with the applicable provisions of this Agreement and the Existing City Agreement;

and in such event the Tax Equivalent Rental payable for that period shall be recomputed if such recomputation results in an increase over the amounts theretofore actually paid, and the Lessee shall pay the increase within thirty (30) days of a demand therefor, with interest on such increase at the Prime Rate, and if such change or adjustment results in a decrease over the amounts theretofore actually paid, the Port Authority will credit the Lessee with the amount of such decrease, with interest thereon at the Prime Rate, such credit to be applied to the next installment of Tax Equivalent Rental payable by the Lessee, or, at the Lessee's option, the Port Authority shall pay the amount of such credit to the Lessee within thirty (30) days of a demand therefore.

6.11.2 If a New City Agreement is executed at any time after the Net Lessee Execution Date, other than the 2006 PILOT Agreements, the Lessee may thereafter petition the City of New York to create a separate tax lot or lots for the Premises, and the Port Authority will reasonably cooperate with the Lessee to obtain such designation.

6.11.3 The Lessee shall have the right to institute tax assessment reductions or other actions or proceedings to reduce the assessed valuation of the Premises (a "Tax Contest Proceeding"), upon prior written notice to the Port Authority, provided, however, the Lessee shall not be permitted to engage in a Tax Contest Proceeding if, within thirty (30) days from the date such prior written notice is received by the Port Authority, the Port Authority notifies the Lessee that it plans to institute a Tax Contest Proceeding and the Port Authority conducts such Tax Contest Proceeding with reasonable diligence. The Port Authority shall not settle any such Tax Contest Proceeding in an intentionally discriminatory manner against the Premises and the premises demised under the Tower Leases vis-à-vis the Non-Net Leased Portion or any premises demised under the Other Leases. The Port Authority and the Lessee shall reasonably cooperate with the other party during a Tax Contest Proceeding, and permit the other to attend hearings,

review and comment on applications and submissions, and file petitions protecting its interest, and shall not take a position that may be adverse to the position taken by the party initiating such Tax Contest Proceeding. The Lessee shall not settle any such Tax Contest Proceeding in an intentionally discriminatory manner against the Non-Net Leased Portion or any premises demised under the Other Leases vis-à-vis the Premises and the premises demised under the Tower Leases. If the Lessee is permitted to institute a Tax Contest Proceeding and does institute such action or proceeding, the Lessee shall nevertheless continue to pay, during the pendency of such action or proceeding, the Tax Equivalent Rental otherwise due to the Port Authority for the applicable period.

6.11.4 If the Lessee receives any notice from the City of New York regarding Taxes, PILOT or the imposition of any Governmental Requirement, the Lessee shall promptly, but no later than five (5) days after receipt of any such notice, deliver a copy of such notice to the Port Authority. If the Port Authority elects, in its sole discretion, to contest such notice, the Lessee shall reasonably cooperate with the Port Authority, provided, however, the Lessee shall not contest any Governmental Requirement or Taxes (other than pursuant to a Tax Contest Proceeding).

6.11.5 The Port Authority shall carry out and fully discharge all of its obligations under the City Agreement, or any supplement or amendment thereto, so as (i) to avoid any default thereunder, (ii) to the extent applicable, prevent any Lien on, or foreclosure or forfeiture of the Lessee's leasehold estate or the Port Authority's fee interest in the Premises and the World Trade Center. In addition, the Port Authority shall not enter into any agreement with the City of New York that would permit the City of New York to file a Lien against the Premises, or would

extinguish the Lien of this Agreement, in the event the Port Authority fails to carry out and fully discharge its obligations under the City Agreement or such other agreement.

6.11.6 The Lessee hereby acknowledges that the information provided by the Port Authority to the City of New York to calculate the amounts due under the City Agreement shall not be required to bear any relationship to the determination of Tax Equivalent Rental (including the determination of the "total number of rentable square feet in the Premises" and the "total number of rentable square feet in the World Trade Center").

6.11.7 Tax Equivalent Rental shall be prorated for the periods commencing immediately preceding the Commencement Date and the Expiration Date.

6.11.8 From and after the date on which a court of competent jurisdiction determines, by final, non-appealable judgment, that an Event of Default has occurred, notwithstanding anything contained in Section 6.10 to the contrary, Tax Equivalent Rental shall be payable in equal monthly installments, in arrears, for the balance of the Term.

6.12 If there shall be a dispute as to the arithmetic determination of Tax Equivalent Rental or BID Allocated Share, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45; provided, however, disputes involving the interpretation of the City Agreement, the BID Agreement or this Agreement shall not be subject to arbitration.

6.13 (a) In the event that either (x) there is a final, non-appealable determination (including, without limitation, pursuant to any settlement or agreement entered into by the Port Authority) that Taxes are payable with respect to the Premises, or (y) the Port Authority fails to challenge an assertion by the City of New York that Taxes are due and payable with respect to the Premises within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination:

(i) the Port Authority, with the cooperation of the Lessee, shall obtain a separate tax lot designation for the Premises, and the Port Authority shall pay the costs of obtaining such designation;

(ii) the Port Authority shall timely pay all such Taxes in such a manner so as to avoid any imposition of penalties or interest or have a non-payment ripen to a default thereunder, and prevent any sale, foreclosure, forfeiture or other transfer or extinguishment of the Lessee's leasehold estate and/or the Port Authority's fee interest in the Premises and the World Trade Center; and

(iii) in the event the Port Authority fails to timely pay such Taxes (including all interest and penalties thereon) and the Lessee makes such payment, the Lessee shall be permitted to offset such amounts, with interest at the Default Interest Rate, from the date such amounts were required to be paid by the Port Authority, to the date such amounts are offset, against Rental thereafter payable by the Lessee.

(b) The Port Authority shall take any and all actions required to be taken in order to prevent a sale, foreclosure, forfeiture or other transfer or extinguishment of, the Lessee's leasehold estate and/or the Port Authority's fee interest in the Premises and the World Trade Center as a result of a purported "in rem" proceeding or other proceeding to foreclose any Lien for Taxes claimed to be due and owing. The Port Authority shall be liable for, and shall promptly pay, any and all actual losses, damages, liabilities, claims, costs and expenses, interest, penalties, judgments and settlements (including, without limitation, reasonable attorneys' fees and disbursements), but excluding internal overhead and employee salary costs of the Lessee, incurred by the Lessee and arising from the Port Authority's failure to prevent the sale, foreclosure, forfeiture or other transfer or extinguishment of the Lessee's leasehold estate or the

Port Authority's fee interest in the Premises and the World Trade Center in accordance with the provisions of this Section 6.13(b), which amounts payable by the Port Authority shall be no less than the sum of the then outstanding principal amounts of the Senior Mortgage and any Mezzanine/Junior Loan entered into by the Lessee or its Parent (which sum shall not exceed, from and after the Substantial Completion Date, the Total Substantial Completion Date Principal) together with (x) all accrued and unpaid interest thereon, and (y) an amount equal to the then net present value (determined by using a discount factor equal to the then average rate (the "Treasury Rate") on U.S. Treasury obligations, having a maturity the same as the maturity of the Senior Mortgage) of interest on the then outstanding balance of the Senior Mortgage for the balance of the term thereof, calculated at a rate equal to the weighted average interest rate on the Senior Mortgage, less the Treasury Rate plus one-half of one percent (.50%). The provisions of this Section 6.13(b) shall survive the termination of this Agreement if the same shall be as a result of the Port Authority's failure to comply with its obligations under this Section 6.13(b).

6.14 The parties acknowledge that by reason of the ownership by the Port Authority of the Premises, sales and compensating use taxes will not be payable in connection with the purchase or incorporation of materials, fixtures and equipment by the Lessee in connection with Capital Improvements made to the Premises. In furtherance thereof, the Port Authority shall execute and deliver, at no cost or liability to it, such documents or instruments as may then be required by the appropriate governmental entity as a condition for or to evidence entitlement to such exemption, provided, however, that nothing contained herein shall require the Port Authority to make any application for a ruling with respect to such exemption. Notwithstanding the ownership by the Port Authority of the Premises, the Lessee, except in connection with Capital Improvements to the Premises, shall pay to the governmental entity or entities having

jurisdiction over sales and compensating use taxes, amounts equal to the amounts of all sales and compensating use taxes which would be payable, but for such ownership, on the materials, fixtures and equipment purchased for incorporation into or work performed on the Premises in connection with the maintenance of and repairs, restorations, additions, alterations, improvements and replacements to the Premises. Such amounts shall be payable at the times such sales and use taxes would be payable but for such ownership.

6.15 The Lessee shall neither take nor publish any position which is inconsistent with the rights and jurisdiction of the Port Authority as set forth and established in the World Trade Center Legislation for the effectuation of the World Trade Center.

6.16 Notwithstanding anything to the contrary contained herein, the Lessee shall not, without the express written consent of the General Counsel of the Port Authority, raise or take any action in any matter or proceeding concerning any issues involving in any way the jurisdiction of any tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officer, agents or employees, the governmental nature of the Port Authority and the provisions of any statutes with respect to suits against the Port Authority, or the immunity from taxes of (x) the Port Authority or (y) the bonds, notes or other obligations of the Port Authority.

6.17 Notwithstanding anything contained to the contrary in this Section 6, performance of the obligations set forth in Sections 6.2, 6.3 and 6.4 by the Net Lessees' Association shall be deemed performance of such obligations by the Lessee.

6.18 The Port Authority shall have the right to adopt security guidelines for the World Trade Center (the "Security Guidelines"), subject however to the provisions of this Section 6.18.

6.18.1 In the event that the Security Guidelines shall contain security standards that are in excess of (i) the then prevailing first-class high-rise building construction security requirements, during the portion of the Term prior to Substantial Completion other than the Interim Period, or (ii) the then prevailing security standards in Comparable Buildings, from and after Substantial Completion, then, in such case, no such Security Guidelines shall be adopted unless same shall be recommended by a professional third-party security expert involved in the security planning of the World Trade Center (such standards in excess of the requirements and standards contained in clauses (i) or (ii) of this sentence, as applicable, are collectively called "Additional Security Requirements").

6.18.2 The Port Authority shall apply and enforce the Security Guidelines non-discriminatorily among all stakeholders and all buildings within the World Trade Center, provided, however, that the Lessee acknowledges that the Security Guidelines may specify that certain requirements thereof that are applicable to the Lessee and the Building are not applicable to non-office stakeholders and buildings at the World Trade Center, and the Lessee agrees that, provided that comparable mixed use projects contain similar differences in applicability of security requirements among office and non-office stakeholders, such differences in applicability at the World Trade Center shall not constitute discrimination by the Port Authority.

6.18.3 The Port Authority shall keep the Lessee apprised of any security requirements that the Port Authority shall desire to adopt as part of the Security Guidelines, and, if and to the extent practicable, the Port Authority shall provide the Lessee with at least thirty (30) days written notice describing said security requirements prior to adopting same; provided, however that the Port Authority shall be permitted to condition said advance delivery of

proposed security requirements on the execution by the Lessee of a confidentiality agreement in form and substance reasonably acceptable to the Lessee and the Port Authority.

6.18.4 The Tower Project has been designed to comply with the World Trade Center site-wide Security Risk Analysis and Security Design Criteria dated October 1, 2004 (the "SRA") that is referenced in the letter dated July 5, 2005 from the Senior Advisor to the Governor for Counter Terrorism to the Port Authority and World Trade Center Properties LLC. If and to the extent that standards or requirements in addition to or in excess of the standards and requirements set forth in the SRA shall be imposed on the design or construction of the Tower Project, such additional or excess standards or requirements shall constitute "Additional Security Requirements" and the cost thereof shall be borne by the Port Authority.

6.18.5 Without limiting the generality of the provisions of Subsections 6.18.1 through 6.18.4 above, during the portion of the Term prior to Substantial Completion other than the Interim Period:

(a) The Lessee shall be responsible at its entire cost for security within Site 3 in accordance with the then prevailing first-class building construction security requirements. In the event that the Port Authority shall adopt the Security Guidelines prior to Substantial Completion, (i) the Port Authority shall be responsible for the entire cost and expense of the purchase, installation and operation of any security features that then constitute Additional Security Requirements, and (ii) if and to the extent that the implementation of the Additional Security Requirements shall result in a delay in the Substantial Completion of the Tower Project, any such delay shall be deemed to be an Unavoidable Delay (as defined in the Development Agreement) under the Development Agreement, provided however, the Port Authority shall not

be responsible for or reimburse Lessee for any increased project costs resulting or arising from any such delay or from compliance with the Additional Security Requirements.

(b) Subject to the provisions of Section 6.18.5(a), the Lessee shall not be responsible for the cost of any security outside of Site 3, including, without limitation, the World Trade Center site-wide perimeter fencing, badging, and security checking for access to the World Trade Center site.

6.18.6 Intentionally Omitted.

6.18.7 Without limiting the generality of the provisions of Subsections 6.18.1 through 6.18.4 above, from and after Substantial Completion:

(a) The Lessee shall be responsible at its entire cost for security within the Building in accordance with the Security Guidelines. However, in the event that the Security Guidelines shall not have been adopted prior to Substantial Completion, then, in such case, until such time as the Security Guidelines are adopted, the Lessee shall be responsible at its entire cost for security within the Building consistent with the then prevailing security standards in Comparable Buildings.

(b) Subject to any reimbursement obligation of the Lessee to the Net Lessees' Association pursuant to the REOA with respect to security in the East Bathtub Common Areas, the Lessee shall not be responsible for the cost of security in any areas of the World Trade Center outside of the Building.

6.18.8 The Port Authority will exercise all reasonable efforts to cause Security Guidelines for the construction period with respect to vehicular access to the Tower Project, delivery of materials to the Tower Project, construction access to the Tower Project, and the like -- whether developed and/or implemented by the Port Authority itself, by the Lower Manhattan

Construction Command Center ("LMCCC"), or by other governmental agencies -- to be imposed and enforced in a manner that (x) is non-discriminatory as among all World Trade Center stakeholders and as between reconstruction of the World Trade Center and other major projects being built in the area of LMCCC jurisdiction , (y) causes as few delays and complexities as practicable and minimizes disruption of and interference with materials deliveries and construction activities, and (z) provides for vehicle checking as close as practicable to the Tower Project.

Section 7. Sale, Assignment or Transfer.

7.1 Except as otherwise provided in this Agreement (including, without limitation, the provisions of Subsections 7.1.1, 7.1.2 and 7.1.3, and the provisions of Section 8), the Lessee covenants and agrees that (i) it will not sell, assign, transfer, mortgage, pledge, hypothecate, encumber or in any way, convey or dispose of, whether by operation of law or otherwise, this Agreement, or all of the Lessee's right, title and interest in the Premises (a "Direct Assignment"), (ii) the issued or outstanding capital stock of any corporation which, directly or indirectly, is the general partner or managing member of the Lessee shall not be sold, assigned or transferred if the same shall result in a Change of Control, (iii) additional stock in any such corporation shall not be issued if the issuance of additional stock will result in a Change of Control of the stock ownership of such corporation, (iv) no general partner's interest in the Lessee shall be sold, assigned or transferred, (v) no managing member's interest in the Lessee shall be sold, assigned or transferred, and (vi) it shall not sublet the Premises, other than for occupancy, as an entirety or substantially as an entirety, other than to a Related Entity as herein permitted (such transactions being hereinafter collectively referred to as an "Assignment", and the party to such transaction which is not the Lessee being hereinafter referred to as an "Assignee") without the prior written

consent of the Port Authority. The sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any limited partnership or non-managing member interest shall not be deemed an "Assignment" for the purposes of this Agreement. The Port Authority shall not act in an arbitrary, capricious or unreasonable manner when determining whether or not to consent to a proposed Assignment by the Lessee, and it shall be arbitrary, capricious and unreasonable for the Port Authority to withhold its consent to any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any direct or indirect interest in the general partner or managing member of the Lessee to any entity that qualifies (or has equity holders, direct or indirect, which qualify) as an Institutional Investor. Any permitted Direct Assignment by the Lessee shall be deemed an assignment under the REOA. In each of clauses (iv) and (v) above, a partial interest may be sold assigned or transferred as long as there is no Change of Control.

7.1.1 Notwithstanding any of the provisions of this Section 7.1 or Section 7.13 to the contrary, each of the following events shall not be deemed an Assignment for the purposes hereof, even if such event would have otherwise constituted an Assignment for the purposes of this Section 7.1: (i) if the managing member or general partner of the Lessee, or its direct or indirect equity owner, is a Publicly Held Entity, the trading of the stock of such Publicly Held Entity or of the issuance or transfer of the operating partnership units of any operating partnership in which such Publicly Held Entity owns a majority of the operating partnership units, (ii) the sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any interest in the Lessee's Parent, or in any person or entity which directly or indirectly owns a beneficial interest in the Lessee's Parent, to (x) a Person or Persons in each of which the Lessee and/or one or more Related Entities of the Lessee have in the aggregate at

least a [redacted] interest and in which the remaining interests are owned by the officers, directors and/or employees of the Lessee or of any such Affiliates of the Lessee (a "Beneficial Transfer"), or (y) a joint venture (which term shall include a partnership, limited liability company or tenancy-in-common) in which the Lessee and/or one or more Related Entities have in the aggregate at least a [redacted] interest and are the managing joint venturers, (iii) any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any interest in the general partner or managing member of the Lessee to an immediate family member of a member, partner or shareholder of such general partner or managing member, to a trust (inter-vivos or testamentary) for the benefit of an immediate family member of a member, partner or shareholder of the general partner(s) or managing member(s), or to the estate of a member, partner or shareholder of the Lessee, or its direct or indirect equity owners, or to an entity established by the general partner(s) or managing member(s), or its direct or indirect equity owners (as used herein, the term "immediate family member" shall mean: spouse; parents and grandparents; siblings; children and grandchildren (including adopted children or grandchildren)), or to an employee of a member, partner or shareholder of the Lessee, provided such transfer to an employee does not exceed twenty percent (20%) of the interest in such general partner or managing member of the Lessee, (iv) any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any direct or indirect interest in the Lessee which does not result in a Change of Control; (v) any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any direct or indirect interest in the Parent to any Person that qualifies as an Institutional Investor; (vi) any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any direct or indirect interest in the general partner or

managing member of the Lessee or in the Parent to any Person, after a Privatization, (vii) the transfer of the Lessee's direct or indirect leasehold interest in the Premises to a Mortgagee by foreclosure, assignment-in-lieu of foreclosure or otherwise and the subsequent sale by such Mortgagee of such interest in the Premises; provided, however, that in any event, the Lessee hereunder must continue to meet the criteria set forth in Section 7.3, (viii) the sale, assignment, transfer or conveyance of any interest in an entity (or an entity which has an interest in such entity) which has a direct or indirect interest in the Lessee, provided that the value of such entity's direct or indirect interest in the Premises constitutes less than [redacted] of the value of all assets owned, directly or indirectly, by such entity, (ix) a disposition or dilution of a direct interest in the Lessee, provided such disposition or dilution results from the exercise of remedies pursuant to the organizational documents of the holders of such direct interest in the Lessee following a default by the holder of such direct interest in the Lessee under such applicable organizational documents, and (x) a Corporate Transaction.

7.1.2 Notwithstanding any of the provisions of this Section 7.1 or Section 7.13 to the contrary, the Lessee shall have the right to enter into a Direct Assignment with a Related Entity, as an Assignee, provided, however, that such Direct Assignment shall not be effective until an agreement in the form annexed hereto as "Exhibit F" (an "Assignment and Assumption Agreement") has been executed by the Lessee, the proposed Assignee, and, except as hereinafter provided, the Port Authority. Subject to the provisions of this Section 7.1, the Port Authority's consent as herein stated shall be effective only as long as the proposed Assignee maintains the relationship to the Lessee as described in this Subsection 7.1.2.

7.1.3 Notwithstanding any of the provisions of this Section 7.1 to the contrary, the Lessee shall have the right to enter into a Direct Assignment with a Person which is not a

Related Entity, if the proposed Assignee, or the entity which controls the proposed Assignee, meets the criteria set forth in the definition of Institutional Investor; provided, however, that such Direct Assignment shall not be effective until an Assignment and Assumption Agreement has been executed by the Lessee, the proposed Assignee, and, except as hereinafter provided, the Port Authority.

7.1.4 The Lessee shall submit a written request to the Port Authority for its execution of an Assignment and Assumption Agreement as may be required pursuant to Subsections 7.1.2 or 7.1.3 or for its consent to any other Assignment. Upon written request from the Port Authority, which request must be received by the Lessee within ten (10) days from the date of the Port Authority's receipt of the request in the immediately preceding sentence, the Lessee shall submit documentation reasonably necessary to allow the Port Authority to determine whether the proposed Assignee fulfills the conditions set forth herein. The Port Authority shall either execute the Assignment and Assumption Agreement or grant such consent, or notify the Lessee that it will not execute any such Assignment or grant such consent (which notice shall provide the basis therefor in reasonable detail), within fifteen (15) Business Days of the later to occur of its receipt of (i) a written request from the Lessee, or (ii) documentation reasonably necessary to allow the Port Authority to determine whether the proposed Assignee fulfills the conditions set forth herein (provided such documentation was requested within the ten (10) day period set forth above), and if the Port Authority does not respond within such fifteen (15) Business Day period, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port

Authority's actual receipt of a Reminder Notice shall be deemed to constitute the Port Authority's approval to such request. In the event of such deemed approval by the Port Authority, the Assignment and Assumption Agreement shall be effective without the Port Authority's execution thereof. Upon request from the Lessee, the Port Authority shall pre-approve a proposed Assignee in anticipation of a future Assignment, which approval shall be given or withheld in accordance with the procedures and time frames set forth above.

7.2 In the event of a Direct Assignment pursuant to the provisions of Subsection 7.1.3, the assignor of such Direct Assignment shall be relieved of all liabilities and obligations under this Agreement accruing from and after the effective date of such Direct Assignment. Subject to the provisions of Section 16, nothing contained herein shall be construed to relieve the assignor under such Direct Assignment from any liability or obligation under this Agreement which shall have accrued on or prior to the effective date of such Direct Assignment.

7.3 Except as otherwise provided in Section 8, in the event of any sale, assignment, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any interest in the Lessee to any Person which will, directly or indirectly, own [redacted] or more of the beneficial interests in the Lessee, in the aggregate, such Person shall not create any conflict of interest as defined under the Public Officers Law of the State of New York between any Commissioner of the Port Authority and itself or its chief executive officer, chief operating officer, chief financial officer, president, chairman of the board, or any person or entity which Controls, is Controlled By, or is Under Common Control With it, and neither its chief executive officer, chief operating officer, chief financial officer, president, chairman of the board, nor any person or entity which Controls, is Controlled By, or is Under Common Control With it shall have been convicted of or be under indictment for any crime indicative of a lack of business

integrity, or shall have been convicted of or be under indictment in criminal anti-trust or criminal fraud litigation at the time such event occurs.

7.4 No Assignment of an interest in the Lessee, its managing member(s) or general partner(s) shall be effective if, on the effective date thereof, (i) the Lessee hereunder and its managing member(s) and/or general partner(s) (if and to the extent required pursuant to Section 23 below) shall not remain Single Purpose Entities (evidence of which shall be provided by the Lessee to the Port Authority, including, but not be limited to, a Non-Consolidation Opinion reasonably satisfactory to the Port Authority), (ii) subject to the rights of a Mortgagee under Section 8, an Event of Default has occurred and is continuing, or (iii) this Agreement is not in full force and effect. The provisions of clause (i) of this Section 7.4 shall not be effective if and for so long as it is not customary in mortgage-backed securities transactions that borrowing entities be required to satisfy Single Purpose Entity or similar criteria.

7.5 Nothing contained herein shall be deemed to affect or limit the Lessee's right to enter into Space Leases for the use and occupancy of portions of the Premises in accordance with the provisions of Section 9 of this Agreement.

7.6 Nothing contained herein shall be deemed to affect the Lessee's obligation to retain, or the Lessee's right to retain, a Permitted Manager pursuant to Section 10 of this Agreement.

7.7 Any Assignment not made in accordance with this Section 7, or the provisions of Section 8, shall be null and void ab initio and of no force or effect, to the extent permitted by law.

7.8 The Lessee shall pay all reasonable costs and expenses incurred by the Port Authority in connection with any Assignment made in accordance with this Section.

7.9 If, without the prior written consent of the Port Authority, where such consent is required by the terms hereof, the Lessee assigns, sells, conveys, transfers, or sublets the entire Premises in violation of this Section, or if all or substantially all of the Premises are occupied by anybody other than the Lessee except as otherwise expressly permitted pursuant to the terms of this Agreement, including, but not limited to, Sections 8 and 9, and provided an Event of Default shall occur and be continuing, the Port Authority may collect all sums, charges and fees, including rental from any assignee, sublessee or anyone who claims a right under this Agreement or letting or who occupies the Premises; provided, however, no such collection shall be deemed a waiver by the Port Authority of the covenants contained in this Section or an acceptance by the Port Authority of any such assignee, sublessee, claimant or occupant as the Lessee, nor a release of the Lessee by the Port Authority from the further performance by the Lessee of the covenants contained herein.

7.10 Any consent by the Port Authority under this Section 7 shall apply only to the specific transaction thereby authorized and shall not relieve the Lessee from the requirement of obtaining any prior consent of the Port Authority which may be required under this Section 7 to any further Assignment.

7.11 If there is a dispute as to the determination as to whether a Person qualifies as an Institutional Investor, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

7.12 Upon the request of the Lessee, the Port Authority shall consider permitting the transfer of a portion of a Building to another Person (including by submission of the Lessee's interest under this Agreement to Article 9-B of the New York Real Property Law (Condominium Act) and the transfer of a condominium unit comprised of a portion of Lessee's interest in the

Building). Any such arrangement shall be subject to such terms and conditions as the Port Authority may require, in its sole and absolute discretion. In the event the Port Authority consents to such transfer, the Port Authority shall reasonably cooperate with the Lessee in the Lessee's efforts to cause a tax lot subdivision to be formed.

7.13 Notwithstanding any of the provisions of this Agreement to the contrary, but subject to the provisions of Subsections 7.1.1 and 7.1.2 and Section 8.1 below, prior to the Substantial Completion Date, Lessee shall not make an Assignment to a Person that is not a Qualified Developer.

Section 8. Mortgages.

8.1 Notwithstanding any restrictions on Assignment pursuant to Section 7, subject to the terms and conditions set forth in this Section 8, the Lessee (or a holder of a direct or indirect interest in the Lessee), from time to time, shall have the right to place one or more Mortgages on the Premises (or on direct or indirect interests in the Lessee), the Lessee's interest in the REOA, revenue from its direct or indirect interest in the Premises and the Space Leases, except if at such time (i) an Event of Default has occurred and is continuing, or (ii) this Agreement is not in full force and effect. Notwithstanding any restrictions on Assignment pursuant to Section 7, partnership, membership, stock and other equity interests in the Lessee and in any Person having a direct or indirect interest therein may be pledged or a security interest granted to an Institutional Investor, provided the Person(s) having Control of the Lessee and its managing member(s) or general partner(s), as applicable, shall each continue to qualify as an Institutional Investor and, in the event of a foreclosure of such interests or other exercise of remedies by the Institutional Investor, the Person(s) having Control of the Lessee and its managing member(s) or general partner(s), as applicable, shall qualify as an Institutional Investor.

8.2 No Mortgage or any extension thereof made by the Lessee shall be a Lien or encumbrance upon the estate or interest of the Port Authority, as fee owner in and to the Premises or any part thereof.

8.3 At least fifteen (15) Business Days prior to the proposed effective date of the Mortgage, the Lessee shall notify the Port Authority in writing of the following: (i) the name and post office address of the proposed Mortgagee, (ii) setting forth, in reasonable detail, how and the reasons why such proposed Mortgagee qualifies as an Institutional Investor, and (iii) the principal amount to be secured by the proposed Mortgage. Within fifteen (15) Business Days of the Port Authority's receipt of such written notice from the Lessee, the Port Authority shall deliver a notice to the Lessee that the proposed Mortgagee complies with the requirements of this Section 8 (the "Qualification Notice"), or a notice setting forth in reasonable detail why the Port Authority has determined that such proposed Mortgagee does not comply with the requirements set forth in this Section 8 or that the Port Authority reasonably requires additional documentation to make such determination. If the Port Authority does not respond within fifteen (15) Business Days after receipt of such written notice from the Lessee, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute the Port Authority's approval of such Mortgagee and delivery of a Qualification Notice.

8.4 A Mortgage shall be valid and in force and effect only on the condition that (a) a true copy of each instrument creating and effecting such Mortgage, certified by the Mortgagee

and the Lessee (or other Person granting such Mortgage) to be a true and correct copy of such instrument, shall have been delivered to the Port Authority within ten (10) Business Days after such Mortgage has been executed and delivered by the Lessee (or other Person granting such Mortgage) to the Mortgagee, (b) the Port Authority has delivered or is deemed to have delivered, in accordance with Section 8.3 above, a Qualification Notice, and (c) with respect to Mortgages which encumber the Lessee's interest in the Premises only, such Mortgage contains, in substance, the following provision: this mortgage is executed upon the conditions that no purchaser at any foreclosure sale or assignee under an assignment-in-lieu of foreclosure shall acquire any right, title or interest in or to the Agreement and the REOA, unless the said purchaser or assignee, or the person, firm or corporation to whom or to which such purchaser's or assignee's right has been assigned, shall in the instrument transferring to such purchaser or to such assignee the interest of the Lessee under the Agreement and the REOA, assume and agree to perform all of the terms, covenants and conditions of the Agreement and the REOA thereafter to be observed or performed on the part of the Lessee, subject to the limitation of liability as provided in the Agreement and the REOA (and the provisions set forth therein), that no further or additional mortgage or assignment of the Agreement and the REOA shall be made except in accordance with Section 7 or Section 8 of the Agreement, and that a duplicate original of said instrument containing such assumption agreement, duly executed and acknowledged by such purchaser or such assignee and in recordable form, shall be delivered to the Port Authority under the Agreement and the REOA promptly after the consummation of such sale, or, in any event, within one (1) Business Day of taking possession of the premises demised thereby.

8.4.1 Notwithstanding anything contained in the Mortgage, the rights of the Mortgagee shall (i) be subject and subordinate to the terms, covenants, conditions and provisions

set forth herein, and (ii) with respect to Mortgages which encumber the Lessee's interest in the Premises only, be subject to the terms of the REOA. The terms, covenants, conditions and provisions of this Agreement shall govern as between the Port Authority, the Lessee, and the Mortgagee, and in the event of any inconsistency between the terms, covenants, conditions and provisions of this Agreement and the terms, covenants, conditions and provisions of the Mortgage, the terms, covenants, conditions, and provisions of this Agreement shall control. Notwithstanding any provisions of any Mortgage to the contrary, with respect to Mortgages which encumber the Lessee's interest in the Premises only, the Lessee for all purposes shall be deemed to be the Lessee hereunder unless and until the applicable Mortgagee or the nominee or purchaser at foreclosure or assignment-in-lieu or otherwise, as the case may be, shall have acquired the Lessee's interest herein or a new lease has been executed pursuant to Section 8.6 below, as the case may be. Any such Mortgage shall make reference to the provisions of this Agreement and shall provide that the Mortgage and the rights of the Mortgagee thereunder are and shall be in all respects subject hereto, and to the provisions hereof, including, but not limited to, the provisions set forth in Sections 15 and 42.

8.4.2 If any approval or consent by the Port Authority is sought or obtained hereunder, such approval or consent shall apply only to the specific transaction thereby authorized and the fact that the Port Authority has given its approval to such transaction shall not relieve the Lessee or the Mortgagee from the requirement of obtaining the approval or consent of the Port Authority to a subsequent transaction, if the Port Authority's approval or consent to such subsequent transaction is required.

8.4.3 In the event of a new lease or a foreclosure or assignment-in-lieu of foreclosure or other exercise of similar remedies pursuant to which the Mortgagee acquires the

Lessee's interest in the Premises (or acquires a direct or indirect interest in the Lessee), the Mortgagee shall be deemed to qualify as an Institutional Investor. In addition, any Mortgagee shall be permitted, without the prior consent of the Lessee or the Port Authority, to syndicate, assign or participate, in whole or in part, its Mortgage to any other Person, provided such Person qualifies as an Institutional Investor at the time of such syndication.

8.5 If the Lessee shall mortgage this Agreement (or if a holder of a direct or indirect interest in the Lessee shall pledge or otherwise collateralize such direct or indirect interests) in compliance with the provisions of this Section 8, the Port Authority shall give to each Mortgagee, at the address of such Mortgagee set forth in the notice mentioned in Section 8.3 or as otherwise provided in writing to the Port Authority, a copy of each notice of default delivered by the Port Authority to the Lessee and each notice of termination of this Agreement at the same time as, and whenever, any such notice of default or notice of termination shall thereafter be given by the Port Authority to the Lessee, and no such notice of default or notice of termination by the Port Authority shall be deemed to have been duly given to the Lessee unless and until a copy thereof shall have been so given to such Mortgagee. If the Lessee fails to cure any default within the applicable notice and grace periods, the Mortgagee(s) (i) shall thereupon have one (1) period of ten (10) Business Days more in the case of a default in the payment of Rental, and thirty (30) days more in the case of any other default (after notice of the failure of the Lessee to cure such default is given to Mortgagee following the expiration of the Lessee's cure period) than is given to the Lessee to cure such default, which periods are in addition to the cure periods given to the Lessee hereunder, and (ii) shall, within such period and otherwise as herein provided, have the right to cure such default or cause the same to be cured by the Lessee or otherwise. The Port Authority shall accept performance by a Mortgagee of any covenant,

condition, or agreement on the Lessee's part to be performed hereunder with the same force and effect as though performed by the Lessee.

8.5.1 Notwithstanding anything contained in this Agreement, no Event of Default shall be deemed to exist as long as a Mortgagee, in good faith, (i) shall have commenced, promptly after notice of the failure of the Lessee to cure a default is given to the Mortgagee, to cure the default in question (provided Mortgagee is not prohibited from curing such default pursuant to the terms of this Agreement) and prosecutes the same to completion with reasonable diligence and continuity, subject to Unavoidable Delays, which for the purposes of this Subsection 8.5.1 shall include causes reasonably beyond the control of such Mortgagee instead of causes beyond the control of the Lessee, (ii) if possession of the Premises is required in order to cure the default in question, (x) shall have entered into possession of the Premises with the permission of the Lessee for such purpose or (y) shall have notified the Port Authority of its intention to institute foreclosure proceedings or other action(s) to obtain possession (or acquire the interest pledged to the Mortgagee pursuant to the Mortgage) directly or through a receiver, and within thirty (30) days of the giving of such notice (subject to Unavoidable Delays) commences such foreclosure proceedings or other action(s), and thereafter (1) prosecutes such proceedings or other action(s) with reasonable diligence and continuity (subject to Unavoidable Delays) or (2) receives an assignment of this Agreement or such interest in lieu of foreclosure or otherwise from the Lessee in accordance with Section 7, and, upon obtaining possession (or acquiring such interest) pursuant to clause (x) or (y), commences promptly to cure the default in question and prosecutes the same to completion with reasonable diligence and continuity (subject to Unavoidable Delays), or (iii) determines that the non-monetary default in question is not susceptible of being cured by the Mortgagee and any such default will be deemed fully waived

by the Port Authority except as it relates to the Lessee; provided that, except in the case of clause (iii) above, the Mortgagee shall have delivered to the Port Authority, in writing, its agreement to take the action described in clause (i) or (ii) herein and shall have assumed the obligation to cure the default in question and that during the period in which such action is being taken (and any foreclosure proceedings or other action(s) are pending), all of the other obligations of the Lessee under this Agreement, to the extent they are susceptible of being performed by the Mortgagee without possession of the Premises (or the ownership of the interest pledged to the Mortgagee pursuant to the Mortgage) and without Lessee's permission to enter thereon, are being duly performed within any applicable grace periods (subject to any extensions expressly provided for in this Section 8). Payments by the Mortgagee made to cure defaults alleged by the Port Authority shall not diminish the right of the Mortgagee hereunder to contest the validity of such payments. At no time, however, shall the Mortgagee be obligated or required to discharge any liens which are junior in lien priority to its Mortgage. However, at any time after the delivery of the aforementioned agreement, the Mortgagee may notify the Port Authority, in writing, that it has relinquished possession of the Premises (or its collateral interest in the interest pledged to the Mortgagee pursuant to the Mortgage) or that it will not, in connection with such default, institute foreclosure proceedings or an action to gain possession of the Premises (or the ownership of the interest pledged to the Mortgagee pursuant to the Mortgage) or for the appointment to a receiver, or, if any such actions has been commenced, that it has discontinued them, and in such event, the Mortgagee shall have no further liability under such agreement from and after the date it delivers such notice to the Port Authority (except for any obligations assumed by the Mortgagee and accruing prior to the date it delivers such notice), and, thereupon, the Port Authority shall have the unrestricted right to terminate this Agreement (subject to Section 8.6 below) and to take any

other action permitted hereunder that it deems appropriate by reason of any default by the Lessee.

8.5.2 The Port Authority and the Lessee agree that, from and after the date upon which the Port Authority receives the notice and documents set forth in Section 8.4, they shall not modify or amend this Agreement in any respect or cancel or terminate this Agreement, and the Port Authority shall not accept any surrender of the Premises, other than as provided in this Section 8, without the prior written consent of the Mortgagees which have given such notice.

8.5.3 Except as provided in Section 8.5.1 and subject to Section 16, no Mortgagee shall become liable under the provisions of this Agreement unless and until such time as it becomes, and then only for the period that it remains, the owner of the leasehold estate created hereby, and then subject to any limitations on liability set forth in this Agreement. The liability of the Mortgagee shall be limited to its interest in this Agreement and the Premises.

8.5.4 Each Mortgagee shall provide to the Port Authority, at the address provided herein or as otherwise provided in writing to the Mortgagee, a copy of each notice of monetary default required to be delivered by the Mortgagee to the Lessee at the same time as, and whenever, any such notice of monetary default shall thereafter be given by the Mortgagee to the Lessee, and no such notice of default or notice of termination by the Mortgagee shall be deemed to have been duly given to the Lessee unless and until a copy thereof shall have been so given to the Port Authority. In the event that any Mortgage does not require the Mortgagee to deliver a notice of monetary default to the Lessee, any such Mortgagee shall provide to the Port Authority, at the address provided herein or as otherwise provided in writing to the Mortgagee, a notice (a "Special Notice") of any such monetary default. If the Lessee fails to cure any such monetary default within the applicable notice and grace periods, if any, provided in the

Mortgage, the Port Authority (i) shall thereupon have one (1) period of one (1) Business Day after notice of the failure of the Lessee to cure such default is given to the Port Authority following the expiration of the Lessee's cure period, if applicable, or after the Special Notice is given to the Port Authority to cure such default, which period is in addition to the cure periods, if any, given to the Lessee thereunder, and (ii) shall, within such period and otherwise as therein provided, have the right, but no obligation, to cure such default or cause the same to be cured by the Lessee or otherwise. The Mortgagee shall accept performance by the Port Authority on the Lessee's part to be performed hereunder with the same force and effect as though performed by the Lessee.

8.6 In case of termination of this Agreement by reason of any Event of Default or for any other reason, including, but not limited to, rejection or disaffirmance of this Agreement in connection with a bankruptcy, insolvency or similar proceedings by or against the Lessee, the Port Authority shall give prompt notice thereof to each Mortgagee under a Mortgage made in compliance with the provisions of this Section 8, which notice shall be given as provided in Section 8.5 hereof. The Port Authority, on written request of such Mortgagee made any time within forty-five (45) days after the giving of such notice by the Port Authority, shall execute and deliver within thirty (30) days thereafter a new lease of the Premises to the Mortgagee, or its designee or nominee, for the remainder of the Term, upon all the covenants, conditions, limitations and agreements herein contained, provided that the Mortgagee or its assignee or designee (i) shall pay to the Port Authority, simultaneously with the delivery of such new lease, all unpaid Rental due under this Agreement up to and including the date of the commencement of the term of such new lease and all expenses including, without limitation, reasonable inside and outside attorneys' fees and disbursements and court costs, incurred by the Port Authority in

connection with the default by the Lessee, the termination of this Agreement and the preparation of the new lease, and (ii) shall deliver to the Port Authority a statement, in writing acknowledging that the Port Authority, by entering into such new lease with the Mortgagee or its designee or nominee, (A) shall not have or be deemed to have waived any rights or remedies with respect to defaults existing under this Agreement, except those non-monetary defaults that are not reasonably susceptible to cure by the new lessee, notwithstanding that any such obligations existed prior to the execution of the new lease, and (B) that the breached obligations which gave rise to the defaults and which are reasonably susceptible of being cured by the new lessee are also obligations under said new lease, but such statement shall be subject to the provision that the applicable grace periods, if any, provided under the new lease for curing such obligations shall begin to run as of the first day of the term of said new lease, and (C) certifying to the Port Authority that the lessee under the new lease is a Single Purpose Entity, as of the date of the new lease, together with evidence reasonably satisfactory to the Port Authority, including, but not limited to, a Non-Consolidation Opinion reasonably satisfactory to the Port Authority. A Mortgagee shall be a third-party beneficiary of this Section 8.6.

8.6.1 Any such new lease and the leasehold estate thereby created shall, subject to the same conditions contained in this Agreement, continue to maintain the same priority as this Agreement with regard to any Mortgage or any other Lien, charge or encumbrance whether or not the same shall then be in existence. Concurrently with the execution and delivery of such new lease, the Port Authority shall assign and, to the extent held by the Port Authority, pay over to the lessee named therein all of its right, title and interest in and to (i) moneys (including, without limitation, (A) rents and other monies collected by the Port Authority from the Space Tenants which have not been applied to Rental and the costs incurred by the Port Authority to

operate, maintain and repair the Premises, and (B) insurance and condemnation proceeds which have not been applied to the costs incurred by the Port Authority to restore the Premises), if any, then held by or payable to the Port Authority or Depository which the Lessee would have been entitled to receive but for termination of this Agreement or the Port Authority's exercise of its rights upon the occurrence of an Event of Default, and any sums then held by or payable to Depository shall be deemed to be held by or payable to it as Depository under the new lease, and (ii) any permits, licenses or other agreements that are necessary to use or operate the Premises and are not otherwise assigned to the lessee named in such new lease pursuant to the terms of the new lease. The Port Authority shall, upon request, quitclaim any personal property located at the Premises to the lessee named in such new lease.

8.6.2 Upon the execution and delivery of a new lease under this Section 8.6, all Space Leases which theretofore may have been assigned to the Port Authority (or with respect to which the related Space Tenant shall have attorned to the Port Authority) thereupon shall be assigned and transferred, without recourse, representation or warranty, by the Port Authority to the lessee named in such new lease. From the date the Port Authority receives written notification from the Mortgagee of its intention to cure defaults pursuant to Section 8.5.1, to the date of execution and delivery of the new lease, if a Mortgagee shall have requested such new lease as provided in this Section 8.6, the Port Authority shall not enter into any new Space Leases, cancel or modify any then existing Space Leases or accept any cancellation, termination or surrender thereof (unless such termination shall be effected as a matter of law on the termination of this Agreement) without the written consent of the Mortgagee, except as permitted in the Space Leases.

8.6.3 If there is more than one Mortgage, the Port Authority shall recognize the Mortgagee exercising rights afforded by this Section 8 whose Mortgage is most senior in lien as the Mortgagee entitled to the rights afforded by this Section 8 and as otherwise provided under this Agreement (unless a Mortgage junior in lien or a Mortgagee that is not the holder of a Mortgage requires that the holder thereof have a superior entitlement to such rights, and all of the Mortgagee(s) senior in lien shall agree in writing to such request, in which event such recognition shall be of the holder of that Mortgage), provided that such Mortgagee shall have complied with the provisions of Sections 8.3 and 8.4 hereof.

8.7 Except in accordance with the provisions of this Section 8, the Lessee shall not mortgage the Lessee's interest in the Premises in whole or in part. Except in connection with a Mortgage or an Equipment Lease, no security interest with respect to goods, equipment, appliances, or articles of personal property now attached to or used or to be attached to or used in connection with the Premises will be created, or cause to be created, by the Lessee under the provisions of the Uniform Commercial Code of New York. The Lessee may enter into leases with and create security interests in favor of Persons, other than Related Entities, with respect to goods, equipment, appliances, or articles of personal property now attached to or used or to be attached to or used in connection with the Premises (an "Equipment Lease"), provided, except with respect to Equipment Leases entered into as part of the financing of the initial construction of the Building, the payments thereunder shall not exceed, in the aggregate, an amount equal to [redacted] of Gross Revenues attributable to the Annual Period during which such Equipment Lease is executed, per annum.

8.8 Nothing herein shall be deemed to preclude the Port Authority from bidding for the Lessee's interest in the Premises at any sale, public or private, pursuant to a judgment of

foreclosure or in lieu of foreclosure and thereby becoming the owner of the Lessee's interest in the Premises free from any claims, equities or rights of redemption of the Lessee.

8.9 No sale, transfer or assignment by the Lessee of its interest in this Agreement to the Port Authority, or by the Port Authority of its interest in the Premises to the Lessee, shall create a merger between the estates of the Port Authority and the Lessee unless the Port Authority, the Lessee and each Mortgagee shall specifically consent to such merger in writing, nor shall any such sale, transfer or assignment be deemed to affect or diminish the liabilities of the Lessee named in this Agreement, whether for survived damages (subject to the provisions of Section 16 hereof) or otherwise.

8.10 Each Mortgagee shall have the right to appear in any property insurance settlement, appraisal, arbitration or condemnation or other proceedings arising under this Agreement and to participate in any and all hearings, trials and appeals in connection therewith, except with respect to claims relating to events occurring prior to the Net Lessee Execution Date.

8.11 The Port Authority hereby expressly authorizes any Mortgagee to exercise the Right of First Offer, either on behalf of the Lessee or on its own behalf, and the Port Authority shall recognize and accept such exercise by the Mortgagee, if, and to the extent, so provided in such Mortgagee's Mortgage.

8.12 As to the matters which are the subject of this Agreement, the terms, covenants, conditions and provisions of this Agreement shall govern as among the Port Authority, the Lessee, and the Mortgagee, and in the event of any inconsistency between the terms, covenants, conditions and provisions of this Agreement and the terms, covenants, conditions and provisions of the Mortgage, the terms, covenants, conditions, and provisions of this Agreement shall control; provided, however, that, (a) as between the Lessee and the Mortgagee, any terms,

covenants, conditions and provisions of the Mortgage imposing greater obligations on the Lessee thereunder than are imposed on the Lessee under this Agreement, and (b) any terms, covenants, conditions and provisions of the Mortgage, to the extent that they are not in irreconcilable conflict with the terms, covenants, conditions and provisions of this Agreement, shall not be deemed to be inconsistent with this Agreement and shall be given effect to such extent.

8.13 Provisions with respect to debt, equity, mezzanine or other financing to finance (or refinance) the construction or initial lease-up, or to pay carry costs during the construction of, the Tower Project, or otherwise relating thereto, sought by or on behalf of the Lessee (a "Tower Financing") are set forth in the Tenant Support Agreement.The Port Authority hereby agrees not to unreasonably withhold its consent to any requests made by any lender(s) providing Tower Financing for changes or modifications to this Agreement.

8.14 In connection with the recording of any Mortgage that is part of the redevelopment of the World Trade Center, as described in the New York State Department of Taxation and Finance Advisory Opinion dated October 31, 2006 (Petition No. M061010A), if requested by the Lessee and subject to satisfaction by the Lessee of any reasonable requirements of the Port Authority in connection therewith, the Port Authority shall serve as a sole mortgagee (whether as trustee, agent, nominee or otherwise) or a co mortgagee (whether or not a private entity is the co mortgagee) and present such Mortgage for recording.

Section 9. Space Leases.

9.1 Subject to the terms and conditions set forth in this Section 9, the Lessee shall have the right to enter into, or authorize the Permitted Manager to enter into, Space Leases, or to renew, extend, modify, restate, terminate or surrender any Space Lease, without the consent of the Port Authority. Subject to modification of Section 4 of this Agreement pursuant to the

provisions of Section 60.3, the Lessee shall not enter into any Space Leases which permits a Space Tenant to use its demised premises for uses other than office use and uses ancillary to such office use as permitted in Section 4.

9.2 If the Lessee determines, in its sole discretion, that it does not desire to utilize the Port Authority Certification Procedure, the Lessee shall utilize the Self-Certification Procedure outlined below. Under the Self-Certification Procedure, the Lessee shall certify to the Port Authority, in writing, no later than five (5) Business Days before a proposed Space Lease or any renewal or extension thereof (unless the right of renewal or extension was granted in the original Space Lease, in which event no certification shall be required) is executed, that the business of the Space Tenant under such proposed Space Lease (or renewal or extension) is permitted under the World Trade Center Legislation, determined in a manner which is consistent with the Commencement Date Criteria (the "Self-Certification Procedure"). In making such certification, the Lessee shall be entitled to rely on any information with respect to the business of a proposed Space Tenant, as long as such reliance is made in good faith.

9.2.1 In the event the Lessee does not utilize the Self-Certification Procedure for any reason, then, prior to entering into a Space Lease, or any renewal or extension thereof (unless the right of renewal or extension was granted in the original Space Lease), the Lessee shall provide written notice to the Port Authority, setting forth in reasonable detail the Space Tenant's business under such proposed Space Lease, or any renewal or extension thereof. The Port Authority shall advise the Lessee within five (5) Business Days of its receipt of such notice (the "Determination Period"), whether or not the business to be conducted under such Space Lease is permitted under the World Trade Center Legislation (the "Port Authority Certification Procedure"). In making such determination, the Port Authority shall apply criteria no less

favorable than the criteria used by it in making similar determinations with respect to Space Tenants at the World Trade Center prior to the Commencement Date, as established in the context of the nature of the business conducted by the tenants and the Rentable Square Feet occupied by such tenants, in each case at the World Trade Center prior to the Commencement Date (collectively, the "Commencement Date Criteria"). If the Port Authority does not respond to any notice delivered by the Lessee within the Determination Period, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN THREE (3) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within three (3) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute an approval of such proposed Space Tenant. In the event that the Port Authority requests, prior to the expiration of the Determination Period, additional information with respect to the business to be conducted by the proposed Space Tenant under such Space Lease, the Determination Period shall be extended to expire five (5) Business Days after the Port Authority's receipt of such additional information. In the event that the Lessee does not utilize the Self-Certification Procedure and the Port Authority determines that the business to be conducted by the proposed Space Tenant under such Space Lease, or renewal or extension thereof (unless the right of renewal or extension was granted in the original Space Lease), is not permitted under the World Trade Center Legislation, such Space Lease, or renewal or extension thereof, shall not be entered into or otherwise authorized by the Lessee.

9.2.2 From time to time, upon request, but no more than once in any Annual Period, the Lessee shall submit to the Port Authority a written statement setting forth the (i)

name of each Space Tenant, (ii) nature and scope of uses permitted under Space Leases, (iii) space occupied, and (iv) commencement date and the expiration date of each Space Lease.

9.2.3 The Port Authority shall promptly notify the Lessee of any amendment to the World Trade Center Legislation, and upon receipt of any written notices or other information regarding such amendment, the Port Authority shall deliver a copy thereof to the Lessee.

9.3 Each Space Lease entered into pursuant to the provisions of this Section shall contain the following provisions:

(i) the Space Lease is subject to the terms, covenants, conditions and provisions of the REOA and this Agreement;

(ii) either (1) the Space Lease shall terminate and expire, without notice to the Space Tenant, on the day preceding the Expiration Date or on such earlier date as the Lessee and Space Tenant may agree upon, or (2) in the event this Agreement shall terminate prior to the Expiration Date, the Space Tenant will attorn to, or enter into a direct lease on identical terms with, the Port Authority for the balance of the unexpired term of the Space Lease;

(iii) the Port Authority may provide electrical power and the Lessee is deemed the agent of the Port Authority to collect payments; and

(iv) the Space Tenant shall not pay rent or other sums due under the Space Lease for more than one (1) month in advance, other than sums attributable to tenant security deposits, deposits for tenant improvement work, escalations, taxes, operating expenses and the first month's rent under such Space Lease.

9.4 The Port Authority, after an Event of Default shall have occurred and be continuing, may collect rent and all other sums due under the Space Leases, and apply the net amount collected to the Rental payable by the Lessee hereunder, but no such collection shall be,

or be deemed to be, a waiver of any agreement, term, covenant or conditions of this Agreement, the acceptance by the Port Authority of any Space Tenants as the Lessee hereunder, or a release of the Lessee from performance by the Lessee of its obligations under this Agreement.

9.5 To secure the prompt and full payment by the Lessee of the Rental and the faithful performance by the Lessee of all the other terms and conditions herein contained on its part to be kept and performed, the Lessee hereby assigns, transfers and sets over unto the Port Authority, subject and subordinate to (i) the conditions hereinafter set forth in this Section 9.5, and (ii) as long as this Agreement shall be in effect (or any new lease entered into with a Mortgagee pursuant to Section 8), the Mortgages (and the liens, security interests and all other rights hereunder granted to the Mortgagee with respect to the Space Leases), all of the Lessee's right, title and interest in and to all Space Leases, and the Lessee hereby confers upon the Port Authority, its agents and representatives, a right of entry in, and sufficient possession of, the Premises to permit and insure the collection by the Port Authority of the rentals and other sums payable under the Space Leases, and further agrees that the exercise of the rights of entry and qualified possession by the Port Authority shall not constitute an eviction of the Lessee from the Premises or any portion thereof; provided, however, that such assignment shall become operative and effective only if (i) an Event of Default shall occur and be continuing, (ii) this Agreement and the Term shall be cancelled or terminated pursuant to the terms, covenants and conditions hereof, (iii) legal possession of the Premises under a dispossess warrant or other judgment, order or decree of a court of competent jurisdiction is obtained by the Port Authority, and (iv) each Mortgagee that is holding a Mortgage encumbering the Premises shall have been notified by the Port Authority of the Lessee's default, and no such Mortgagee is taking the action described in Subsection 8.5.1, and then only as to such of the Space Leases that the Port Authority may elect

to take over and assume, subject, however, to the rights certain Space Tenants may have pursuant to Non-Disturbance and Attornment Agreements executed by the Port Authority and such Space Tenant.

9.5.1 The Port Authority covenants and agrees, for the benefit of any Space Tenant which is neither a Related Entity nor an Assignee, that the Port Authority shall recognize the Space Tenant as the direct tenant of the Port Authority upon the termination of this Agreement (or any new lease) pursuant to any of the provisions hereof and the termination of any other Space Leases superior to the Space Lease of each such Space Tenant; provided, however, that at the time of the termination of this Agreement (x) no default exists and is continuing under the Space Tenant's Space Lease which would then permit the landlord thereunder to terminate the Space Lease or to exercise any dispossess remedy provided for therein, and (y) the Space Tenant delivers to the Port Authority an instrument confirming the agreement of the Space Tenant to attorn to the Port Authority and to recognize the Port Authority as the Space Tenant's landlord under the Space Lease, which instrument shall provide that neither the Port Authority nor anyone claiming by, through or under the Port Authority, shall be:

(a) obligated to cure any defaults of any prior landlord (including, without limitation, the then defaulting landlord) which occurred prior to the date the Port Authority obtained legal possession or physical possession of the Premises, except for defaults which continue subsequent to the Port Authority obtaining such legal possession or physical possession;

(b) liable for any acts or omission of any prior landlord (including, without limitation, the then defaulting landlord) which occurred prior to the date the Port Authority obtained legal possession or physical possession of the Premises, except for acts or

omissions which continue subsequent to the Port Authority obtaining such legal possession or physical possession;

(c) subject to any offsets or defenses which the Space Tenant may have against any prior landlord (including, without limitation, the then defaulting landlord);

(d) bound by any payment of rent which the Space Tenant might have made more for than one (1) month in advance to any prior landlord (including, without limitation, the then defaulting landlord), other than security deposits and other rent payments, to the extent such security deposits and rent payments are received by the Port Authority;

(e) bound by any covenant to undertake or complete any construction of the Premises or any portion thereof demised by said Space Lease, except (1) repair and maintenance obligations thereafter arising, (2) repair obligations due to a casualty, but only to the extent insurance proceeds are received by the Port Authority, and (3) repair obligations due to a condemnation, to the extent such condemnation proceeds are made available to, and are received by, the Port Authority; or

(f) bound by any obligation to make any payment to the Space Tenant, except for services, repairs, maintenance and restoration provided for under the Space Lease to be performed after the date of such termination of this Agreement and which landlords of like properties ordinarily perform at the landlord's expense, it being understood, however, that the Port Authority shall not be bound by any obligation to make payment to a Space Tenant with respect to construction performed by or on behalf of such Space Tenant at the subleased premises.

9.5.2 If a Space Tenant entitled to the recognition described in Subsection 9.5.1 so requests (or the Lessee so requests on its behalf), the Port Authority shall execute,

acknowledge and deliver an agreement, a form of which is attached hereto as "Exhibit G" (the "Non-Disturbance and Attornment Agreement"), confirming that, subject to the provisions of clauses (x) and (y) of Section 9.5.1, such Space Tenant is entitled to such recognition, provided that (i) such Space Tenant is leasing not less than 20,000 Rentable Square Feet in the Premises, or (ii) such Space Tenant is leasing retail space, or (iii) such Space Tenant represents, which representation shall be supported by a reasonable estimate prepared by a licensed professional engineer or registered architect, that it will incur not less than [redacted] in fixturing and/or tenant installation costs at the subleased premises, which amount shall be Subject to Adjustment by the Port Authority not more than once every five (5) calendar years, or (iv) the current Mortgagee, that is holding a Mortgage encumbering the Premises, if any, has entered into a subordination, non-disturbance and attornment agreement with such Space Tenant. A Non-Disturbance and Attornment Agreement shall only be effective upon the execution thereof by the Port Authority, the Lessee and the Space Tenant described therein.

9.6 Intentionally Omitted.

9.7 Except as otherwise provided in this Agreement, the fact that a violation or breach of any of the terms, provisions or conditions of this Agreement results from or is caused by an act or omission by any of the Space Tenants shall not relieve the Lessee of the Lessee's obligations to cure the same in accordance with the terms hereof.

9.8 The granting of approval by the Port Authority pursuant to Section 9.2 shall not be deemed to operate as a waiver of the requirement for obtaining approval of the Port Authority to any other or subsequent Space Tenant's uses.

9.9 No assignment of this Agreement or subletting of the Premises as an entirety or substantially as an entirety (other than for occupancy of the subtenant) shall have any validity,

except upon compliance with, or pursuant to, the provisions of Section 7 above. A Space Tenant may sublet its premises or assign its Space Lease so long as the requirements set forth in Sections 9.2 and 9.3 are satisfied with respect to such sublease or assignment.

9.10 Nothing contained in this Section 9 shall be deemed to diminish or otherwise modify any obligations of the Lessee under Section 7.4 of the Tenant Support Agreement.

Section 10. Permitted Manager.

10.1 In the event that (a) during any period of the Term following the Substantial Completion Date, the manager of the Premises does not meet the standards and qualifications for a Permitted Manager as hereinafter set forth, or (b) during any portion of the Interim Period during which the Lessee shall elect to have a manager of the Premises (which election shall be in the Lessee's sole and absolute discretion), said manager of the Premises does not meet the standards and qualifications for a Permitted Manager as hereinafter set forth, then, in either such case, the Lessee covenants and agrees to retain a third party Permitted Manager to conduct, manage and operate the Premises during such period of the Term. The Lessee shall furnish to the Port Authority from time to time such information or data as may be available to the Lessee that is reasonably requested by the Port Authority concerning the Permitted Manager. From time to time during the Term, upon the request of the Lessee, but not more than once every calendar year, the Port Authority will confirm that the then current Permitted Manager of the Premises continues to meet the qualifications of a Permitted Manager, provided the Lessee has made available to the Port Authority sufficient information to enable the Port Authority to make such confirmation. The parties hereby agree that no entity may be engaged as a Permitted Manager without the prior written consent of the Port Authority, which consent shall not be withheld, delayed or conditioned if such entity meets the definition of Permitted Manager. The Port

Authority hereby approves Silverstein Properties, Inc., and any Affiliate thereof, as a Permitted Manager. The Port Authority shall advise the Lessee whether or not it will consent to a proposed Permitted Manager within ten (10) Business Days of its receipt of a written request for such consent accompanied by information which the Port Authority reasonably requires to determine whether the criteria set forth in this Section have been met, and if the Port Authority does not respond within such ten (10) Business Day period from the date such notice and accompanying documentation was actually received by the Port Authority, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute consent to such request. The parties recognize that the form of agreement between the Lessee and the Permitted Manager may be an agency agreement, consultancy, management contract, or sublease, or combination thereof (each such form of agreement being hereinafter sometimes called the "Management Agreement"), and that the Person retained and engaged thereunder is deemed the Permitted Manager notwithstanding being designated as an agent, consultant, manager, or sublessee, or any combination thereof. Without otherwise limiting the generality of the foregoing provisions of this Section, a Mortgagee which pursuant to the provisions of Section 8 of this Agreement becomes the owner of, or acquires an interest in, this Agreement or the Premises (or acquires a direct or indirect interest in the Lessee pledged to such Mortgagee pursuant to its Mortgage), pursuant to a judgment of foreclosure and sale, or as a result, of an assignment-in-lieu of foreclosure or otherwise, or under a new lease, whether in its own name, or in the name of a nominee, shall have the right, only for so long as it or its nominee

remains in possession of the Premises (or for a period following its acquisition of such pledged interests), to engage (or cause to be engaged) an interim manager for the Premises which does not meet the criteria for a Permitted Manager, subject to the consent of the Port Authority, which shall not be unreasonably withheld, conditioned or delayed, so long as such interim manager shall be capable of operating the Premises in a manner calculated to preserve the value of the Premises as an asset for the benefit of the Mortgagee and the Port Authority during the period that the Mortgagee or its nominee remains in possession of the Premises (or for a period following its acquisition of such pledged interests) (including access to sufficient working capital to discharge its duties). The Mortgagee shall have the right to retain (or cause to be retained) the interim manager for a period not to exceed one hundred eighty (180) days from the date the Mortgagee obtains possession of the Premises (or for a period following its acquisition of such pledged interests), provided that on or before the close of such one hundred eighty (180) day period the Mortgagee shall replace (or cause to be replaced) such interim manager with a Permitted Manager.

10.2 The Lessee understands and agrees that regardless of the form of the Management Agreement, the Permitted Manager shall be obligated and required under its Management Agreement to comply with all of the terms, provisions, covenants and conditions of this Agreement which are applicable to the operation and maintenance of the Premises. Notwithstanding retention by the Lessee of a third-party Permitted Manager, but subject nevertheless to the provisions of Section 16, the Lessee shall continue to be primarily and fully liable for the performance of all of the terms, provisions, covenants and conditions of this Agreement and for securing compliance therewith by the Permitted Manager and all acts or omissions of the Permitted Manager, with respect to the Premises, shall be and shall be deemed

to be the acts or omissions of the Lessee. In the event of any inconsistency between the provisions of the Management Agreement and the provisions of this Agreement the provisions of this Agreement shall control. The Lessee shall promptly communicate to the Permitted Manager any requests, directions or notices, delivered or communicated to the Lessee by the Port Authority in accordance with the provisions of this Agreement and the Lessee shall secure the prompt compliance with and performance of the same, to the extent required by this Agreement. Notwithstanding the foregoing and in spite of any efforts by the Lessee to secure compliance by the Permitted Manager, any breach or violation of the terms, provisions, covenants and conditions of this Agreement by the Permitted Manager, after such notice thereof to the Lessee as is required pursuant to the provisions of this Agreement, and the passage of any applicable period to cure, shall be and be deemed to be a breach or violation of this Agreement by the Lessee and the Port Authority shall have all rights and remedies consequent upon a breach or violation as are reserved to it by this Agreement and the provisions of this Agreement relating to default and termination shall apply as if the Permitted Manager were the Lessee hereunder.

10.3 The Management Agreement shall terminate and expire on the Expiration Date or earlier termination of this Agreement, or on such earlier date as the Lessee and the Permitted Manager may agree upon.

10.4 Nothing contained in this Section 10 shall be deemed to diminish or otherwise modify any obligations of the Lessee under Section 7.2 of the Tenant Support Agreement.

Section 11. Title to Personal Property and Fixtures.

Without limiting any provision of this Agreement, title to all personal property located in the Premises during the Term shall be and remain in the Lessee or, at the Lessee's option, in the Space Tenants, and subject to the rights of each Mortgagee. All improvements,

fixtures, machinery, apparatus, and fittings affixed to the Premises and which by operation of law are considered real property (other than improvements, fixtures, machinery, apparatus and fittings which are the subject of Equipment Leases permitted pursuant to Section 8.7 above) shall be a part of the Premises and shall be, or become, the property of the Port Authority on the installation thereof, without the doing of any other act or thing, and legal title thereto shall be and remain in the Port Authority. Notwithstanding the foregoing, nothing contained in this Section 11 shall limit the rights of the Lessee and any Space Tenant to remove such personal property or fixtures in connection with any repair or Alteration. To the extent not inconsistent with the Port Authority's ownership rights therein, and as permitted by law, the Lessee and the Space Tenants shall have the right to depreciation deductions and tax credits with respect to improvements, fixtures, apparatus and fittings affixed to the Premises by the Lessee or any Space Tenants. Nothing contained herein shall be deemed a representation by the Port Authority that any such deductions or tax credits are or will be available to the Lessee.

Section 12. Lessee's Operations.

12.1 The Lessee shall not commit any nuisance on the Premises, or do or permit its agents, contractors and Space Tenants to do anything in the Premises which might result in the creation or commission of a nuisance on the Premises, and the Lessee shall not cause or produce or permit its agents, contractors and Space Tenants to cause or produce upon the Premises (or to permeate the same or to emanate therefrom) any unusual, noxious or objectionable smoke, gases, vapor, odors, noises or vibrations. The Lessee shall not use or connect any equipment or engage in any activity or operation in the Premises which will cause an overloading of the capacity of any existing or future utility, mechanical, electrical, communication or other systems or portions located on or exclusively serving the Premises if, to the Lessee's knowledge, such overloading

would affect any such systems located on or serving other portions of the World Trade Center, nor shall the Lessee do or permit its agents, contractors and Space Tenants to do anything in the Premises which may interfere with, in any material respect, the effectiveness or accessibility thereof. The Lessee shall not overload any floor, roadway, passageway, pavement or other surface or any wall, partition, column or other supporting member, or any elevator or other conveyance in the Premises.

12.2 The Lessee shall not do or permit its agents, contractors and Space Tenants to do any act or thing upon the Premises which will invalidate or conflict with any insurance policies covering the World Trade Center or any part thereof, or which, in the reasonable opinion of the Port Authority or the Code Compliance Office, acting in a non-arbitrary and non-capricious manner, may constitute an extra-hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by Section 4 of this Agreement, or will increase the applicable rate of any insurance, including fire, extended coverage, or rental insurance, on the World Trade Center or upon the contents of any structure thereon. 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 National Fire Protection Association and The Insurance Services Office of New York, and of any other board or organization exercising or which may exercise similar functions, which may pertain or apply to the Premises, or the operations of the Lessee thereon. The Lessee shall have the right, in good faith, to contest or challenge any violation or notice of non-compliance with any of the rules and regulations, requirements, orders and directions of the National Fire Protection Association and The Insurance Services Office of New York, and of any other board or organization exercising similar functions. To the extent such violation or non-compliance, as the case may be, does not

involve matters of imminent peril to safety, health or preservation of person or property, the Lessee may defer compliance with any demand that the Lessee comply with any such violation or notice of non-compliance during the pendency of such challenge. In the event the Lessee undertakes to so challenge or contest, it shall indemnify the Port Authority against any claims, damages or losses that may arise or result therefrom. In the event the Lessee contests or challenges the rules and regulations, requirements, orders and directions of the National Fire Protection Association and The Insurance Services Office of New York, and of any other board or organization exercising or which may exercise similar functions, no Event of Default shall be deemed to have occurred unless the Lessee shall have failed to comply with such requirements within a reasonable period following the final, non-appealable determination that such compliance is required. Except as otherwise expressly provided in any of the Transaction Documents, the Lessee shall, subject to and in accordance with the provisions of Sections 6 and 19 of this Agreement, 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 Governmental Requirement. If by reason of any failure on the part of the Lessee to comply with the provisions of this Agreement, and solely as the direct result of such failure on the part of the Lessee, any insurance rate on the World Trade Center or any part thereof shall at any time be higher than it otherwise would be, then the Lessee shall absorb the cost thereof and shall pay to the Port Authority (on behalf of the Port Authority or the World Trade Center Tenants), as an item of additional rental, that part of all insurance premiums paid by the Port Authority or the World Trade Center Tenants which shall have been charged solely because of, and as a direct result of, such violation or failure by the Lessee, but no such payment shall relieve the Lessee of its other obligations under this Section.

12.3 Notwithstanding anything to the contrary contained in this Section 12, the provisions of this Section 12 shall only apply during that portion of the Term following the Substantial Completion Date.

Section 13. Maintenance, Repair and Rebuilding.

13.1 Except as set forth in Section 13.2, and subject to the terms and conditions set forth in the REOA and this Agreement, the Lessee shall, throughout the Interim Period and the portion of the Term following the Substantial Completion Date, assume the entire responsibility, and shall relieve the Port Authority of all responsibility, for all care, maintenance, repair and rebuilding whatsoever in the Premises, whether such maintenance, repair or rebuilding be ordinary or extraordinary, partial or entire, foreseen or unforeseen, structural or otherwise and without limiting the generality of the foregoing, the Lessee shall:

(a) at all times keep the Premises clean, and in an orderly condition and appearance, together with all the fixtures, improvements, furnishings, equipment and personal property located in or on the Premises;

(b) with respect to the Premises and all parts thereof, including, without limitation, to the extent constituting part of the Building, the exterior and interior of the building walls, the exterior and interior and operating mechanisms of and attachments to windows and skylights, screens, roofs, foundations, steel work, columns, the exterior and interior and operating mechanisms of and attachments to doors, partitions, floors, ceilings, inside and outside paved and unpaved areas, glass of every kind, elevators, escalators, communication and computer systems, exhaust fans and window washing equipment and the utility, mechanical, electrical, fire protection, life safety, and other systems exclusively serving the Premises, which are not Common Building Systems, the Lessee shall take the same good care of the same that

would be taken by a prudent owner who desired to keep and maintain the Premises so that during the portion of the Term following the Substantial Completion Date, the same (or a reconstruction of all or any part thereof) will be in an operating order, condition or appearance similar to that of Comparable Buildings, subject, nevertheless, to ordinary wear and tear. To that end, the Lessee shall make, or cause to be made, periodic inspections, except for those inspections described in Subsection 13.4.1, and, from time to time as the necessity therefor arises and regardless of the cause of the condition requiring the same, the Lessee shall perform, or cause to be performed, all necessary preventive maintenance and the Lessee shall promptly make all necessary repairs and replacements, and, subject to the applicable provisions of Section 13.2 and Sections 15 and 19 hereof, do all necessary rebuilding with respect to the Premises without regard to the cause thereof, and whether or not caused by fire or other casualty, all of which shall be in quality or utility equal to the original in materials and workmanship; and

(c) without limiting its obligation elsewhere in this Section, and, subject to the applicable provisions of Sections 6.2, 6.3 and 6.4, and Sections 13.2, 15 and 19 hereof, the Lessee agrees to perform all decorating and painting (including redecorating and repainting) in accordance with the Port Authority Manual so that at all times the Premises and all parts thereof are of at least as good appearance and condition as of the Commencement Date, reasonable wear and tear excepted.

13.2 The Port Authority acknowledges that, pursuant to, and subject to the terms and conditions of, the REOA, the Net Lessees' Association (i) will clean, maintain and make, or cause to be cleaned, maintained, or made, all necessary repairs and restoration of, and replacements to, (A) the Appurtenances, (B) the East Bathtub Common Building Systems and (C) the East Bathtub Common Areas, and (ii) shall also have the responsibility to make all

structural repairs, restorations, replacements, and modifications to the foundations to the extent necessary to provide the necessary support to the Premises so as to enable the Lessee and its Permitted Manager to conduct operations under this Agreement. The Lessee shall take all reasonable safety precautions necessary to protect persons or property on the Premises pending the completion of any necessary repairs to be performed by the Net Lessees' Association pursuant to the provisions of the REOA. Nothing herein shall be deemed to limit the Net Lessees' Association's rights expressly provided for in the REOA to enter the Premises for the purpose of making repair or replacements. Anything herein to the contrary notwithstanding, the Lessee shall not have the obligation to maintain the Appurtenances, the East Bathtub Common Building Systems and the East Bathtub Common Areas and any failure by the Net Lessees' Association to perform its obligation to maintain the Appurtenances, the East Bathtub Common Building Systems, and the East Bathtub Common Areas, as applicable, or otherwise performs its obligations under the REOA, shall not result in an Event of Default under this Agreement.

13.3 The Code Compliance Office shall be permitted, at reasonable times and upon reasonable notice to the Lessee and Space Tenants, as appropriate, to inspect and test the Premises to determine compliance with the Fire Department Code, as well as to inspect and test the elevators and escalators located throughout the Premises to determine compliance with the Port Authority Manual, from time to time.

13.3.1 The Code Compliance Office shall also be permitted, at reasonable times and upon reasonable notice (except in the case of an emergency) to the Lessee and the applicable Space Tenants to conduct food establishment inspections to determine compliance with the Health Code. The Code Compliance Office shall be permitted to enforce the rights and remedies that are then available to the Commissioner of the New York City Health Department in the

event a Space Tenant or the Lessee shall have violated the Health Code, notwithstanding anything contained in this Agreement, including anything contained in Subsection 13.3.2.

13.3.2 Subject to the provisions of Sections 6.2, 6.3 and 6.4, in the event that, upon inspection and testing of the Premises, the Code Compliance Office determines that there are deficiencies or that certain items require repair and/or maintenance, in each case, based on the requirements of the Port Authority Manual, the Code Compliance Office may issue a Violations Notice and the Lessee shall make, or shall cause the appropriate Space Tenant to make, such requested repairs within the time frames set forth in such notice, which time frames shall be determined in accordance with Subsection 13.4.2, provided, however, non-compliance with a Violations Notice shall not be deemed an Event of Default for so long as the Lessee is diligently prosecuting the cure of such default (or is taking reasonable measures to compel the appropriate Space Tenant to prosecute the cure of such default), and provides notice to the Port Authority no less often than every thirty (30) Business Days thereafter as to the status of such default, and what measures have been taken by the Lessee to effectuate a cure. The services provided by the Code Compliance Office in this Subsection, including inspections, shall continue unless and until the Port Authority notifies the Lessee that the City of New York or other governmental entity having due jurisdiction over the World Trade Center shall perform such services. Reasonable administrative and processing fees may be imposed by the Code Compliance Office in connection with providing such services to the Lessee.

13.4 Except as otherwise provided in Section 13.2, and subject to the provisions of Sections 6.2, 6.3 and 6.4, the Lessee shall, during the Interim Period and during the portion of the Term following the Substantial Completion Date, repair and maintain the Premises in compliance with the structural integrity program hereinafter set forth (the "Structural Integrity

Program"), and hereby grants to the Code Compliance Office the right, in accordance with this Section 13.4, to inspect the Premises and to require repairs to be made to the Premises to comply with the Port Authority Manual as it applies to such program.

13.4.1 The Code Compliance Office shall have the right to inspect the structural elements located at the Premises, including, but not limited to, the building components, exterior walls, and slurry walls, from time to time, but no more often than the times set forth on Schedule 13.4.1 or in the case of an emergency. The Code Compliance Office shall provide a list of inspections scheduled for each calendar year to the Lessee and shall provide reasonable notice to the Lessee and Space Tenants, if applicable, as to the date and time such inspections are to occur. In addition to the inspections described in the preceding sentence, the Lessee may request that the Code Compliance Office make additional inspections to the Premises. The Lessee shall pay any reasonable expenses incurred by the Port Authority in connection with such additional inspections.

13.4.2 Subject to the provisions of Sections 6.2, 6.3 and 6.4 and promptly after such inspections are completed, the Code Compliance Office shall advise the Lessee, in writing, what course of action, if any, is required to be taken by the Lessee hereunder, based upon violations of the Port Authority Manual, which courses of action are described as follows:

(a) immediate action, including the possible closing of the structure or areas affected for safety reasons (i.e. imminent peril to safety of persons or property) until interim remedial measures, such as shoring or removal of potentially unsafe structures (or elements), can be implemented; such closings or interim remedial actions, if any, require immediate action upon discovery (the "Immediate Repairs");

(b) conditions for which no immediate action may be required or for which immediate action has been completed, but further investigation, design and implementation of interim or long-term repairs should be undertaken on a priority basis, i.e. taking precedence over all other scheduled work (the "Priority Repairs");

(c) conditions that present a potential hazard and which should be repaired as soon as possible (the "Safety Repairs"); and

(d) conditions requiring further investigation or remedial work, which may be undertaken as part of a scheduled maintenance program, other scheduled project, or routine facility maintenance, depending on the action required (the "Routine Repairs").

13.4.3 In the event that an Immediate Repair is required, the Code Compliance Office shall promptly notify the Lessee thereof, subject to the provisions of Sections 6.2, 6.3 and 6.4, and the Lessee shall, or shall cause the applicable Space Tenant to, take temporary immediate remedial measures to make the affected area safe and secure in accordance with the Code Compliance Office's instructions, which instructions shall be in accordance with the Port Authority Manual (the "Temporary Measures").

13.4.4 In the event that a Priority Repair or Safety Repair is required, the Code Compliance Office, within five (5) Business Days after the date on which the Code Compliance Office notifies the Lessee of such condition, shall deliver a report (the "Repairs Report") to the Lessee, outlining the repair recommendations and the completion dates for such repairs, which recommendations shall be consistent with the requirements of the Port Authority Manual. The Lessee shall coordinate with the Code Compliance Office to undertake, or cause a Space Tenant to undertake, the corrective measures outlined in the Repairs Report.

13.4.5 In the event that a Routine Repair is recommended the Code Compliance Office, within five (5) Business Days after the date on which the Code Compliance Office notifies the Lessee of such condition, shall deliver a Repairs Report to the Lessee, outlining the repair recommendations, which recommendations shall be consistent with the requirements of the Port Authority Manual. The Lessee shall coordinate with the Code Compliance Office to undertake, or cause a Space Tenant to undertake, the corrective measures outlined in the Repairs Report with respect to such Routine Repairs, which repairs shall be made, depending on the action required, as part of a scheduled maintenance program, other scheduled project or routine facility maintenance.

13.4.6 Simultaneously with the completion of such Temporary Measures, in the case of an Immediate Repair, or immediately after the Repairs Report is received by the Lessee, in the case of a Priority Repair or Safety Repair, the Lessee shall or shall use commercially reasonable efforts to cause the applicable Space Tenant to, make the repairs set forth in the Repairs Report in accordance with Section 19.

13.5 For purposes of determining whether the Port Authority or the Lessee shall be required to pay for costs to be incurred in connection with the Lessee's compliance with the provisions of this Section 13 and the time period by which the Lessee must comply, to the extent that there are any inconsistencies between the provisions of this Section 13 and the provisions of Sections 6.2, 6.3 and 6.4, the provisions of Sections 6.2, 6.3 and 6.4 shall control.

13.6 Notwithstanding anything to the contrary contained in this Section 13, the provisions of this Section 13 shall only apply during that portion of the Term following the Substantial Completion Date unless and only to the extent a provision of this Section 13 is expressly stated in this Section 13 also to apply during the Interim Period.

Section 14. Insurance.

14.1 In addition to any other insurance provided for or required under this Agreement and the REOA, the Lessee shall procure and maintain, or cause to be procured and maintained, in its own name as insured and shall pay the premiums on the following policies of insurance in the limits set forth below, which policies shall, subject to the provisions of Section 14.19 below, be effective during the portion of the Term under this Agreement following the Substantial Completion Date, it being understood and agreed, however, that the requirements of Section 70 (subject to the provisions of Section 70.21 below) and Section 71 (subject to the provisions of Section 71.19 below) of this Agreement shall be in lieu of the insurance requirements of this Section 14 (subject to the provisions of Section 14.19 above):

14.1.1 Fire and property damage insurance covering and insuring (i) the core and shell of the Building (including without limitation, the core and shell of the subgrade portions of the Building), including the core and shell of the Excluded Space (but not the improvements and betterments within the Excluded Space), so that, when taken together with the coverage procured by the Tower Lessees pursuant to Section 14.1.1 of each of the Tower Leases, the core and shell of the Building and of the buildings demised under the Tower Leases and of all subgrade portions within Exhibit A-2 attached hereto are covered by the fire and property damage insurance required under this Section 14.1.1 and Section 14.1.1 of the Tower Leases (all the foregoing collectively, the "Insured Structure"), and (ii) all improvements and betterments within the Premises, including all fixtures, machinery, apparatus, and fittings affixed to the Building and which by operation of law are considered real property, and which pursuant to the provisions of this Agreement are a part of the Premises or which, upon installation, shall become the property of the Port Authority, against loss or damage by fire or such other hazards and risks as

may be covered by a standard form of all risk policy of loss or damage, (A) subject to the following sublimits: [redacted] per occurrence and in the aggregate annually for loss or damage from the peril of flood; [redacted] per occurrence and in the aggregate annually for loss or damage from the peril of earthquake; [redacted] per occurrence for Demolition; [redacted] per occurrence for property in the course of transit; and [redacted] for boiler and machinery, (B) in each case with a waiver of depreciation, (C) containing an agreed amount endorsement with respect to the Improvements and Personal Property waiving all co-insurance provisions; (D) subject to a deductible of up to [redacted] per occurrence and, subject to commercial availability, up to [redacted] in the aggregate; provided, however, that in the case of ancillary coverages such as earthquake, windstorm and flood, such deductibles as are customary in the insurance industry for Comparable Buildings; and (E) providing coverage for contingent liability from operation of Governmental Requirements, demolition costs and increased cost of construction endorsements together with an "Ordinance or Law Coverage" or "Enforcement" endorsement if any of the Improvements or the use of the Property shall at any time constitute legal non-conforming structures or uses. Subject to the provisions of Section 14.2, no policy required in Section 14.1 shall contain an exclusion from coverage under such policy for loss or damage incurred as a result of an act of terrorism or similar acts of sabotage, provided that the Lessee may obtain separate terrorism insurance coverage subject to and in accordance with the terms of this Section 14. The Lessee will be required to maintain insurance against terrorism, terrorist acts or similar acts of sabotage ("Terrorism Insurance") in sufficient amount to cover the full value of the Premises but in no event less than the minimum amount of [redacted]

[redacted] (the "Minimum Terrorism Insurance Amount"), subject to a deductible of up to [redacted] per occurrence and up to [redacted] in the aggregate. The Lessee shall not be obligated to procure Terrorism Insurance in an amount in excess of the Minimum Terrorism Insurance Amount unless the Port Authority, at its option, directs the Lessee to procure such additional Terrorism Insurance coverage and reimburses the Lessee for an amount equal to [redacted] of the amount of the increase in the cost of the Terrorism Insurance attributable to the procurement of Terrorism Insurance coverage in excess of the Minimum Terrorism Insurance Amount; provided, however, that (i) in no event shall the amount of Terrorism Insurance that the Lessee shall be obligated to maintain under this Section 14 exceed the Minimum Terrorism Insurance Amount unless Terrorism Insurance in an amount in excess of the Minimum Terrorism Insurance Amount is commercially available, and (ii) in no event shall the amount of Terrorism Insurance that the Lessee shall be obligated to maintain under this Section 14 exceed [redacted] unless Terrorism Insurance in an amount in excess of [redacted] is both commercially available and available at commercially reasonable rates. All-risk property insurance must include "fire following" coverage, if such coverage is required under New York State regulations, and, in such case, subject to the coverage provisions provided under such New York State regulations. Such insurance (other than flood insurance, earthquake insurance and Terrorism Insurance) shall be maintained in an amount equal to the lesser of (x) an amount sufficient to insure and keep insured at all times during the portion of the Term following the Substantial Completion Date the items of property described in this Subsection, except for the footings and foundations, to the extent of not less than the Full Insurable Value, or (y) [redacted] per

occurrence. Insurance for flood shall be maintained to insure and keep insured at all times during the portion of the Term following the Substantial Completion Date the items of property described in this Subsection (other than footings and foundations), in an amount of not less than [redacted] per occurrence and in the aggregate. Insurance for earthquake shall be maintained to insure and keep insured at all times during the portion of the Term following the Substantial Completion Date the items of property described in this Subsection (other than footings and foundations), in an amount of not less than [redacted] per occurrence and in the aggregate. The term "Full Insurable Value" shall mean the actual replacement cost of the items of property described in this Subsection. Full Insurable Value shall be determined on or about the Substantial Completion Date and at least once every three (3) years thereafter and, in the event the Port Authority requires an increase thereof, such additional amount shall not exceed the percentage increases in the New York City Construction Cost Index published by the Engineering News Record, unless otherwise agreed to by the Lessee. In the event the Port Authority and the Lessee cannot agree as to what the Full Insurable Value is, such value shall be determined by an appraiser selected jointly by the Port Authority and the Lessee, whose fees shall be paid by the Lessee and the Port Authority equally. No omission by the Port Authority to request an appraisal shall relieve the Lessee of its obligation to maintain the appropriate insurance under this Section 14. In lieu of the proposed appraisal, the Lessee may procure and maintain property insurance which does not restrict, by limit or coinsurance provisions, the amount that may be recovered in the event of a loss to the insured property.

14.1.2 Loss of Revenue/Business interruption insurance in such amounts as shall reasonably be required by the Port Authority for protection against loss of the payments which

the Lessee is required to make to the Port Authority, including, but not limited to, Base Rent, Tax Equivalent Rental and BID Allocated Share, for a period of at least the "Rents Period" (as hereinafter defined) plus an extended period of indemnity equal to the "Indemnity Period" (as hereinafter defined) when the Premises, or a portion thereof, is out of operation due to fire or such other risks and hazards as are required to be insured by the all risk policy of loss or damage, subject to standard exclusions, described above in Subsection 14.1.1. As used in this Subsection 14.1.2, "Rents Period" means a period of time (at Lessee's election) no less than twenty-four (24) months and no greater than thirty-six (36) months, and "Indemnity Period" means a period of time equal to thirty-six (36) months less the Rents Period.

14.1.3 Intentionally Omitted.

14.1.4 Commercial general liability insurance on an occurrence form during the portion of the Term under this Agreement following the Substantial Completion Date in the minimum amount of [redacted] combined single limit per occurrence, and in the aggregate including a contractual liability endorsement covering the Lessee's indemnity obligations under this Agreement within the policy terms. Such policy or policies shall include coverage for bodily injury, including wrongful death, property damage liability, personal injury, advertising liability, premises/operations, products/completed operations, broad form property damage, independent contractor's liability, elevator liability (including coverage for escalators), and such other coverages as the Port Authority may reasonably require, if such insurance is commercially available. There shall be no exclusion relating to the sale of liquor at or from the Premises or any exclusion for claims arising within fifty (50) feet of a railroad, train or subway. With respect to commercial general liability insurance, the Lessee shall have the right to purchase such insurance with a deductible or self-

insured retention of not more than [redacted] per occurrence and [redacted] in the aggregate, provided, however, commencing on November 16, 2011 and at any time thereafter, such amount shall be subject to an increase upon request from the Lessee, approval of which shall not be unreasonably withheld by the Port Authority.

14.1.5 Automobile liability insurance for all owned, non-owned and hired vehicles insuring against liability for bodily injury and death and for property damage in an amount of not less than [redacted] combined single limit.

14.1.6 Environmental liability covering environmental hazards arising from the Premises and discovered or occurring after the Substantial Completion Date, or through sudden and accidental release, in an amount not less than [redacted] per discovery and in the aggregate.

14.1.7 If not included within the insurance required to be maintained pursuant to Section 14.1.1, boiler and machinery insurance covering all steam, mechanical and electrical equipment, including without limitation, all boilers, chillers, unfired pressure vessels, piping and wiring, in an amount not less than [redacted] per accident on a combined basis covering all hazards, perils, property loss and loss of income.

14.1.8 Statutory Workers' compensation and/or employer's liability insurance, as required by law.

14.1.9 If applicable, Garagekeeper's Legal Liability coverage in the amount of [redacted] per occurrence shall also be procured.

14.1.10 Intentionally Omitted.

14.1.11 Crime insurance providing insurance against liability for employee dishonesty, with limits of liability acceptable to the Port Authority, but not less than [redacted] per loss, providing for no deductible in excess of [redacted] per occurrence;

14.1.12 All tenants, contractors, vendors and suppliers contracted by the Lessee and Space Tenants must provide evidence of the following coverage:

(a) Commercial General Liability with limits appropriate for the exposure

(b) Workers Compensation

(c) Employers Liability

14.2 In the event any item of insurance required to be procured by the Lessee under this Section 14 is not available, or is not available at commercially reasonable rates, the Lessee may propose a modification of such requirement and provide the reasons therefor in writing to the Port Authority. The Port Authority may, in its reasonable discretion, waive or modify any provision hereunder in light of such request.

14.3 All property insurance policies procured by the Lessee pursuant to the provisions of this Section 14, including any Excess Insurance (as defined below) that shall have been obtained, shall include the Lessee, as a named insured, and the Port Authority, the Retail Lessee (for so long as the Retail Lessee shall be wholly owned by the Port Authority) and PATH (the Port Authority and such entities collectively, the "PA Insured Entities") and each Mortgagee, each named as an insured, as their interests may appear. All liability insurance policies (other than workers' compensation or employer's liability insurance) procured by the Lessee pursuant

to the provisions of this Section 14 shall have the PA Insured Entities each named as an additional insured.

14.4 Each of the items of insurance required to be procured by the Lessee under this Section 14, and by the Tower Lessees under Section 14 of the Tower Leases shall be covered under either a single policy or a combination of primary and excess policies, provided, however, that such combination of primary and excess policies, when taken together, shall insure the property required to be insured under this Section 14 by the Lessee and the property required to be insured under Section 14 of the Tower Leases by the Tower Lessees.

14.5 The loss under all property policies required by any provision of this Section 14 insuring against property damage shall be payable to the Depository as further described in Subsections 15.2.1 and 15.2.2, provided, however, if the amounts payable under such policies are less than [redacted], which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, such amounts shall be payable to the Lessee.

14.6 As to any insurance required by this Section, a certified copy of each binder, policy, and certificate of insurance that evidences each and every layer of coverage provided and is reasonably satisfactory to the Port Authority, shall be delivered to the Port Authority (i) with respect to binders and/or certificates, within ten (10) days prior to the later to occur of (x) the expiration of the policies required to be maintained under Section 70 during the portion of the Term following the Tower Construction Commencement Date and (y) the Substantial Completion Date, and (ii) with respect to policies, promptly following receipt by the Lessee of final policies, except that if any insurance carried by the Lessee is effected by one or more blanket policies, then with respect to such insurance, a certified copy of such binders and

certificates of insurance relating to the Premises shall be so delivered to the Port Authority within ten (10) days prior to the later to occur of (x) the expiration of the policies required to be maintained under Section 70 during the portion of the Term following the Tower Construction Commencement Date and (y) the Substantial Completion Date, and upon receipt of such policies by the Lessee, a certified copy of such policies shall be promptly delivered to the Port Authority. Evidence of insurance, reasonably satisfactory to the Port Authority, including evidence of new or renewal policies replacing any policies expiring during the portion of the Term following the Substantial Completion Date shall be delivered as aforesaid prior to the date of expiration of such policies. Upon a reasonable request from the Port Authority, the Lessee shall promptly deliver or cause to be delivered to the Port Authority proof reasonably satisfactory to the Port Authority that premiums have been paid by the Lessee. In the event that at any time during the portion of the Term following the Substantial Completion Date a notice of claim shall be filed or an action or proceeding commenced against the Port Authority which is required to be covered by insurance pursuant to the provisions of this Section 14, or in the event that an action or proceeding at law or in equity or a dispute shall arise, whether between the Port Authority and the Lessee or between the Port Authority and a third party or which otherwise involves the Port Authority, which may relate to a matter covered by any such policy, then in either such event the Lessee shall make available for the Port Authority's review a copy of the relevant portions of any policy covering the affected area of the Premises or which provides coverage against such claim, action or proceeding or which relates to such dispute, within thirty (30) calendar days after receipt of request by the Port Authority.

14.7 Each policy of insurance procured by the Lessee pursuant to this Section 14 shall be written by companies authorized to do business in the State of New York, with a claims

paying ability/financial strength rating of "A- VII" (or its equivalent) or better by A. M. Best (the "Required Insurer Rating"), and provide as part of the policy, or by endorsement that: (x) the policy may not be canceled, or materially changed as to the coverages required under this Section 14, without giving thirty (30) days written advance notice thereof (except for non-payment of premiums, for which ten (10) days written advance notice shall be required) to the Port Authority and each Mortgagee, (y) as respects any policy of liability insurance, the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority, and (z) that the protection 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 by the Lessee against the Port Authority, but such endorsement shall not limit, vary, change, or affect either the protections afforded the Port Authority as an insured or additional insured, or the protections afforded the Port Authority under the contractual liability endorsement referred to in Subsection 14.1.4 hereof.

14.8 If at any time any of the policies shall be or become unsatisfactory to the Port Authority, acting in a reasonable manner, as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, such as a result of a downgraded A.M. Best rating below the Required Insurer Rating, acting in a reasonable manner, the Lessee shall promptly obtain a new and satisfactory policy in replacement within thirty (30) days of such unsatisfactory notice. With respect to all insurance required to be obtained pursuant

to this Section 14, the Port Authority will not find a policy issued by a satisfactory carrier to be unsatisfactory as to form or substance unless it contains an exclusion not generally included in Commercial General Liability policies covering similar office buildings in the City of New York at the time of such determination or unless the claims paying ability/financial strength rating of such carrier shall be downgraded below the Required Insurer Rating. Without limiting the generality of the provisions of this Section, from time to time during the portion of the Term following the Substantial Completion Date, but not more than once every three (3) years, the Port Authority, acting in a reasonable manner, shall have the right to require the Lessee to raise the limits of the various liability coverages set forth in this Section, or to require insurance against other insurable hazards, and the Lessee shall comply, or cause compliance with, any such reasonable request, provided that such insurance is commercially available.

14.9 Intentionally Omitted.

14.10 Each party hereto shall include in each of its insurance policies covering loss, damage or destruction by fire or other casualty (insuring, in the case of the Port Authority, the portions of the World Trade Center other than the Building, and the Port Authority's property therein, and insuring, in the case of the Lessee, all property required to be insured by the Lessee pursuant to this Section) a waiver of the insurer's right of subrogation against the other party or, if such waiver should be unobtainable or unenforceable, (i) an express agreement that such policy shall not be invalidated if the insured waives before the casualty the right of recovery against any party responsible for a casualty covered by such policies, or (ii) any other form of permission for the release of the other party. If any party hereto is unable to obtain such waiver, agreement or permission without additional charge, then, upon providing reasonable notice to the

other party, such party shall be relieved from providing such waiver, agreement or permission unless the other party shall so elect and shall pay the carrier's additional charge therefor.

14.11 Each party hereto hereby releases the other party with respect to any claim (including a claim for negligence) which it might otherwise have against the other party for loss, damage or destruction with respect to property which it is required to or elects to insure (including business interruption) occurring during the portion of the Term following the Substantial Completion Date under this Section 14 and with respect and to the extent to which it is, or is under this Section 14 required to be, insured under a policy or policies containing a waiver of subrogation or permission to release liability as provided in Section 14.10 hereof.

14.12 Nothing contained in this Section 14 shall be deemed to impose upon the Port Authority any duty to procure or maintain any of the kinds of insurance referred to therein except as otherwise required in this Section 14, including Section 14.20, or the REOA. If the Lessee shall fail to maintain insurance in effect as required in this Section, the release by the Lessee set forth in Section 14.11 shall be in full force and effect to the same extent as if such required insurance (containing a waiver of subrogation) were in effect. Notwithstanding anything to the contrary contained in this Agreement, the carrying of insurance by any party shall not modify, reduce, limit or impair such party's obligations and liability under Section 18 of this Agreement.

14.13 All insurance policies for property damage required by this Section 14 shall provide in substance that: (i) all adjustments for claims with the insureds for [redacted] or more, which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, shall be made with the Port Authority, the Lessee (or Space Tenant of all or substantially all of the Premises designated by the Lessee) and each Mortgagee named as an insured; and (ii) subject to the rights of any Mortgagee named as an

insured, all adjustments for claims with insurers for less than [redacted], which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, shall be made with the Lessee and such designated Space Tenant only. All rental loss insurance policies covering Base Rent, Tax Equivalent Rental and BID Allocated Share required by this Section 14 shall provide in substance that (x) all adjustments of [redacted] which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, or less shall be made by the Lessee without any requirement to consult with the Port Authority and (y) all adjustments in excess of [redacted] which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, shall be made by the Lessee in consultation with the Port Authority.

14.14 The Lessee shall not carry separate insurance concurrent in form or contribution in the event of loss with that required by this Section 14 to be furnished by the Lessee, unless the Port Authority and each Mortgagee are included therein as insured or additional insured with loss payable as provided in this Section 14. The Lessee immediately shall notify the Port Authority of the carrying of any such separate insurance and shall cause the same to be delivered as required in this Section 14. Notwithstanding the foregoing, the Lessee, the Tower Lessees and/or the Net Lessees' Association may maintain insurance in excess of the insurance required to be maintained under Section 14.1.1 hereof (any such insurance hereinafter referred to as "Excess Insurance"). The Port Authority shall be named as an additional insured on any Excess Insurance obtained by the Lessee. Any proceeds from such Excess Insurance shall be applied to restore and repair the Premises in accordance with the terms of Section 15, except as set forth below.

14.15 All policies provided for in Section 14.1 shall contain clauses or endorsements to the effect that the Port Authority shall not be liable for any insurance premiums thereon or subject to any assessments there under.

14.16 Without limiting, and subject to, the provisions of Section 14.2 above, if at any time the Port Authority is not in receipt of written evidence that all insurance required hereunder is in full force and effect, the Port Authority shall have the right, on ten (10) Business Days notice to the Lessee to take such action as the Port Authority deems necessary to protect its interest in the Premises, including, without limitation, the obtaining of such insurance coverage as the Port Authority in its sole and absolute discretion deems appropriate, and all expenses incurred by the Port Authority in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by the Lessee to the Port Authority upon demand and shall bear interest at the Default Interest Rate.

14.17 The Lessee shall give prompt written notice to the insurance carrier and to the Port Authority of any loss reasonably believed by the Lessee to be in excess of [redacted] that may be covered by worker's compensation insurance and/or general liability insurance.

14.18 In the event of any dispute under this Section 14 between the Port Authority and the Lessee as to (i) whether an item of insurance is "commercially available", "available" or "available at commercially reasonable rates", or (ii) whether the Port Authority is acting reasonably under Section 14.2, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

14.19 Notwithstanding anything to the contrary contained in this Section 14, the provisions of Sections 14.1 through 14.18 shall only apply during that portion of the Term following the Substantial Completion Date, it being agreed, however, that, if and to the extent

that any policies obtained pursuant to Section 70 below shall also satisfy the insurance requirements of this Section 14, and such policies obtained pursuant to said Section 70 shall continue in effect following the Substantial Completion Date, then, to such extent, the Lessee shall be deemed to have satisfied such insurance requirements of this Section 14.

14.20

14.20.1 The Port Authority shall procure and maintain, at its cost and expense and in its own name as insured, covering the Port Authority and its construction managers, contractors and subcontractors of every tier, the policies of insurance described on, and with the limits, set forth in this Section 14.20.1, with respect to (i) work performed or services provided by or on behalf of the Port Authority ("PA Work") within the World Trade Center site (the "WTC Site"), (ii) PA Work adjacent to the WTC Site and (iii) ongoing operations of facilities or property by or on behalf of the Port Authority on or adjacent to the WTC Site:

(a) Commercial General Liability Insurance (together with any Excess or Umbrella Liability) against claims for personal injury, bodily injury, death or property damage (including liabilities as a result of repairs, alterations, construction and operations ) occurring upon, in or about the WTC Site, such insurance (i) to be on the so called "occurrence" form with a combined single limit of not less than [redacted] per occurrence and in the aggregate; (ii) to cover at least the following hazards: (A) premises and operations; (B) completed operations for a period of not less than three (3) after the Substantial Completion Date of the applicable PA Work; (C) independent contractors; and (D) contractual liability covering the indemnities provided by the Port Authority in the Development Agreement, this Agreement and any other agreements to which the Port Authority and the Lessee are parties,

all of which indemnities (and any and all agreements of which said indemnities are a part) must be "insured contracts" for purposes of, and as defined in, said insurance policies, subject, however, to the terms and conditions of said insurance policies, other than those terms and conditions which restrict, limit, reduce or delete the aforementioned indemnities or the inclusion of said indemnities and agreements as "insured contracts"; (iii) with a deductible or self-insured retention of not more than [redacted] per occurrence; and (iv) endorsing the policy(s) to include the parties listed on Schedule 14.20 attached hereto (the "Lessee Additional Insureds") as additional insureds for additional insured coverage as provided under ISO endorsement CG 2037 07 04 or its equivalent. The policies described in this Subsection 14.20.1(a) shall be endorsed to show that said policies are considered primary and non-contributory and for the purposes of this Agreement these insurance coverages will apply as if the other insurance available to the Lessee Additional Insureds that cover the Lessee Additional Insureds as "named insured" do not exist. In order to ensure vertical erosion of liability limits provided, the Lessee reserves the right to review the policies described in this Subsection 14.20.1(a) and require the Port Authority to endorse said policies to clarify the hierarchy of policies in the event of a claim.

(b) Environmental insurance, including remediation of unknown pollutants and on-site/off-site liability for known and unknown pollutants arising from any discovery, disposal or release of any material on the WTC Site, in any case due to the discovery of or acts or omissions of the Port Authority or any of the PA Licensees, with (A) Environmental Site Liability coverage with respect to the WTC Site in an amount of not less than [redacted] per occurrence and in the aggregate and (B) Contractor's Pollution Legal Liability coverage, with respect to the WTC Site, in an amount of not less than [redacted]

[redacted] per occurrence and in the aggregate, in both cases with a term of not less than the period until the Substantial Completion Date of the applicable PA Work, and said Contractor's Pollution Legal Liability coverage policy to remain in force for completed operations claims for a period of (3) years following said Substantial Completion Date, subject to a deductible of up to [redacted] per occurrence with an aggregate deductible of no more than [redacted], and said policy endorsing the Lessee Additional Insureds as additional insureds;

(c) Workers' compensation insurance, as required by any Governmental Authority or legal requirement, subject to the statutory limits of the state of New York with a deductible or self-insured retention of not more than [redacted] per occurrence, which workers' compensation insurance shall include a waiver of the insurer's right of subrogation against the Lessee Additional Insureds; and

(d) Employers Liability with limits [redacted] and excess liability coverage provided by the commercial general liability in Subsection 14.20.1(a) above with a deductible or self-insured retention of not more than [redacted] per occurrence.

14.20.2 The policies required under Section 14.20.1 shall be effective at all times during the period of PA Work commencing on the Net Lessee Execution Date and ending on the Substantial Completion Date with respect to the applicable PA Work or, if required pursuant to Section 14.20.1, for a period following said Substantial Completion Date, it being agreed that for purposes of this Section 14.20 only, "Substantial Completion" applies to the applicable PA Work as opposed to the Tower Project.

14.20.3 All insurance policies procured by the Port Authority pursuant to the provisions of this Section 14.20 (other than workers' compensation and employers' liability) shall include each of Lessee Additional Insureds as an additional insured.

14.20.4 As to any insurance required by this Section 14.20, a certified copy of each binder, policy, and certificate of insurance that evidences each and every layer of coverage provided and is reasonably satisfactory to the Lessee, shall be delivered and/or made available to the Lessee as follows: (i) certificates of insurance shall be delivered to the Lessee prior to, and as a condition to, the Port Authority or any of the PA Licensees accessing the Premises or any portion thereof in connection with any PA Work, and (ii) binders and policies shall be made available at the corporate offices of the Port Authority for the Lessee's review promptly following receipt thereof by the Port Authority. Evidence of insurance, reasonably satisfactory to the Lessee, including evidence of new or renewal policies replacing any policies expiring during the Term, shall be delivered and/or made available to the Lessee as aforesaid prior to the date of expiration of such policies. Upon a reasonable request from the Lessee, the Port Authority shall, promptly following such request, make available for review by the Lessee proof reasonably satisfactory to the Lessee that premiums have been paid by the Port Authority. In the event that at any time during the Term a notice of claim shall be filed or an action or proceeding commenced against a Lessee Additional Insured which is required to be covered by insurance pursuant to the provisions of this Section 14.20, or in the event that an action or proceeding at law or in equity or a dispute shall arise, whether between the Port Authority and a Lessee or between the Port Authority and a third party or which otherwise involves the Port Authority, which may relate to a matter covered by any such policy, then in either such event the Port Authority shall make available for the Lessee's review a copy of the relevant portions of any

policy which provides coverage against such claim, action or proceeding or which relates to such dispute, within thirty (30) calendar days after receipt of request by the Lessee.

14.20.5 Each policy of insurance procured by the Port Authority pursuant to this Section 14.20 shall be written by companies authorized to do business in the State of New York, with a claims paying ability/financial strength rating of at least the Required Insurer Rating, and provide as part of the policy, or by endorsement that: (x) the policy may not be canceled, or materially changed as to the coverages required under this Section 14.20, without giving thirty (30) days written advance notice thereof (except for non-payment of premiums, for which ten (10) days written advance notice shall be required) to the Lessee, and (y) that the protection afforded the Port Authority thereunder with respect to any claim or action against the Port Authority by a third person shall pertain and apply with like effect with respect to any claim or action against the Port Authority by the Lessee and by the Port Authority against the Lessee, but such endorsement shall not limit, vary, change, or affect either the protections afforded the Lessee as an additional insured, or the protections afforded the Lessee under the contractual liability endorsement referred to in Section 14.20.1.

14.20.6 With respect to all insurance required to be obtained pursuant to this Section 14.20, if at any time the Port Authority replaces, adds or deletes a carrier, the Port Authority shall promptly provide the Lessee with (i) written notification of same, which notification shall, in the case of a deletion or replacement, also contain the name of the replacement carrier and (ii) a revised certificate of insurance reflecting such additional or replacement carrier and the fact that the Lessee Additional Insureds have been granted "additional insured" status with respect to such additional or replacement carrier.

14.20.7 The Port Authority shall include in each of its insurance policies covering workers' compensation, including as a whole policies issued as part of an "Owner Controlled Insurance Program", a waiver of the insurer's right of subrogation against the Lessee Additional Insureds.

14.20.8 The Port Authority agrees that the Lessee shall not be liable for any insurance premiums on, or subject to any assessments under, any of the insurance required to be maintained by the Port Authority under this Section 14.20.

14.20.9 If at any time the Lessee is not in receipt of written evidence that all insurance required hereunder is in full force and effect, the Lessee shall promptly notify the Port Authority thereof. If the Port Authority has not provided such written evidence within ten (10) Business Days following delivery of such notice, the Lessee shall have the right to take such action as the Lessee deems necessary to protect its interest in the Premises, including, without limitation the removal of the Port Authority and any employees, agents, contractors, subcontractors, consultants, architects, engineers, vendors and suppliers of the Port Authority (collectively, the "PA Licensees") from the Premises and the denial of access by the Port Authority and any PA Licensees to any portion of the Premises unless and until such insurance coverage shall be obtained by the Port Authority. All expenses incurred by the Lessee in connection with taking such action or in obtaining such insurance and keeping it in effect shall be paid by the Port Authority to the Lessee within thirty (30) days after a written request by Lessee, accompanied by reasonable supporting documentation. Any payment which is not paid when due shall accrue interest from the date due at the prime rate published from time to time by the Wall Street Journal (or if such rate is no longer published by the Wall Street Journal, a comparable source of financial information reasonably selected by the Port Authority) plus two

percent (2%). If the Port Authority shall fail to make any such payment, the Port Authority shall also reimburse the Lessee for all reasonable attorneys' fees and other costs and expenses incurred in collection of the amount due.

14.20.10 Nothing in this Section 14.20 is intended to confer any rights of entry, ingress, egress, access over, in, under, on or across the Premises to the Port Authority or any PA Licensee other than those expressly set forth in the other provisions of this Agreement and the other Transaction Documents.

Section 15. Fire and Other Casualty.

15.1 If the Premises (other than the Appurtenances) or any improvements, betterments, fixtures and equipment, furnishings and physical property located thereon, or any part thereof, shall be damaged or destroyed by fire, the elements, the public enemy or other casualty, or by reason of any cause whatsoever and whether partial or total, the Lessee, at its sole cost and expense, and whether or not such damage or destruction is covered by insurance proceeds sufficient for the purpose, shall remove all debris resulting from such damage or destruction, and shall rebuild, restore, repair and replace, as applicable, the Premises (other than the Appurtenances) or any improvements, betterments, fixtures and equipment, furnishings and physical property located thereon, or any part thereof, substantially in accordance, to the extent feasible, prudent and commercially reasonable, with the plans and specifications for the same as they existed prior to such damage or destruction or with the consent in writing of the Port Authority, which consent shall not be unreasonably withheld, conditioned or delayed, make such other repairs, replacements, changes or alterations as is mutually agreed to by the Port Authority and the Lessee. Such rebuilding, restoration, repairs, replacements, or alterations shall be commenced promptly and shall proceed with all due diligence subject to the terms and

conditions of this Agreement, including, without limitation, the terms and provisions of Section 19 of this Agreement.

15.1.1 Notwithstanding anything herein to the contrary, if such damage or destruction as is described in Section 15.1 above occurs during the last fifteen (15) years of the Term and shall exceed [redacted] of the then Full Insurable Value, on a replacement cost basis, of the Building and all structures, improvements, fixtures and equipment, furnishings and physical property located on the Premises immediately prior to such damage or destruction (as such insurable value shall have been determined in accordance with the provisions of Subsection 14.1.1 of this Agreement), the Lessee shall have the option of either:

(a) performing all rebuilding, restoration, repairs, replacements or alterations required in accordance with the provisions of this Agreement, or

(b) terminating the letting under this Agreement in its entirety by written notice to the Port Authority given within sixty (60) days after the occurrence of such damage or destruction provided, that, on the effective date thereof, this Agreement, the Premises, and any construction, improvements, buildings, fixtures, machinery, apparatus, fittings, or other property affixed to the Premises which by operation of law are considered real property are unencumbered by any mortgage, security interest, judgments, or other Liens placed thereon as a result of the acts or omissions of the Lessee (to be evidenced by a search made by a title company acceptable to the Port Authority and to be furnished by the Lessee at its sole cost and expense), which would not be eliminated by the termination of this Agreement, and free from any pending matters that might develop into additional rent unless the Lessee shall secure payment and discharge of such mortgages, security interests, judgments or other Liens and the payment of such additional rent to the Port Authority in a manner reasonably satisfactory to the

Port Authority. In the event this Agreement is terminated, as provided in the preceding sentence, and an Event of Default has occurred and is continuing, as of the effective date of such termination, the Lessee shall remain liable for any sums owed to the Port Authority as of the effective date of the termination of this Agreement.

15.1.2 In the event of termination pursuant to the provisions of Subsection 15.1.1 the Lessee shall not be entitled to any portion of the proceeds of any insurance which the Lessee is required to maintain pursuant to the provisions of Section 14 hereof, all of which shall become the sole property of the Port Authority.

15.1.3 Upon the effective date of such termination, the Lessee shall surrender and deliver the Premises, into the possession and use of the Port Authority in the manner specified in the Section 30 of this Agreement, subject, however, to the then physical condition and state of repair thereof and the Space Leases.

15.1.4 Except as provided in Subsection 15.1.1, but subject nevertheless to the provisions of Subsection 13.2 hereof, no destruction of, or damage to the whole or any part of the Premises or any structures, improvements, fixtures, and equipment, furnishings or other property located thereon by fire or any other casualty, cause or condition shall permit the Lessee to surrender or terminate this Agreement or shall relieve the Lessee from its liability to make payment of any monies, charges, fees or rentals or additional rentals payable under this Agreement or from any of its other obligations hereunder. The Lessee waives any rights now or hereafter conferred upon the Lessee by statute or otherwise to quit or surrender the Premises and terminate this Agreement or any part thereof, or to any suspension, diminution, abatement or reduction of rent on account of any destruction or damage, except as elsewhere specifically provided herein. The parties 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.

15.1.5 Notwithstanding anything herein to the contrary, if (i) damage or destruction as is described in Section 15.1 above occurs, (ii) the cost of restoration and repair of such damage or destruction shall be reasonably expected to exceed the sum of the insurance required to be maintained under Section 14.1.1 hereof and the Excess Insurance, if any, obtained by the Lessee or on the Lessee's behalf (such excess, the "Uninsured Casualty Amount"), as set forth in a written notice from the Lessee to the Port Authority (a "Proceeds Deficiency Notice"), (iii) either (x) the Port Authority does not deliver an Uninsured Casualty Funding Notice in accordance with the second sentence of this Section 15.1.5, or (y) the Port Authority shall deliver an Uninsured Casualty Funding Notice but shall fail to deliver to the Depository portions of the Uninsured Casualty Amount at the time third party insurers would otherwise deliver such amounts, and (iv) the Lessee shall default in its obligation to perform all rebuilding, restoration, repairs, replacements or alterations required in accordance with the provisions of this Agreement, then the Port Authority shall receive, subject to the provisions of Sections 8.2 of the REOA, the portion of the proceeds of any insurance which the Port Authority is entitled to pursuant to the provisions of Section 14 hereof, and the Lessee, the Tower Lessees (and/or any of their respective mortgagees) and/or the Net Lessees' Association, as applicable, as more particularly set forth in the REOA, shall be entitled to the Excess Insurance, if any, that shall have been obtained. Within ninety (90) days of receipt of a Proceeds Deficiency Notice, the Port Authority may elect by written notice to the Lessee (an "Uninsured Casualty Funding Notice") to fund the Uninsured Casualty Amount (at the same time as such amount would otherwise be funded by a third party insurer), with failure to deliver an Uninsured Casualty Funding Notice within said

ninety (90) day period being deemed an election by the Port Authority not to fund such amount. If the Port Authority funds the Uninsured Casualty Amount, the Lessee's failure to provide the Uninsured Casualty Amount shall not be deemed to be an Event of Default under this Agreement.

15.2 If such damage or destruction as is described in Section 15.1 is covered by insurance then, subject to the provisions of Subsection 15.2.1, such proceeds shall be made available for and applied to the payment of the cost of the rebuilding, restoration, repair, replacement and alteration work required to be performed by the Lessee under the provisions of this Agreement.

15.2.1 In the event that for any single casualty hereunder the insurance proceeds referred to above do not exceed, in the aggregate, [redacted], Subject to Adjustment on each five (5) year anniversary of the Commencement Date, such proceeds shall be made available directly to the Lessee or to any Mortgagee holding the senior most Mortgage, to be applied as set forth in this Section 15.2. In the event that the insurance proceeds exceed, in the aggregate, [redacted], Subject to Adjustment on each five (5) year anniversary of the Commencement Date, the proceeds shall be deposited in an interest bearing account with the Depository to be disbursed to the Lessee from time to time upon a written request from the Lessee and accompanied by a certificate signed by a responsible officer of the Lessee, dated not more than thirty (30) days prior to such request, setting forth, to the best of such officer's knowledge, the following:

(a) That the sum then requested either has been paid by the Lessee, or is justly due to contractors, subcontractors, materialmen, engineers, architects or other persons who have rendered services or furnished materials for the rebuilding or restoration therein

specified, the names and addresses of such person, a brief description of such services and materials, the several amounts so paid or due to each of said persons in respect thereof, that no part of such expenditures has been made the basis, in any previous or then pending request, for the withdrawal of insurance money or has been paid out of the proceeds of insurance received by the Lessee, and that the sum then requested does not exceed the value of the services and materials described in the certificate;

(b) That except for the amount, if any, stated in such certificate to be due for services or materials (other than retainage), there is no outstanding indebtedness known to the persons signing such certificate, after due inquiry, then due for labor, wages, materials, supplies or services in connection with such rebuilding or restoration which, if unpaid, might become the basis of a vendor's, mechanic's, laborer's or materialman's statutory or similar Lien or alleged Lien upon such rebuilding or restoration or upon the Premises or any part thereof or upon the Lessee's leasehold interest therein; and

(c) That the cost, as estimated by the persons signing such certificate, of the rebuilding or restoration required to be done subsequent to the date of such certificate in order to complete the same, does not exceed the insurance proceeds, plus any amount deposited by the Lessee or as to which the Lessee has provided other security or credit support (including a guaranty from a credit worthy entity) to defray such cost remaining in the hands of the Depository after payment of the sum requested in such certificate. Upon request the Lessee shall also provide evidence, reasonably satisfactory to the Port Authority, to the effect that there has not been filed with respect to the Premises or any part thereof or upon the Lessee's leasehold interest therein any vendor's, mechanic's, laborer's, materialman's or other Lien which is the Lessee's obligation hereunder to discharge and which has not been discharged of record, except

such as will be discharged by payment of the amount then requested. Nothing contained herein shall be or be deemed or construed as a submission, by the Port Authority to the application to itself of any vendor's, mechanic's, laborer's or materialman's statutory or similar Lien.

15.2.2 Upon compliance with the foregoing provisions of Subsection 15.2.1 the Depository shall, out of such insurance money and interest thereon, subject to the reasonable or commercially customary additional requirements, if any, of the Mortgagee holding the Senior Mortgage, which requirements shall be set forth in such Mortgage, promptly pay or cause to be paid to the Lessee or, at the Lessee's option, to the persons named (pursuant to Subsection 15.2.1(a)) in such certificate, the respective amounts stated therein to have been paid by the Lessee or to be due to them, as the case may be.

15.3 If the Lessee has secured and maintained the policies of insurance described in Section 14 in the limits set forth therein and the proceeds of such insurance shall be insufficient to pay the entire cost of the rebuilding, restoration, repair, replacement and alteration work required to be performed by the Lessee pursuant to Section 15.2, the excess cost shall be borne by the Lessee.

15.4 Upon receipt by the Depository and the Port Authority of satisfactory evidence, of the character required by Subsection 15.2.1 above, that the rebuilding or restoration has been completed (other than punch-list items which will be completed within sixty (60) days thereafter) and paid for in full (other than sums to be paid from retainage) and that there are no Liens of the character referred to therein, any balance of the insurance money at the time held by the Depository shall be paid to the Lessee, its designee, or as otherwise required by any Mortgagee.

15.5 Notwithstanding anything to the contrary contained in this Section 15, (a) if a casualty that is governed by the provisions of Section 8.2(b) of the REOA shall occur, Lessee's

obligation to restore or rebuild following such casualty shall be subject to compliance by the other parties to the REOA of their respective obligations under subparagraph (ii) of such Section 8.2(b), and the Lessee's failure to comply with its obligations under this Section 15 by reason of said other parties' failure to comply with their respective obligations under subparagraph (ii) of such Section 8.2(b) of the REOA shall not be an Event of Default, and (b) if a casualty that is governed by the provisions of Section 8.2(c) of the REOA shall occur, and said casualty is not a Lessee Only Casualty (as defined in the REOA) with respect to the Lessee, the Lessee shall have no obligation to restore or rebuild damage following such casualty, and the Lessee's failure to so restore or rebuild shall not be an Event of Default.

15.6 Notwithstanding anything to the contrary contained in this Section 15, the provisions of this Section 15 shall only apply during the Interim Period and that portion of the Term following the Substantial Completion Date.

Section 16. Limitation on Liability.

16.1 Notwithstanding anything contained in this Agreement to the contrary, the Lessee and its direct or indirect partners (general or limited), members, shareholders, directors, officers, agents and employees, and their respective successors and assigns, shall not be charged personally with any liability or held personally liable under any term or provision of this Agreement or because of its execution or attempted execution (including in connection with the execution of any certificate or instrument delivered to the Port Authority or Code Compliance Office by any such party) or because of any breach or attempted or alleged breach hereof, and if the Lessee is in breach or default with respect to any obligation undertaken by it hereunder or otherwise under this Agreement, the Port Authority shall have no cause of action against them to enforce the terms, covenants, conditions, warranties, and obligations of the Lessee under this

Agreement other than (i) an action against the Lessee to remove the Lessee from possession during the continuance of an Event of Default following the effectiveness of a Termination Notice in accordance with Section 21.1, or (ii) an action against the Lessee to collect a judgment or other judicial process or arbitration award requiring payment of money by the Lessee from any Gross Revenues, insurance proceeds, and condemnation awards thereafter payable to the Lessee with respect to the Premises, and the Port Authority shall look solely to the Lessee's estate and interest in the Premises (including, without limitation, any Gross Revenues, insurance proceeds, and condemnation awards thereafter payable to the Lessee with respect to the Premises) and the Port Authority's sole remedy in the event of any such breach or default by the Lessee hereunder shall be to terminate the Lessee's estate and interest in the Premises and, subject to the provisions of Section 21.1 below, to collect a judgment or other judicial process or arbitration award requiring payment of money by the Lessee from any Gross Revenues, insurance proceeds, and condemnation awards thereafter payable to the Lessee with respect to the Premises, subject nevertheless to the rights of a Mortgagee to cure such breach or default in accordance with the applicable provisions of this Agreement.

16.2 Notwithstanding anything contained in this Agreement to the contrary, the Port Authority, its Commissioners, officers, directors, agents, and employees, and the successors and assigns of the Port Authority, and their respective partners (general or limited), shareholders, directors, officers, agents and employees shall not be charged personally with any liability or held personally liable under any term or provision of this Agreement or because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof, and if the Port Authority is in breach or default with respect to any obligation undertaken by it hereunder, or otherwise under this Agreement, the Lessee shall have no cause of action against

them to enforce the terms, covenants, conditions, warranties, and obligations of the Port Authority under this Agreement. Subject to Section 16.3, the Lessee shall look solely to the Port Authority's, or its successors' and/or assigns', estate and interest in the Premises (including, without limitation, rents thereafter derived therefrom, and any insurance proceeds and condemnation awards thereafter payable with respect thereto) for the satisfaction of any right of the Lessee for the collection of a judgment or other judicial process or arbitration award requiring payment of money by the Port Authority, or its successors and/or assigns, and no other property or assets of the Port Authority, its Commissioners, officers, employees, directors, agents and their successors and/or assigns, shall be subject to levy, Lien, execution, attachment, or other enforcement procedure for the satisfaction of the Lessee's rights and remedies under or with respect to this Agreement, or any other liability of the Port Authority, or its successors and/or assigns, to the Lessee under this Agreement.

16.3 Notwithstanding anything contained in this Agreement to the contrary, but expressly subject to the provisions of this Section 16, there shall at no time be any limitation on the Port Authority's liability for the payment and performance, in accordance with the terms hereof, of the following obligations: (i) the obligation to pay Non-Conforming Repair Costs, including any interest required to be paid by the Port Authority thereon, in each case pursuant to Subsection 6.4.1, (ii) the obligation to pay Taxes, including any interest required to be paid by the Port Authority, pursuant to Section 6.13, which the Lessee is entitled to pursuant to the terms of this Agreement, (iii) the obligation to pay Excess Electrical Costs, which the Lessee is entitled to pursuant to Subsection 60.2.4, and (iv) any obligations of the Port Authority under Section 6.13 hereof. The provisions of clause (iv) of the first sentence of this Section 16.3 shall

survive the termination of this Agreement if the same shall be as a result of the Port Authority's failure to comply with its obligations under Section 6.13(b).

Section 17. Signs and Names.

17.1 Except as may be otherwise permitted pursuant to this Section 17 or the License, the Lessee shall not erect, maintain or display any signs, lettering, advertising, posters, displays or similar devises on the exterior of the Premises or elsewhere at the World Trade Center.

17.2 Subject to the terms and conditions set forth in the REOA and the Commercial Design Guidelines, the Lessee shall have the right to erect, display, and maintain interior signs, lettering, advertising, displays or similar devises (collectively, "Signs") within the Premises, and to erect, display, and maintain Signs on the exterior of the Building, provided, however, the exterior Signs shall be erected, displayed and maintained in a manner consistent with that required by the Zoning Resolution of the City of New York, as the same may be amended, modified or supplemented from time to time.

17.3 Subject to and in accordance with the terms and conditions of the License, the Lessee shall only use the phrase "Three World Trade Center" or any other phrase expressly permitted under the License to identify the Premises throughout the Term hereof through various mediums, including directories, advertising, signage, building entrance signage and promotion materials. The Lessee recognizes the Port Authority's proprietary interest in the names "The Port Authority of New York and New Jersey", and "The Port Authority" or any colorable imitation or abbreviation of any such names, and the Lessee agrees not to use or make any reference by advertising or otherwise to the names "The Port Authority of New York and New Jersey", "The Port Authority", or any colorable imitation or abbreviation of any such names, unless such use or reference has been approved in writing by the Port Authority in advance. The

names "The Port Authority of New York and New Jersey", "The Port Authority", or any colorable imitation or abbreviation of any such names shall in all events remain the exclusive property of the Port Authority. No souvenir or souvenir type merchandise involving Port Authority facilities (other than the World Trade Center) shall be sold or displayed by the Lessee at or from the Premises without the prior written consent of the Port Authority.

17.4 Subject to the terms and conditions set forth in the Commercial Design Guidelines, the Port Authority shall not have any right to install or maintain any signage at, in or on the Premises or permit any other Person to install or maintain any signage at, in or on the Premises, other than common instructional and directional signs for the World Trade Center complex.

Section 18. Indemnity.

18.1 The Lessee shall bear the cost to repair, replace, rebuild and paint all or any part of the World Trade Center, including the Premises, which may be damaged or destroyed by the acts or omissions of the Lessee, its officers, members, employees, agents, representatives, contractors, customers, guests, invitees or other persons who are doing business with the Lessee where such acts are performed on or at the Premises, or which may be damaged or destroyed by the acts or omissions of the Lessee, its officers, members, employees, agents, representatives, and contractors, in their capacity as such, where such acts are performed elsewhere at the World Trade Center.

18.2 Subject to the provisions of Section 16, the Lessee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees from all claims and demands of third persons including but not limited to those for death, for personal injuries, or for property damages, arising out of (i) any default of the Lessee in performing or observing

any term or provision of this Agreement, or (ii) during the Interim Period and from and after the Substantial Completion Date, the use or occupancy of the Premises by the Lessee, the Permitted Manager or others with its or their consent, or (iii) any breach of their obligations hereunder of the Lessee, its officers, members, employees, agents, representatives, contractors, customers, guests, invitees and other persons who are doing business with the Lessee or the Permitted Manager or who are at the Premises with their consent where such acts or omissions are performed or take place on the Premises, or (iv) any acts or omissions of the Lessee, its officers, members, employees, agents and representatives, in their capacity as such, where such acts or omissions are performed or take place elsewhere at the World Trade Center; provided, however, the indemnity does not apply to (x) the gross negligence or willful misconduct of the Port Authority or the Port Authority's Affiliates (including, without limitation, in their capacity as lessees or occupants of the Excluded Space), or breach of this Agreement, the REOA or the Contract to Lease by the Port Authority, PATH, or any World Trade Center Tenant (including the Tower Lessees and the Other Lessees), and each of their respective agents, officers, members, employees, representatives and contractors, or (y) any items for which the Port Authority shall be required to indemnify the Lessee pursuant to the Development Agreement or any of the other Transaction Documents.

18.3 The Lessee shall at its own expense defend any suit based upon any such claim or demand described in Section 18.2 above (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 provision of any statutes respecting suits against the Port Authority.

18.4 A party (the "Indemnitee") against whom such a claim or demand described in Section 18.2 above is asserted, or against whom an action or proceeding is commenced, with respect to which indemnity may be sought pursuant to the provisions of this Agreement shall give prompt notice to the party from whom such indemnity may be sought (the "Indemnitor") of the assertion of such claim or demand, or the commencement of such action or proceeding, specifying with reasonable particularity the damages, loss, liability, or expense for which the Indemnitee seeks indemnification, and the basis for the indemnity, and shall thereafter give the Indemnitor such information with respect thereto as the Indemnitor may reasonably request. The Indemnitor and the Indemnitee shall cooperate in the defense of any action or proceeding based upon any claim or demand with respect to which indemnity may be sought pursuant to the provisions of this Agreement. The Indemnitor shall have the right to select the counsel, or to utilize counsel for its insurer, in connection with the defense of any such action or proceeding, and shall have the right to settle any such claim or demand without the consent of the Indemnitee, provided that such settlement does not require a payment from the Indemnitee or any Affiliate thereof, and will result in a full release of the Indemnitee from any further liability with respect to such claim or demand. The Indemnitee shall have the right to settle any claim or demand only with the consent of the Indemnitor, which consent shall not be unreasonably withheld, delayed or conditioned if such settlement does not require a payment from the Indemnitor or any Affiliate thereof, and will result in a full release of the Indemnitee from any further liability with respect to such claim or demand. With respect to a proposed settlement which requires the Indemnitee's consent, if the Indemnitee shall unreasonably refuse to grant

such consent, or shall fail to do so within a reasonable period of time after a request for such consent is made, the Indemnitor's liability hereunder shall be limited to the amount of the proposed settlement, and the Indemnitee shall bear the responsibility for all reasonable legal fees thereafter incurred by the Indemnitor and any liability in excess of the amount of the proposed settlement. Except under the circumstances depicted in the preceding sentence or as otherwise provided in this Agreement, each party shall pay the legal fees and expenses of counsel engaged by such party and the indemnity by the Indemnitor shall not apply thereto. There shall be no obligation of the Indemnitor hereunder to indemnify the Indemnitee if the Indemnitee fails to give prompt notice to the Indemnitor of the claim or demand at issue.

18.5 The Lessee shall indemnify and hold harmless the Port Authority for any cost or expense (which does not include any taxes, additions to taxes, penalties, interest or payments in lieu of any of the foregoing) associated with, relating to or arising out of, an Income Tax Controversy. "Income Tax Controversy" shall mean any audit, examination, appeal or other administrative proceeding or any judicial contest or proceeding with respect to any franchise tax or tax on or measured by, net or gross income of the Lessee or any party related to the Lessee.

Section 19. Alterations and Improvements by the Lessee.

19.1 Except as expressly required or permitted in this Agreement (or in the Development Agreement during the Interim Period), or with the prior consent of the Code Compliance Office (acting on behalf of the Port Authority solely in its role as "governmental entity") and the Net Lessees' Association, to the extent provided in the REOA, as applicable, the Lessee shall not, during the Interim Period or following the Substantial Completion Date, erect any structures, make any improvements or do any other construction work on the Premises or elsewhere at the World Trade Center, or alter, modify, or make additions, improvements or

repairs to or replacements of any structure existing or built at any time during the Interim Period or following the Substantial Completion Date, as applicable, or install any fixtures (other than trade fixtures removable without injury to the Premises) (collectively, "Alterations"). In the event any such Alteration requiring approval is made without such approval, then, upon reasonable notice to do so, the Lessee will remove the same or cause the same to be changed at the Lessee's sole cost and expense at the option and in accordance with the instructions of the Code Compliance Office, as provided in the Port Authority Manual or the Net Lessees' Association, as provided in the REOA, or the Lessee may obtain, retroactively, the required consents. In case of any failure on the part of the Lessee to comply with such notice, the Code Compliance Office and the Net Lessees' Association may effect the removal or change, and the Lessee shall pay the reasonable cost thereof to the Code Compliance Office or the Net Lessees' Association on demand, after the receipt of documentation reasonably sufficient to delineate and substantiate such costs, provided, however, so long as such failure does not create imminent peril to the life, safety or health of Persons at the Premises or the World Trade Center, the Lessee is diligently prosecuting to cure such failure to comply, and the Lessee provides notice to the Code Compliance Office and the Net Lessees' Association, as applicable, no less often than once every thirty (30) Business Days thereafter as to the status thereof, neither the Port Authority, the Code Compliance Office nor the Net Lessees' Association shall effect the removal or change thereof.

19.1.1 The Lessee, prior to commencing any work to the Premises during the Interim Period or following the Substantial Completion Date, may apply to the Chief Engineer for authorization to depart from the express requirements of the Port Authority Manual due to special circumstances or otherwise (a "Variance"). In connection therewith, the Lessee shall submit to the Chief Engineer all documentation reasonably necessary and appropriate in

connection with such Variance and the reasons for its request. The Chief Engineer may request additional documentation or a hearing with the Lessee, the A/E of record and the contractor involved to determine the necessity and appropriateness of the requested Variance and may consult with the Department of Buildings of the City of New York in making his or her determination, but shall not be required to do so. The Chief Engineer shall provide a response to the Lessee as soon as reasonably practicable under the circumstances and the nature of the Variance being sought by the Lessee.

19.2 The Port Authority, in its role and capacity as "landlord" under this Agreement, shall have no approval rights over any Alteration and the Lessee shall have the right to make any Alteration without the Port Authority's consent; provided, however, that (a) the Lessee shall not make any Alterations during the Interim Period without the prior approval of the Port Authority, in its sole discretion, and (b) the Port Authority shall have the right, in its role and capacity as "landlord" under this Agreement, to approve, which approval shall not be unreasonably withheld, conditioned or delayed, any Alteration which may have a material adverse effect on the structural integrity of the Premises. Without limiting the generality of the foregoing provisions of this Section 19.2, it is agreed that the Lessee's right to make Alterations shall include any Alterations (i) with respect to Alterations following the Substantial Completion Date, within the envelope of the Building existing on the Substantial Completion Date, and (ii) with respect to Alterations during the Interim Period, within the envelope of the Capped Podium Building existing on the commencement of the Interim Period, subject in each case to the Port Authority's approval right, in its role and capacity as "landlord" under this Agreement, and compliance with the Port Authority Manual. Nothing herein shall affect the Port Authority exclusively in its capacity and role as "governmental entity" responsible for the operation of the World Trade

Center pursuant to the World Trade Center Legislation and under this Agreement, and for so long as it has such statutory role with respect to the enforcement of the Port Authority Manual. If there is a dispute as to whether the Port Authority unreasonably withheld, conditioned or delayed its approval, in its role and capacity as "landlord" under this Section 19.2, of any Alteration alleged by the Port Authority to have a material adverse effect on the structural integrity of the Premises, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45. Nothing herein shall constitute a waiver or surrender of any rights which the Lessee may have, at law, to challenge the determinations of the Port Authority in its role as "governmental entity".

19.3 In the event that upon inspection of any work the Code Compliance Office, acting in a non-arbitrary and non-capricious manner, shall determine that the requirements set forth in this Section 19 have not been met, the Lessee shall change or replace the work performed, except to the extent any portion thereof is approved, or permitted to remain by and with the consent of the Code Compliance Office, at the Lessee's sole cost and expense. It is hereby understood and agreed that the Port Authority shall not be required to make such inspections. In connection with review by the Code Compliance Office of any work performed by the Lessee or Space Tenants pursuant to this Section, the Lessee shall submit to the Code Compliance Office, at the Code Compliance Office's request, such additional data, detail, or other information as the Code Compliance Office, acting in a non-arbitrary and non-capricious manner, may determine to be necessary for such review. Nothing contained in this Section 19.3 shall affect the Lessee's obligation to obtain the Code Compliance Office's consent to the performance of any work to the extent required hereunder. With respect to Alterations to be made by the Port Authority or the City of New York, each in their respective capacities as Space Tenants under Space Leases, in

the event of any inconsistency between the provisions of any such Space Lease and this Section 19, the provisions of such Space Lease shall control.

19.4 In the event the Lessee is required to, or elects to, perform construction work in the Premises during the Interim Period (in the case of an election by the Lessee during the Interim Period, subject to obtaining any approval of the Port Authority required pursuant to Section 19.2(a) above) or during the portion of the Term following the Substantial Completion Date, or in the event a Space Tenant is required to, or elects to, perform construction work in the Premises during the portion of the Term following the Substantial Completion Date, such work shall be completed in accordance with the Port Authority Manual, the Approved Documents (if such work is to be performed in accordance with the Professional Certification Procedure) and substantially in accordance with the Plans and Specifications and the Alteration Application Form submitted to the Code Compliance Office (if such work is to be performed in accordance with the Standard Application Procedure), and such work may not begin until a Construction Permit has been delivered by the Code Compliance Office, except in connection with a Minor Alteration/Ordinary Repair. Any work that the Lessee or a Space Tenant determines is a Minor Alteration/Ordinary Repair, which determination shall be made reasonably and in good faith, may be performed without the prior written consent of the Code Compliance Office or a Construction Permit. However, if the work does not qualify as a Minor Alteration/Ordinary Repair, a Permit to Occupy or Use or Consent to Occupy must be issued by the Code Compliance Office in accordance with one of the two procedures set forth below.

19.4.1 Professional Certification Procedure. Lessee acknowledges and agrees that, as of the Net Lessee Execution Date and until further notice to the contrary from the Port Authority, the Lessee may not utilize the procedure outlined below in this Subsection 19.4.1 (the

"Professional Certification Procedure"). If the Port Authority, in its sole discretion, notifies the Lessee in writing at any time after the Net Lessee Execution Date that the Lessee may from and after the date of such notice utilize the Professional Certification Procedure and if, (i) based upon its review of the Port Authority Manual, the Lessee determines that it does not desire to utilize the Standard Application Procedure and such work qualifies as a Professional Certification Alteration/Repair, or (ii) upon request of the Lessee, the Code Compliance Office otherwise consents, the Lessee may, subject to the provisions of this Subsection 19.4.1 and subject to any changes to the Professional Certification Procedure required by the Chief Engineer, utilize the Professional Certification Procedure. Notwithstanding the foregoing, should the Port Authority permit another World Trade Center lessee (other than the City of New York) to use the Professional Certification Procedure, Lessee shall also be granted such right on terms and conditions that are no less favorable than those granted to such lessee.

(a) The Lessee shall submit to the Code Compliance Office, for itself or on behalf of a Space Tenant, a duly executed copy of the Alteration Application Form, together with the applicable Permit Fees required to be paid to the Code Compliance Office and all plans, specifications and other documents describing the work to be completed (the "Approved Documents").

(b) The Lessee shall submit sufficient documentation to the Code Compliance Office so that such office may determine if the architect/engineer (the "A/E") of record on the project is acceptable to the Code Compliance Office (a "Qualified A/E"), which consent shall not be withheld, delayed or conditioned, if the A/E meets the criteria set forth in the definition of A/E Criteria. The Code Compliance Office shall notify the Lessee whether an A/E is deemed a Qualified A/E within three (3) Business Days from the date sufficient documentation

is received by the Code Compliance Office. At the request of the Lessee, at any time following the date that the Lessee shall be permitted to utilize the Professional Certification Procedure, the Lessee and the Port Authority shall establish a pre-approved list of Qualified A/E's to be attached as a schedule to this Agreement as Schedule 19.4.1, provided, however, such schedule may be thereafter amended, modified or supplemented from time to time by (i) the Code Compliance Office upon not less than ten (10) Business Days prior notice to the Lessee, or (ii) the Lessee, with the prior written consent of the Code Compliance Office. If the A/E does not qualify as a Qualified A/E, approval for any work performed by such A/E must be obtained in accordance with the Standard Application Procedure set forth in Subsection 19.4.2 below. If such A/E is approved as a Qualified A/E, such Qualified A/E shall be deemed to be added to Schedule 19.4.1.

(c) Following the issuance of a Construction Permit to the Lessee by the Code Compliance Office, the Lessee shall hold a meeting with the Code Compliance Office, prior to the commencement of the work, and provide a list of anticipated Controlled Inspections and Major Tests. While the A/E (or a subcontractor of such A/E or of the Lessee or applicable Space Tenant) conducts the Controlled Inspections and Major Tests, the Code Compliance Office shall be permitted to audit any field construction and field records at reasonable times. Upon completion of the Controlled Inspections and Major Tests, the A/E shall submit the final Controlled Inspection reports and Major Test certifications to the Code Compliance Office. Thereafter, together with the Code Compliance Office, the A/E shall conduct a final inspection of the work performed. Upon the Code Compliance Office's satisfaction that (i) there are no open items relating to the work performed, (ii) there are no filed record deficiencies relating to such work, (iii) there are no outstanding Code Compliance Office review comments relating to

such work, (iv) that the work does not (A) adversely affect the structure of the Building, or (B) adversely affect the Building's automatic sprinkler system, fire alarm system, or other Building life safety systems, and (v) no part of the work which the Lessee or its Space Tenants performed adversely affects any utility or other system serving a portion of the World Trade Center, other than the Premises, the Code Compliance Office shall notify the A/E of same. After the Code Compliance Office's receipt of the A/E's Statement of Compliance and a request by the Lessee for a Consent to Occupy, the Code Compliance Office shall issue a Consent to Occupy.

(d) Within five (5) Business Days after receipt of the Alteration Application Form, the Code Compliance Office shall notify the Lessee if the Approved Documents will be audited for compliance with the Port Authority Manual. If a project is audited, the Code Compliance Office shall deliver written comments to the Lessee, which comments shall be in reasonable detail and limited to any non-conformity of the project with the Port Authority Manual, within thirty (30) days after the date the Application Form shall have been properly submitted and a Consent to Occupy shall not be issued until compliance with each of the Code Compliance Office's comments is met, which compliance shall be determined at the time of the final inspection of the project. If any part of the work to be performed affects the structure of the Building, or affects the Building's automatic sprinkler system, fire alarm system, or other Building life safety systems, or affects any utility or other system serving a portion of the World Trade Center, the Code Compliance Office may review the work performed by the A/E at the Premises.

(e) The Code Compliance Office, upon reasonable notice to the Lessee, may discontinue the ability of the Lessee and its Space Tenants to perform work and make alterations to the Premises in accordance with the Professional Certification Procedure.

19.4.2 Standard Application Procedure. In the event that (i) the Professional Certification Procedure may not be utilized in accordance with the provisions of Subsection 19.4.1 above, or (ii) the Lessee does not desire to utilize the Professional Certification Procedure, or (iii) the work to be performed does not qualify as a Professional Certification Alteration/Repair or as a Minor Alteration/Ordinary Repair or (iv) the A/E does not qualify as a Qualified A/E, then the procedure outlined below (the "Standard Application Procedure") shall be followed by the Lessee.

(a) The Lessee shall submit to the Code Compliance Office, for itself or on behalf of a Space Tenant, a duly executed copy of the Alteration Application Form, together with all Plans and Specifications and the applicable Permit Fees required to be paid to the Code Compliance Office. Other than the payment of Permit Fees and any fees payable as set forth in Section 62, the Lessee shall have no other obligation to reimburse the Port Authority or the Code Compliance Office for costs and expenses incurred in connection with acting in its role and capacity as "governmental entity" under this Agreement, including, without limitation, this Section 19.

(b) Upon receipt of the items set forth in clause (a) above, the Code Compliance Office shall review such documentation for compliance with the Port Authority Manual, which review shall be conducted in accordance with the Initial Review Timetable. Upon review of such documentation, the Code Compliance Office may either (i) approve such documentation, (ii) grant a conditional approval of such documentation, or (iii) disapprove such documentation. In the event that the Code Compliance Office issues a conditional approval, the Lessee shall resubmit such documentation, incorporating or properly addressing any comments made by the Code Compliance Office. In the event such documentation is disapproved by the

Code Compliance Office, the Lessee shall resubmit such documentation to the Code Compliance Office for compliance with the Port Authority Manual, which review shall be conducted in accordance with the Subsequent Review Timetable. The Lessee may continue to resubmit such documentation until the same is approved by the Code Compliance Office, and the Code Compliance Office shall respond to such resubmissions in accordance with the Subsequent Review Timetable. Notwithstanding anything contained herein to the contrary, if the scope of the work to be performed has changed or certain work to be performed was not addressed in the previous submission, such documentation will be conducted in accordance with the Initial Review Timetable.

(c) Provided the A/E of record is licensed to practice in the State of New York, the Code Compliance Office shall issue a Construction Permit to the Lessee.

(d) Thereafter, the Lessee shall hold meetings with the Code Compliance Office, prior to the commencement of the work, and shall provide a list of Controlled Inspections and Major Tests. Simultaneously with the performance by the A/E (or a subcontractor of such A/E or of the Lessee or applicable Space Tenant) of the Controlled Inspections and Major Tests, the Code Compliance Office shall audit any field construction and field records at reasonable times and upon reasonable notice, to the Lessee or the A/E. Upon completion of the Controlled Inspections and Major Tests, the A/E shall submit the final Controlled Inspection reports and Major Test certifications to the Code Compliance Office. Thereafter, together with the Code Compliance Office, the A/E shall conduct a final inspection of the work performed. Upon the Code Compliance Office's satisfaction that (i) there are no open items relating to the work performed, (ii) there are no filed record deficiencies relating to such work, (iii) there are no outstanding Code Compliance Office review comments relating to

such work, (iv) the work does not (A) adversely affect the structure of the Building, or (B) adversely affect the Building's automatic sprinkler system, fire alarm system, or other Building life safety systems, and (iv) no part of the work which the Lessee or its Space Tenants performed adversely affects any utility or other system serving a portion of the World Trade Center, other than the Premises, the Code Compliance Office shall notify the A/E of same. If the Code Compliance Office is not so satisfied, it shall notify the A/E of record and provide the reasons therefor in reasonable detail. After the Code Compliance Office's receipt of the A/E's Statement of Compliance and a request by the Lessee for a Permit to Occupy or Use, the Code Compliance Office shall issue a Permit to Occupy or Use.

19.5 The Code Compliance Office may audit any work performed by an A/E pursuant to this Section 19, and if such work is not being performed in the manner prescribed in the Port Authority Manual, the Code Compliance Office shall notify the Lessee and describe the reasons therefore in reasonable detail (the "A/E Non-Compliance Notice"). If such non-compliance is not remedied within thirty (30) days after the delivery of the A/E Non-Compliance Notice, the Lessee shall promptly replace such A/E with a Qualified A/E, provided, however, in the event that such non-compliance is not reasonably susceptible of cure within such thirty (30) day period, as long as the Lessee commences such cure and continues to diligently prosecute such cure, the Lessee shall not have an obligation to replace such A/E with a Qualified A/E. In the event a second A/E Non-Compliance Notice is delivered by the Port Authority to the Lessee with respect to the same A/E, the Lessee shall promptly replace such A/E with a Qualified A/E.

19.6 All documents, plans and specifications submitted by the Lessee in accordance with the provisions of this Section shall be in sufficient detail as shall enable the Code Compliance Office to make a determination as to whether the standards set forth in the Port

Authority Manual have been met, and in connection with review by the Code Compliance Office of such documents, plans and specifications the Lessee shall submit to the Code Compliance Office, at the Code Compliance Office's request, such additional data, detail, or other information as the Code Compliance Office, acting in a non-arbitrary and non-capricious manner, shall reasonably determine is necessary for such review. The Code Compliance Office will apply the standards enumerated in this Section consistently and without discrimination against the Lessee. Determinations made by the Code Compliance Office under this Agreement with respect to any matter shall be based solely on the conformity of such matter to the requirements of the Port Authority Manual. If the Code Compliance Office determines that any matter subject to its review does not satisfy the requirements of the Port Authority Manual, it shall provide notice thereof to the A/E of record promptly after such determination, and shall provide the reason therefor in reasonable detail.

19.7 In the event that at any time during the Interim Period or during that portion of the Term following the Substantial Completion Date the Lessee is required (or is permitted) to perform any construction, finishing, decorating, alteration or improvement work to the Premises, or to make repairs thereto, all of such work shall be made or performed substantially in accordance with the terms and conditions set forth herein.

19.8 Subject to the provisions of Section 16 to the extent allowed under the law and in accordance with Section 18.4, the Lessee shall indemnify and hold harmless, the Port Authority, its Commissioners, officers, agents and employees, against the following distinct and several risks, which arise from acts or omissions of the Lessee or its Space Tenants, or any officer, agent, employee or contractor thereof, in any case during the Interim Period and during the portion of the Term following the Substantial Completion Date, excepting only risks which result

solely from (i) willful or negligent acts done by, or willful or negligent omissions of, the Port Authority, its Commissioners, officers, agents and employees when acting in its role and capacity as "landlord", (ii) willful or negligent acts done by, or willful or negligent omissions of, the Port Authority or the Port Authority's Affiliates when acting in their role and capacity as lessees or occupants of the Excluded Space, or (iii) any acts done by the Port Authority, its Commissioners, officers, agents and employees, when acting in its role and capacity as "governmental entity", subsequent to the commencement of the work:

19.8.1 risk of loss or damage to the construction work or any part thereof prior to completion thereof. In the event of such loss or damage the Lessee shall forthwith repair, replace, rebuild, and make good the construction work without cost to the Port Authority;

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

19.8.3 risk of claims and demands, just or unjust by third persons against the Port Authority, its Commissioners, officers, agents and employees arising or alleged to arise out of the performance of the construction work. The Lessee shall indemnify the Port Authority, its Commissioners, officers, agents and employees against and from (and shall reimburse the Port Authority for the Port Authority's reasonable costs or expense, including reasonable legal expenses, incurred in connection with the defense of) all such claims and demands.

Notwithstanding the foregoing provisions of this Section 19.8, the Lessee shall not be required to indemnify the Port Authority, its Commissioners, officers, agents and

employees, under this Section 19.8, where indemnity would be precluded pursuant to the provisions of Section 5-322.1 of the General Obligations Law of the State of New York, as amended from time to time.

19.9 All work done pursuant to this Section for which the Lessee is required to submit drawings and specifications shall be done substantially in accordance with such drawings and specifications as have been submitted to and approved by the Code Compliance Office prior to the commencement of the work. All work performed pursuant to this Section shall be subject to the inspection of the Code Compliance Office during the progress of such work and after completion thereof; and the Lessee shall correct at its own expense, or enforce its right to cause Space Tenants to correct, any work not done in accordance with the Plans and Specifications approved by the Code Compliance Office, or which fails to meet the specifications set forth in this Section except for such deviations therefrom as may be required because of field conditions encountered by the Lessee during the performance of the work and have been approved by the Code Compliance Office, acting in a reasonable, non-arbitrary and non-capricious manner. Unless otherwise expressly provided herein, all workmanship and materials during the portion of the Term following the Substantial Completion Date are required to be consistent with Comparable Buildings.

19.10 The Lessee shall procure and maintain (or cause its contractors, Space Tenants or the Space Tenant's contractors to procure and maintain) in effect during the performance of all construction work performed during the Interim Period or during the portion of the Term following the Substantial Completion Date a Commercial General Liability Policy including, but not limited to, explosion, collapse, and underground property damage hazards, premises operations, products liability/completed operations, and independent contractor coverages in the

minimum amount of [redacted] combined single limit per occurrence for bodily injury and property damage liability. In addition, the policy shall include a Contractual Liability Endorsement covering the risks and indemnities the Lessee has assumed under this Agreement with respect to such construction. Such policy shall also include a Broad Form Property Damage Endorsement, and if automobiles are used during the course of the construction work, the Lessee shall procure and maintain (or cause its contractors to procure and maintain) in effect during the performance of the work Comprehensive Automobile Liability Insurance covering owned, non-owned, and hired vehicles, in the minimum amount of Two Million Dollars ($2,000,000) combined single limit per occurrence for Bodily Injury and Property Damage Liability. Notwithstanding the foregoing, prior to commencing the performance of any construction work during the Interim Period or during the portion of the Term following the Substantial Completion Date the cost of which exceeds [redacted], Subject to Adjustment annually upon each anniversary of the Commencement Date, the Lessee shall notify the Manager of the Risk Financing Division of the Port Authority, and shall procure the insurance described in this Section 19.10 with respect to such work in such limits as the Port Authority shall reasonably require. All insurance described in this Section 19.10 shall name the Port Authority as an additional insured. Prior to commencing any construction work, or to the introduction of any construction equipment onto the Premises, in either case during the Interim Period or during the portion of the Term following the Substantial Completion Date, the Lessee shall deliver to the Manager of the Risk Financing Division of the Port Authority, certificates of insurance evidencing the insurance coverages required under this Section, and the payment of the premiums with respect thereto. Each policy of liability insurance procured by the Lessee pursuant to the provisions of this Section shall provide as part

of the policy, or by endorsement that: (i) the policy may not be canceled, or materially changed, without giving ten (10) days written advance notice thereof to the Port Authority, (ii) the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority, and (iii) the protection 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 by the Lessee against the Port Authority, but such endorsement shall not limit, vary, change, or affect either the protections afforded the Port Authority as an additional insured, or the protections afforded the Port Authority under the contractual liability endorsement referred to herein.

19.10.1 In addition to the insurance described, the Lessee shall procure or cause to be procured, prior to the commencement of any work during the Interim Period or during the portion of the Term following the Substantial Completion Date, Workers' Compensation and employer's liability insurance, as required by law, and Builder's Risk Insurance - Completed Value Form covering loss or damage by fire and such other hazards and risks and in such amounts as may be covered by the broadest form of all risk policy of loss or damage, subject to standard exclusions, as is then commercially available and customarily carried for similar properties in the New York City area, such policy to be effective during the performance of the construction work and to include coverage of all materials delivered to the site, but not attached to the Building. The Builder's Risk Insurance shall name the Lessee, the

Port Authority, all Mortgagees, and the contractors and subcontractors as insureds, as their interests may appear, and such policy shall provide that, subject to the rights of the Mortgagee, the loss shall be adjusted solely with the Lessee and shall be payable solely to the Lessee, or the Depository, as the ease may be, for the repair, replacement, rebuilding or other performance of the construction work in accordance herewith.

19.10.2 Each policy of insurance described in this Section shall, unless otherwise set forth herein, be subject to the applicable provisions of Section 14 or Section 73, as applicable, of this Agreement. In the event that at any time during the Term hereof (a) a notice of claim shall be filed or an action or proceeding commenced against the Port Authority which is required to be covered by insurance pursuant to the provisions of this Agreement, or (b) an action or proceeding at law or in equity or a dispute shall arise, whether between the Port Authority and the Lessee or between the Port Authority and a third party or which otherwise involves the Port Authority, which may relate to a matter covered by any such policy, then in either such event the Lessee shall make available for the Port Authority's review a copy of the relevant portions of any policy covering the affected area of the Premises which provides coverage against such claim, action or proceeding or which relates to such dispute, within thirty (30) calendar days after request by the Port Authority.

19.11 The Lessee shall maintain the Premises in a manner consistent with those of Comparable Buildings throughout the portion of the Term following the Substantial Completion Date, which maintenance shall include, but not be limited to, Capital Improvements to the Premises necessary for such maintenance.

19.11.1 For purposes of determining whether the Port Authority or the Lessee shall be required to pay for costs to be incurred in connection with the Lessee's

compliance with the provisions of this Section 19 and the time period by which the Lessee must comply, to the extent that there are any inconsistencies between the provisions of this Section 19 and the provisions of Sections 6.2, 6.3 and 6.4, the provisions of Sections 6.2, 6.3 and 6.4 shall control.

19.12 Intentionally Omitted.

19.13 Without limiting any provision of this Agreement, subject to the rights of Space Tenants, all improvements, fixtures, machinery, apparatus, and fittings affixed to the Premises and which by operation of law are considered real property shall become a part of the Building and of the Premises (other than any improvements, fixtures, machinery, apparatus and fittings which are the subject to Equipment Leases permitted pursuant to Section 8.7 above), and the Port Authority shall become the legal titleholder thereof when furnished and installed at the Premises without the doing of any other act or thing. There shall be no limit on the right of the Lessee or Space Tenants to remove such improvements, fixtures, machinery, apparatus, and fittings affixed to the Premises in connection with a repair or Alteration. If requested so to do, the Lessee shall execute such documents as the Port Authority may request confirming such ownership by the Port Authority and the date or dates thereof. To the extent not inconsistent with the Port Authority's ownership rights therein, and as permitted by law, the Lessee and the Space Tenants shall have the right to depreciation deductions and tax credits with respect to improvements, fixtures, apparatus and fittings affixed to the Premises by the Lessee or any Space Tenant after the Commencement Date. Nothing contained herein shall be deemed a representation by the Port Authority that any such deductions or tax credits are or will be available to the Lessee. The Lessee shall deliver to the Port Authority As-Built Plans (or other similar material satisfactory to the Port Authority), in electronic (CADD) format or in a format otherwise capable of being

reproduced, reflecting the construction work and shall keep such drawings current showing therein any changes or modifications made during the Term hereunder. The Lessee shall also deliver an As-Built Survey upon completion of construction work in the event such work modifies the footprint of the Premises.

19.14 At all times during the Term, the Port Authority shall provide the Code Compliance Office with the staff and resources necessary to permit it to operate in a manner which is capable of meeting the obligations assumed by the Code Compliance Office pursuant to the terms of this Agreement.

19.15 Notwithstanding anything to the contrary contained in this Section 19, the provisions of this Section 19 shall only apply during the Interim Period and that portion of the Term following the Substantial Completion Date, provided, however, that (a) the procedures described in Section 19.4 shall apply to both construction of the Tower Project pursuant to the Development Agreement and the Tenant Support Agreement and Alterations during the Interim Period and that portion of the Term following the Substantial Completion Date and (b) nothing contained in this Section 19 shall be construed to prohibit or prevent the Lessee, if the Lessee shall elect to do so, from continuing the construction of the Tower Project pursuant to the Development Agreement following the completion of the Capped Podium Building in accordance with the Development Agreement.

Section 20. Ingress and Egress.

Subject to the limitations imposed in the REOA, the Lessee for itself, its officers, employees, agents, Space Tenants and such business invitees as are at the Premises for visiting or using the Premises shall have the right of ingress and egress between the Premises and (i) the

City streets outside the Premises, and (ii) other areas of the World Trade Center and its transportation facilities.

Section 21. Events of Default and Termination.

21.1 If an Event of Default shall occur and be continuing, the Port Authority at any time during the continuation of the Event of Default, at its option, may give written notice (a "Termination Notice") to the Lessee stating that this Agreement and the Term shall expire and terminate on the date determined in accordance with the provisions of this Section 21.1. Except as otherwise set forth in Section 21.6 below, no Termination Notice shall be valid or of any force or effect unless (i) the Port Authority proceeds by appropriate judicial proceedings, either at law or in equity, in a court of competent jurisdiction and obtains a determination that an Event of Default has occurred and is then continuing, and (ii) if there is a final, non-appealable determination by the court that an Event of Default has occurred, if such Event of Default is not cured within the period otherwise provided in the definition of Event of Default to cure such default, which period shall commence upon the rendering of such final non-appealable determination. If a Termination Notice becomes effective in accordance with the terms of the preceding sentence, this Agreement shall terminate and be of no further force and effect.

21.2 No acceptance by the Port Authority of rentals, fees, charges or other payments in whole or in part for any period or periods after the occurrence of an Event of Default shall be deemed a waiver of any right on the part of the Port Authority to terminate the Term hereof in accordance with the provisions of Section 21.1.

21.3 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.

21.4 The right of termination described above shall be in addition to any other rights and remedies that the Port Authority shall have at law or in equity consequent upon any breach of this Agreement by the Lessee, subject to the Lessee's right to protest provided in this Agreement or at law and the provisions of Section 16, provided that the Port Authority shall have no right to terminate this Agreement other than pursuant to Section 21.1 above. The exercise by the Port Authority of any right of termination, pursuant to Section 21.1 above shall be without prejudice to any other such rights and remedies (subject to the proviso set forth in the preceding sentence).

21.5 Each of the Lessee and the Port Authority waives its right to trial by jury in (i) any summary proceeding, or (ii) any action, as the case may be, that may hereafter be instituted by either party against the other party in respect of the Premises or in any action that may be brought by either party to recover rent, damages, or other sums payable by the other party hereunder. The Lessee shall not interpose any counterclaim in any summary proceeding to recover possession or action for non-payment of rental which may be brought by the Port Authority, unless (a) such claims would be deemed, by law, waived if not so interposed, or (b) such claims are otherwise required by law.

21.6 Notwithstanding anything to the contrary contained in the provisions of this Section 21, the Port Authority shall not be obligated to obtain a judicial determination of an Event of Default (as provided in Subsection 21.1) prior to delivering a Termination Notice (and in any such case such Termination Notice shall be effective without any judicial determination) following the occurrence and during the continuance of any Tenant Support Agreement Event of

Default (specifically excluding, however, the Tenant Support Agreement Event of Default which is a cross-default to an Event of Default under this Agreement).

Section 22. Intentionally Omitted.

Section 23. Single Purpose Entity.

The Lessee and its managing member(s) and/or general partner(s) is, at all times since the Commencement Date, and shall remain during the Term, a Single Purpose Entity. The Lessee shall do all things necessary to preserve its status as a Single Purpose Entity and to preserve and keep in full force and effect its existence, franchises, rights and privileges under the laws of the State of New York so as to have and retain the right to lease the Premises or transact business in the State of New York and the laws of any other state to which the Lessee is subject. Notwithstanding the foregoing, (i) the provisions of this Section 23 shall not be effective if and for as long as it is not customary in mortgage-backed securities transactions that borrowing entities be required to satisfy Single Purpose Entity or similar criteria, (ii) the Lessee shall be permitted to be a single member limited liability company organized under the laws of the State of Delaware, either (w) wholly owned by a single member limited liability company whose sole member is a single member limited liability company whose sole member is a single member limited liability company whose sole member is a multi-member limited liability company, (x) wholly owned by a single member limited liability company whose sole member is single member limited liability company whose sole member is a multi-member limited liability company, (y) wholly owned by a single member limited liability company whose sole member is a multi-member limited liability company or (z) wholly owned by a multi-member limited liability company, and (iii) if the provisions of clause (ii) shall apply, the multi-member limited

liability company referred to in said clause (ii) shall not be required to be a Single Purpose Entity.

Section 24. Transaction Payments.

24.1 Statement of Purpose. It is the intention of this Section 24 that the Port Authority share in any appreciation in the value of the Premises realized by the Lessee or any other person with an interest, direct or indirect, in the Lessee, upon the terms and conditions of this Section 24. Accordingly, the list of Transactions to which this Section 24 applies as set forth in Section 24.9 below is not intended to be exhaustive, and any transaction or series of transactions by which the Lessee, or any person, seeks to evade the clear intent and purpose of this Section, however characterized, and which is not expressly exempted from the scope of this Section 24 pursuant to Section 24.10 below, shall be deemed to come within the scope of a "Transaction" for purposes of this Section. A list of additional defined terms used in this Section 24 is set forth in Section 24.13 below.

24.2 Obligation to Make Transaction Payments. Upon the occurrence of any Transaction, whether occurring at any time prior to or after the Transaction Payment Outside Date, the Lessee shall pay or cause to be paid to the Port Authority, from and after the Transaction Payment Outside Date, an amount (each, a "Transaction Payment"), equal to fifteen percent (15%) of the amount by which the Total Receipts (less Customary Expenses and Retained Proceeds, if any) exceeds Basis with respect to the interest or Equity Interest that is the subject of the Transaction (such excess being referred to as "Net Proceeds"), and the Port Authority shall continue to receive a Transaction Payment on each Transaction until the Port Authority shall have received an amount equal to [redacted], which is the product

("Section 24.4 Product") of (i) [redacted] and (ii) a fraction, the numerator of which is the number of anticipated Gross Square Feet of the Building, as set forth in the Development Agreement (that is, [redacted] square feet) and the denominator of which is the aggregate number of Gross Square Feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement (that is, [redacted] square feet), together with interest thereon at a rate of [redacted] (compounded annually) which [redacted] interest rate shall commence to run from January 1, 2006 (the Section 24.4 Product, together with interest at such [redacted] interest rate, is herein called the "Initial Participation Amount"); provided, however, that in the event that Lessee elects to pay the entire, or balance of the, Section 24.4 Product (as the case may be) to the Port Authority prior to December 31, 2021, then the aforesaid [redacted] interest rate will not be due and payable with such payment of the Section 24.4 Product. To the extent that the Port Authority shall have received full payment of the Initial Participation Amount (the "Initial Participation Amount Satisfaction"), the remaining balance of any such Transaction Payment and all future Transaction Payments (each a "Public Sector Transaction Payment") shall be paid by the Lessee to the Port Authority (but, from and after the Initial Payment Amount Satisfaction, no interest shall thereafter accrue on such amounts). Basis shall be calculated in accordance with the provisions of Sections 24.4 and 24.5 below. Anything herein or in any Tower Lease to the contrary notwithstanding, the Transaction Payments due hereunder shall be calculated on a "stand alone" basis, solely with respect to the Premises and without regard to any premises demised under the Tower Leases. All references to Transaction Payment(s) in the other provisions of this Agreement shall be deemed to include references to

Public Sector Transaction Payment(s), except to the extent that all or a portion of such Transaction Payment(s) is applied to the Initial Participation Amount Satisfaction.

24.3 Pre-Transaction Payment Outside Date Transaction Payments. The Lessee acknowledges and agrees that all Transaction Payments accruing prior to the Transaction Payment Outside Date pursuant to the terms of Section 24.2 ("Pre-TPOD Transaction Payments") shall be deposited either in the Equity Interest Disposition Proceeds Sub-Account or the Controlling Interest Disposition Proceeds Sub-Account (as such terms are defined in the Tenant Support Agreement) and shall be held and applied in accordance with the Tenant Support Agreement, and (ii) on the Transaction Payment Outside Date (or such earlier date, if any, as the Port Authority shall be entitled to receipt of funds in the Equity Interest Disposition Proceeds Sub-Account or the Controlling Interest Disposition Proceeds Sub-Account pursuant to the terms of the Tenant Support Agreement), the remaining balance of such Pre-TPOD Transaction Payments in the Equity Interest Disposition Proceeds Sub-Account and the Controlling Interest Disposition Proceeds Sub-Account shall be disbursed to the Port Authority.

24.4 Calculation of Basis. Basis shall be determined as follows:

24.4.1 In the case of a Sale or a Project Refinancing, Basis shall be the sum of (i) Initial Cost, (ii) any Capital Costs incurred prior to such Sale or Project Refinancing and (iii) any capital contributions (but not Partner's/Member's Loans) made prior to such Sale or Project Refinancing which increase the Unrecovered Capital Investment of the Person making such contributions, reduced (but not below zero) by the amount of such capital contributions as are (x) recovered through distributions, other than Equity Distributions (previously made and subject to the provisions of this Section 24) and other than distributions of net cash flow, and (y) applied to the funding of Initial Cost and any Capital Costs.

24.4.2 In the case of an Equity Interest Disposition or an Equity Interest Refinancing, Basis shall be the sum of (i) the amount of the Transferor's Unrecovered Capital Investment at the time of the Transaction and (ii) the amount of any funds held by an entity in which such Transferor holds an Equity Interest which (A) are distributable to such Transferor, (B) have not been distributed and (C) constitute or have been derived from net cash flow.

24.4.3 In the case of a Non-Occupancy Lease, Basis shall be an amount, calculated on a monthly basis, equal to the sum of (i) Rental paid for such month and (ii) Operating Expenses not reimbursed to the Lessee, attributable or allocable in each instance to the portion of the Premises which is subject to the Non-Occupancy Lease.

24.4.4 Following an Excluded Transaction, no adjustment to Basis is made. The Transferee's Basis for the interest transferred in such Excluded Transaction remains the same as the Transferor's Basis would have been in the absence of such Excluded Transaction.

24.4.5 Upon a Sale or Project Refinancing, if Total Receipts of the Transferor exceeds the Basis of the affected interest in the Premises immediately before the Transaction (after all previous adjustments) (the "Previous Basis"), then as of the Closing Date, such excess is added to Basis (or, if Total Receipts of the Transferor upon a Sale, but not a Project Refinancing, are less than the Previous Basis, then as of the Closing Date, such deficiency is deducted from Basis but in no event shall Basis be less than zero) for calculating the Transaction Payment due upon: (i) any subsequent Sale or Project Refinancing of (A) the affected interest or (B) with appropriate pro-ration, any other interest in the Premises any part of which is comprised by all or any part of the affected interest; and (ii) any subsequent Equity Interest Disposition or Equity Interest Refinancing of an Equity Interest which, in whole or in part, evidences ownership

of (A) the affected interest or (B) with appropriate pro-ration, any other interest in the Premises any part of which is comprised by all or any part of the affected interest.

24.4.6 Upon an Equity Interest Refinancing or Equity Interest Disposition, if Total Receipts of the Transferor exceeds the Basis of the affected Equity Interest immediately before the Transaction (after all previous adjustments) (the "Previous Equity Interest Basis"), then as of the Closing Date, such excess is added to Basis (or, if Total Receipts of the Transferor upon an Equity Interest Disposition, but not an Equity Interest Refinancing, are less than the Previous Equity Interest Basis, then as of the Closing Date, such deficiency is deducted from Basis but in no event shall Basis be less than zero) for calculating the Transaction Payment due upon: (i) any subsequent Sale or Project Refinancing of (A) any interest in the Premises underlying the affected Equity Interest or (B) with appropriate pro-ration, any other interest in the Premises any part of which underlies, directly or indirectly, all or any part of the affected Equity Interest; and (ii) in the case of an Equity Interest Refinancing only, any subsequent Equity Interest Disposition or Equity Interest Refinancing of (A) the affected Equity Interest or (B) with appropriate pro-ration, any other Equity Interest any part of which is comprised by all or any part of the affected Equity Interest.

24.4.7 If an adjustment pursuant to Section 24.4.5, Section 24.4.6 or this Section 24.4.7 affects the Basis of an Equity Interest owned by an entity (i.e., any Person except an individual), then the same adjustment shall be made to the Basis of the Equity Interests evidencing ownership of such entity. Such adjustment shall be allocated among the latter Equity Interests in proportion to the direct or indirect ownership percentages of such entity they represent.

24.4.8 If an adjustment pursuant to Section 24.4.5, Section 24.4.6 or this Section 24.4.8 affects the Basis of an Equity Interest of an entity that itself holds Equity Interest(s), then the same adjustment shall be made to the Basis of such latter Equity Interest(s). Such adjustment shall be allocated among the latter Equity Interest(s) in proportion to the indirect ownership percentages of the Lessee they represent.

24.4.9 In no event shall "Initial Costs" as defined in the Original Three World Trade Center Lease be included in the Basis.

24.5 Calculation of Initial Cost. The aggregate amount of all bona fide out-of-pocket costs and expenses of every nature and description incurred by the Lessee, or on the Lessee's behalf (including, without limitation, the share, properly allocable to the Lessee, of costs paid by the Lessee or its Affiliates for the benefit of the Premises and the premises demised under the Tower Leases), before, on or after the Commencement Date, in connection with the development, construction and completion of the Building for initial occupancy, to be determined in accordance with this Section 24.5, but excluding all "Initial Costs" as defined in the Original Three World Trade Center Lease, is referred to herein as the "Initial Cost". When the Lessee is required to deliver year-end financial statements for the Lessee's fiscal year that includes the Substantial Completion Date (or, with respect to a Transaction closing prior to the Substantial Completion Date, when the lessee notifies the Port Authority of the time and location of the originally scheduled closing of such Transaction pursuant to Section 24.6 below), the Lessee shall deliver to the Port Authority a statement of the Initial Cost (with respect to Transactions closing prior to the Substantial Completion Date, such statement shall set forth the Initial Cost only to the extent incurred up to the date of notification pursuant to Section 24.6 below), certified by the chief financial officer, the managing partner or managing member of,

and on behalf of, the Lessee, solely in its corporate capacity, or if the managing partner or managing member of the Lessee is not an individual, by the chief financial officer of, and on behalf of, such managing partner or managing member, as being true and correct to the best of his or her knowledge and audited by a C.P.A. (who shall give an opinion thereon that is qualified only to the extent prescribed for any comparable audit of this kind by generally accepted auditing standards) and listing in reasonable detail the components thereof. By notice given within one hundred eighty (180) days after receipt of such statement, the Port Authority may cause a firm of independent certified public accountants selected by the Port Authority and approved by the Lessee (which approval shall not be unreasonably withheld in the case of any certified public accountant that is one of the twenty largest accounting firms in the United States), and who shall execute a confidentiality agreement reasonably acceptable to the Lessee and the Port Authority, to examine and audit the records, account books and other data of the Lessee used as the basis for such certified statement, and be informed as to the same by a representative of the Lessee, all of which the Lessee will make available to the Port Authority at the Lessee's office at reasonable times and upon reasonable notice. The Port Authority's failure to give such notice within said one hundred eighty (180) days shall constitute approval of the Lessee's statement of Initial Cost. The period commencing on the date the Port Authority receives the Lessee's statement of Initial Cost and ending on the later to occur of (i) the expiration of such one hundred eighty (180) day period and (ii) the date upon which the results of any audit initiated pursuant to this Section 24.5 are finally determined is referred to herein as the "Audit Period". If such audit shall establish that the Initial Cost was overstated or understated, then the Initial Cost shall be reduced or increased accordingly. Nothing herein, however, shall be construed to estop the Lessee from challenging, by appropriate legal procedures, the results of any such audit. The audit, if any,

shall be conducted at the expense of the Port Authority unless it shall be established that the Lessee overstated the Initial Cost by more than [redacted] in which case the Lessee shall pay the cost of the Port Authority's audit. If any items of Initial Cost are not yet determined at the above-described time for the delivery of the statement of Initial Cost (for example, costs of tenant improvements not yet completed or paid for or costs relating to contracts for the construction of the Premises which have not yet been closed out), the Lessee may make one or more supplemental submissions of such additional Initial Cost items, and such items shall be subject to audit by the Port Authority, and shall be subject to the same provisions with respect to the approval or deemed approval thereof, as are provided in this Section in respect of the initial statement of Initial Cost.

24.6 Notification of Closing and Transaction Payments. The Lessee shall notify the Port Authority of the time and location of the originally scheduled closing of any Transaction at least thirty (30) days prior thereto and shall give the Port Authority reasonable notice of any adjournments thereof. Such notice shall specify whether or not the Lessee (or Transferor) considers any Transaction Payment(s) to be payable to the Port Authority in connection therewith, and shall include with such notice a statement of the Lessee's (or Transferor's) initial determination of Total Receipts, Basis (including all adjustments), and Net Proceeds, if any, and the timing thereof, along with copies (to the extent then available) of all proposed documents relating to the Transaction which are necessary to confirm the items included in such statement. Within twenty (20) days following receipt of such notice, the Port Authority shall have the right to require the Transferor to supply whatever additional information or documentation in respect of the Transaction the Port Authority reasonably deems necessary in order to confirm the nature of the Transaction and to verify the calculation of Total Receipts. Within thirty (30) days after

the Port Authority's receipt of the Transferor's calculation, or within ten (10) Business Days of the Port Authority's receipt of any additional information or documentation requested by it, the Port Authority shall give the Transferor written notice (which the Port Authority shall endeavor to deliver by hand, if practicable) of its approval or disapproval thereof, setting forth (in specific terms) the grounds for any disapproval (which may be based, inter alia, on the failure of the Transferor to have delivered sufficient information to the extent the Port Authority had requested same). If the Port Authority approves of the Transferor's calculations, then the Port Authority, together with its notice of approval, shall deliver to the Transferor a certificate so stating (a "Transaction Certificate"). Notwithstanding the foregoing and anything set forth in the Transaction Certificate, with respect to Transactions closing prior to the expiration of the Audit Period, the Port Authority shall have a continuing right pursuant to Section 24.5 above to examine and audit Lessee's statement of Initial Cost and to receive an additional payment from the Lessee in respect of the Transaction Payment accruing upon such Transaction if it is found that the Lessee overstated the Initial Cost. A representative of the Port Authority may attend the closing of any Transaction. Within twenty (20) days after the closing, the Transferor shall provide the Port Authority with copies of all documents executed in connection with the Transaction.

24.7 Late Notice. In the event that the Lessee is unable to notify the Port Authority of the closing of any Transaction at least thirty (30) days prior thereto, the Lessee shall give the Port Authority such notice of the closing of such Transaction as is reasonably practicable under the circumstances (and considering whether or not the Lessee has actual knowledge of such Transaction where it is not the Transferor), and the Port Authority shall have the same rights, and periods of review, as are set forth in Section 24.6. If, as a result of such deferred notice, the Port

Authority is not afforded thirty (30) days in which to complete its review of the Lessee's (or Transferor's) calculations, the proposed Transaction may nonetheless be completed, provided that:

24.7.1 the Transferor pays to the Port Authority, on or before the Closing Date, any Transaction Payment considered by the Lessee in good faith to be due and payable on the Closing Date in connection with such Transaction;

24.7.2 the Lessee (or Transferor) either (a) places into escrow, with a Depository mutually acceptable to the Port Authority and the Lessee (or Transferor), an amount equal to [redacted] of the Transaction Payment paid by the Lessee on the Closing Date in connection with such Transaction to be held by such Depository until the earlier of (i) the date the Lessee (or Transferor) and the Port Authority deliver a signed notice jointly authorizing and directing disbursement of the escrowed amount, and (ii) receipt of the decision of the arbitrator of any dispute regarding the amount of the Transaction Payment directing disbursement of the escrowed amount (such earlier date, the "Security Release Date"), and thereupon the Depository shall disburse the escrowed amount in accordance with such direction, or (b) as security for the payment of any additional amounts, delivers to the Port Authority (and maintains or renews in successive one (1) year periods, in a manner satisfactory to the Port Authority, until no earlier than the date which is thirty (30) days after the Security Release Date) an irrevocable, unconditional letter of credit in form and substance reasonably satisfactory to the Port Authority in an amount equal to [redacted] of the Transaction Payment paid by the Lessee on the Closing Date in connection with such Transaction for an initial period of one (1) year, payable to the Port Authority and issued by Bank of America, N.A., JPMorgan Chase Bank, N.A., Wells Fargo Bank, N.A., Bank of New York/Mellon, HSBC Bank, Citibank, N.A., or any successor in

interest to any of the foregoing, or a bank which is a member of the New York Clearing House Association or is a non-member bank reasonably acceptable to the Port Authority, is domiciled in the United States, has an office in New York City at which a letter of credit issued by such bank may be presented for payment, whose most recent issue of long term debt is rated AA or better by Standard & Poor's Corporation (or any successor thereto) or rated Aa2 or better by Moody's Investors Service, Inc. (or any successor thereto), or if neither of such Persons nor their Successors is then in the business of rating such debt, a comparable rating from any other rating organization reasonably satisfactory to the Port Authority, and otherwise satisfies the requirements of an Institutional Investor. Any interest earned on funds escrowed by the Lessee or Transferor shall be allocated between the Port Authority and the Lessee or Transferor in the same proportion as the ultimate payment and/or reimbursement (as the case may be) to the Port Authority or the Lessee (or Transferor) of the escrowed amount (but no such interest paid to the Port Authority shall constitute a Transaction Payment). Notwithstanding the foregoing, in the event that the amount of any additional Transaction Payment claimed by the Port Authority, whether in an arbitration or any other dispute regarding the Transferor's determination of Total Receipts or any determination by the Transferor as to the amount (if any) of the Transaction Payment due in connection with any Transaction is less than [redacted] of the Transaction Payment paid by the Lessee on the Closing Date in connection with such Transaction, the Depository shall release the difference to the Lessee upon receipt of the notice delivered by the Port Authority to the arbitrator evidencing that such lesser amount is in dispute; and

24.7.3 the Lessee covenants that it shall thereafter maintain adequate capital in light of its liabilities, including its liabilities under this Agreement.

24.8 Disputes. If the Port Authority shall have notified the Transferor, within the thirty (30) day or ten (10) Business Day periods described in Section 24.6 of the Port Authority's disagreement with the Transferor's determination of Total Receipts, or of its disagreement with any determination by the Transferor as to the amount (if any) of the Transaction Payment due in connection with any Transaction (including, without limitation, a disagreement as to whether a Transaction is an Excluded Transaction), such dispute, if not resolved as of the proposed Closing Date for the Transaction, shall not prevent the parties to the proposed Transaction from completing it or invalidate the Transaction upon its completion, provided that, in the case of any Transaction other than a Non-Occupancy Lease:

24.8.1 the Transferor pays to the Port Authority, at the closing of the Transaction, any Transaction Payment due or arising from such Transaction and not in dispute (or complies with Subsection 24.12.1 hereof for deferred Installment Sale Obligations not in dispute);

24.8.2 the Lessee (or Transferor) places into escrow, with a Depository mutually acceptable to the Port Authority and the Lessee (or Transferor), an amount equal to the disputed amount to be held in escrow by the Depository until the Security Release Date and thereupon the Depository shall disburse the escrowed amount in accordance with the joint direction of the parties or the direction of the arbitrator as described in Section 24.7.2 above, or, as security on the payment of the disputed amount, delivers to the Port Authority (and maintains or renews in successive one (1) year periods, in a manner satisfactory to the Port Authority, until no earlier than the date which is thirty (30) days after the Security Release Date) an irrevocable, unconditional letter of credit in form and substance reasonably satisfactory to the Port Authority in an amount equal to the sum of (a) the disputed amount and (b) interest thereon (at the Prime

Rate) for an initial period of one (1) year, payable to the Port Authority and issued by Bank of America, N.A., JPMorgan Chase Bank, N.A., Wells Fargo Bank, N.A., Bank of New York/Mellon, HSBC Bank, Citibank, N.A., or any successor in interest to any of the foregoing, or a bank which is a member of the New York Clearing House Association or is a non-member bank reasonably acceptable to the Port Authority, is domiciled in the United States, has an office in New York City at which a letter of credit issued by such bank may be presented for payment, whose most recent issue of long term debt is rated AA or better by Standard & Poor's Corporation (or any successor thereto) or rated Aa2 or better by Moody's Investors Service, Inc. (or any successor thereto), or if neither of such Persons nor their Successors is then in the business of rating such debt, a comparable rating from any other rating organization reasonably satisfactory to the Port Authority, and otherwise satisfies the requirements of an Institutional Investor. Any interest earned on funds escrowed by the Lessee or Transferor shall be allocated between the Port Authority and the Lessee or Transferor in the same proportion as the ultimate payment and/or reimbursement (as the case may be) to the Port Authority or the Lessee (or Transferor) of the escrowed amount (but no such interest paid to the Port Authority shall constitute a Transaction Payment); and

24.8.3 the Lessee covenants that it shall thereafter maintain adequate capital in light of its liabilities, including its potential liabilities for payment of any disputed Transaction Payment amount, under this Section 24.

24.8.4 Any dispute regarding the Transferor's determination of Total Receipts, or with any determination by the Transferor as to the amount (if any) of the Transaction Payment due in connection with any Transaction (including, without limitation, a disagreement as to whether a Transaction is an Excluded Transaction), shall be resolved by arbitration pursuant to

Section 9.2 of the Development Agreement, provided that (i) the parties shall direct the arbitrator to make its determination within thirty (30) days after commencement of the arbitration proceeding, and (ii) the parties shall direct the arbitrator to answer the "single" framed question of what the amount of, as applicable, (x) the Total Receipts from any Transaction and/or (y) the Transaction Payment due in connection with any Transaction should be. Except as expressly set forth in this Section 24.8.4, the arbitration process outlined herein shall be governed by the provisions of Section 9.2 of the Development Agreement (and in the event of any conflict between the provisions of this Section 24.8.4 and Section 9.2 of the Development Agreement, this Section 24.8.4 shall govern).

24.9 Included Transactions. Without limiting the generality of Section 24.1 above, except as expressly provided to the contrary in Section 24.10 below, the Lessee shall pay the Port Authority a Transaction Payment upon each occurrence of any of the following transactions (a "Transaction"):

24.9.1 "Sale." A Direct Assignment and any other transaction or series of transactions to a Person (other than a Related Entity), outside the ordinary course of business, including a foreclosure by a Mortgagee, an assignment-in-lieu of foreclosure or otherwise, by which the Lessee transfers (other than by a Space Lease), any of the benefits of its interest in or control of all or any portion of the Premises in a manner allowing the Lessee to realize any appreciation in the value of the Premises;

24.9.2 "Equity Interest Disposition." Any disposition of an Equity Interest in the Lessee or in any direct or indirect constituent entity of the Lessee where such disposition directly or indirectly produces any change in the direct or indirect beneficial ownership of an interest in, or Change of Control of, the Lessee, other than in the event that a disposition or

dilution of a direct or indirect Equity Interest in the Lessee is required in connection with a default by the holder of such direct or indirect Equity Interest in the Lessee under such organizational documents;

24.9.3 "Project Refinancing." A transaction in which the Lessee incurs any Debt Obligation, other than an Installment Sale Obligation;

24.9.4 "Equity Interest Refinancing." A transaction in which the holder of an Equity Interest incurs a Debt Obligation, other than an Installment Sale Obligation; and

24.9.5 "Non-Occupancy Lease." A Space Lease (or a series of related Space Leases or unrelated Space Leases in connection with related transactions) of more than fifty percent (50%) of the Premises, pursuant to which the Space Tenant shall not intend to occupy, at any point in time over the term of its Space Lease, at least fifty percent (50%) of the demised premises under its Space Lease.

24.10 Excluded Transactions. The following Transactions ("Excluded Transactions") shall not require the payment of a Transaction Payment:

24.10.1 a disposition in which the Transferee is an entity or entities either wholly owned by or which wholly own(s), directly or indirectly, or which is established exclusively for the benefit of, the Transferor(s) or a Related Entity. If the foregoing requirement of ownership is only partially satisfied, a Transaction Payment shall be payable only with respect to the portion of the fractional interest transferred that does not satisfy such requirement. The exemption from payment of Transaction Payments shall end (and the remainder of the Transaction Payment shall be due) if and when the relationship giving rise to the exemption ends;

24.10.2 a disposition in which the Transferee consists of the employees and/or family members of principals of the Transferor or is an entity established exclusively for the benefit of the employees and/or family members of principals of the Transferor;

24.10.3 a disposition in which the Transferee is an immediate family member of principals of the Transferor, a trust (inter-vivos or testamentary) for the benefit of an immediate family member of principals of the Transferor, for the benefit of the estate of the Transferor or an entity established by Transferor as part of good faith estate planning: As used herein, the term "immediate family member" shall mean: spouse; parents and grandparents; siblings; children and grandchildren (including adopted children or grandchildren); and trusts for the benefit of the Transferor and/or any of the foregoing persons;

24.10.4 a disposition in which (i) the Transferor and the Transferee are both, directly or indirectly, initial partners, members or other owners, as applicable, in the Lessee (the "Initial Partners/Members"), or (ii) the Transferee (1) is an entity or entities wholly owned by or which wholly owns, directly or indirectly, or which is established exclusively for the benefit of, any of the Initial Partners/Members, or (2) is an Initial Partner/Member, or (iii) each of the Transferor and Transferee is an entity or entities wholly owned by or which wholly owns, directly or indirectly, or which is established exclusively for the benefit of, any of the Initial Partners/Members;

24.10.5 a Sale (or Equity Interest Disposition) by foreclosure of the security for a Debt Obligation, or deed-in-lieu or assignment-in-lieu of foreclosure of such security, or any other proceeding in which the Sale or Equity Interest Disposition is to, at the direction of, or for the benefit of, the holder(s) of a Debt Obligation(s), unless the Lessee or the Transferor receives any consideration or surplus in connection with the sale or assignment-in-lieu thereof, in

which case the Lessee or such Transferor shall pay a Transaction Payment as if the transaction were a Sale or Equity Interest Disposition and such consideration or surplus constituted the Total Receipts of the Transaction subject to any Debt Obligation in existence immediately before the Transaction;

24.10.6 a disposition of an interest in the Premises made in connection with the sale or disposition (including, without limitation, any merger, consolidation or other similar corporate transactions) of direct or indirect interests in, or all or a significant portion of the assets of, an entity that has an indirect interest in the Lessee or the Premises if the value of such entity's direct or indirect interest in the Lessee or the Premises together with any direct or indirect interest in the Tower Lessees and the premises demised under the Tower Leases does not constitute more than fifty percent (50%) of the value of all assets owned, directly or indirectly, by such entity or included in the Transaction;

24.10.7 a disposition of an interest in the Lessee or an entity owning, directly or indirectly, an Equity Interest in the Lessee, where such disposition (i) is accomplished by the trading of such interests through a recognized securities exchange or over-the-counter market, or (ii) is the disposition of interests in an entity that derives its indirect Equity Interest in the Lessee through its direct or indirect ownership in an entity whose shares are traded through a recognized securities exchange or over-the-counter market;

24.10.8 the execution and delivery of the Tenant Support Agreement or any payments made by the Port Authority thereunder; and

24.10.9 a Corporate Transaction.

24.11 Payments. If the Transferor receives the Total Receipts from the Transaction on the Closing Date in cash, then the Port Authority's entire share of Net Proceeds shall be paid to

the Port Authority simultaneously with such receipt, subject to the provisions of Section 24.3 above. If and to the extent that receipt of all or any portion of such amount is deferred in the case of an Installment Sale Obligation, the Port Authority's share of Net Proceeds shall, at the Transferor's election, either be paid in full to the Port Authority on the Closing Date, subject to the provisions of Section 24.3 above, or be deferred, and be paid in full as provided in Section 24.12. If the Transferor elects to pay the Port Authority, in full, on the Closing Date, subject to the provisions of Section 24.3 above, the Port Authority's share of the deferred portion of Net Proceeds, then the Transaction Payment for the Transaction shall be calculated as if the present value, assuming an interest rate equal to the then Prime Rate per annum, of the Installment Sale Obligation were paid in cash on the Closing Date.

24.12 Deferred Payments. If the full payment or delivery of any portion of Total Receipts from a Transaction other than a Non-Occupancy Lease is deferred to any date(s) after the Closing Date, and the Transferor does not elect to pay the Port Authority on the Closing Date the entire Transaction Payment due in connection therewith, then the Port Authority shall be entitled to receive on the Closing Date, subject to the provisions of Section 24.3 above, ten percent (10%) of the remaining payments on account of such Installment Sale Obligation and, subject to the provisions of Section 24.3 above, the remainder of the Transaction Payment due to the Port Authority shall be delivered to the Port Authority when such deferred Total Receipts are received by the Transferor.

24.12.1 The Transferor shall cause the Installment Sale Obligation to be issued or endorsed to, and held in trust by, an institution reasonably acceptable to the Port Authority and the Transferor ("Trustee"), provided that the Port Authority, the Transferor and the Trustee shall enter into an agreement with respect to the Installment Sale Obligation pursuant to which the

Trustee shall receive each payment made under the Installment Sale Obligation and shall forward to the Port Authority and the Transferor their respective shares thereof, as more particularly set forth in Section 24.12 and the Trustee shall not transfer or assign the Installment Sale Obligation other than to a successor trustee designated by both the Port Authority and the Transferor. Without limiting the generality of the preceding sentence, the Trustee shall have no power to encumber or hypothecate the Installment Sale Obligation except pursuant to joint written instructions from the Port Authority and the Transferor. The agreement shall provide that the Trustee shall take all its instructions with respect to any matter pertaining to the Installment Sale Obligation from the Transferor, provided that the Port Authority shall be entitled to receive a copy of each communication from the Transferor to the Trustee. The Transferor shall have the power to settle or compromise the indebtedness represented by the Installment Sale Obligation, provided that the Trustee pays to the Port Authority the amount that the Port Authority would otherwise be entitled to receive pursuant to Section 24.12 in connection with the Transferor's receipt of the indebtedness represented by the Installment Sale Obligation (as so settled or compromised). The Transferor shall have sole power to direct the Trustee as to the manner in which the Trustee will enforce the rights of the holder of the Installment Sale Obligation following any default by the obligor. The ordinary fees and expenses of the Trustee for acting in such capacity and any extraordinary sums needed by the Trustee in connection with the enforcement or protection of its rights as holder of the Installment Sale Obligation (such as costs of foreclosure, including reasonable attorney's fees), all such amounts shall be advanced by the Transferor and the Port Authority shall not be required to advance any portion thereof; provided, however, the Trustee, prior to making any distributions pursuant to Section 24.12, shall reimburse Transferor, all such sums so advanced by the Transferor, together with interest at the

Prime Rate. The terms shall otherwise be reasonable and customary for trustee arrangements of similar tenor.

24.12.2 The Port Authority will look solely to the Installment Sale Obligation for the payment of the deferred Transaction Payments relating thereto.

24.12.3 The Transferor shall cause the obligor under any Installment Sale Obligation to acknowledge to the Port Authority in writing at the time of closing that if the parties use a Trustee, then any payment under the Installment Sale Obligation made to any person other than the Trustee most recently designated by the Port Authority and the Transferor (with notice to such obligor) shall be null, void and of no force and effect.

24.12.4 Any sale, encumbrance, hypothecation or other disposition of the Transferor's interest in an Installment Sale Obligation or modification of an Installment Sale Obligation not consented to by the Port Authority (such consent not to be unreasonably withheld, delayed or conditioned) shall, at the Port Authority's option, constitute the equivalent of Transferor's immediate receipt of the full amount of such Installment Sale Obligation, and all future Transaction Payments with respect thereto shall, at the Port Authority's option, become immediately due and payable; provided, however, that if the Transferor shall, upon sixty (60) days' written notice, offer to cause the sale, encumbrance, hypothecation or other disposition of the Port Authority's interest in the Installment Sale Obligation on the same terms and conditions, then whether or not the Port Authority accepts such offer, the Port Authority shall not have the foregoing options and such future Installment Sale Obligations shall not become immediately due and payable.

24.13 Additional Definitions. The following terms used in this Section 24 shall have the following meanings:

24.13.1 "Capital Costs" shall mean any outlay that, under GAAP, is required to be capitalized, without (except as hereinafter provided) taking into account any adjustment for exhaustion, wear, tear, amortization, depreciation, cost recovery or capital cost recovery, excluding, however, the Initial Cost and amounts funded from Retained Proceeds.

24.13.2 "Closing Date" shall mean the date of the closing of any Transaction.

24.13.3 "Customary Expenses" shall mean any bona fide out of pocket expenses incurred by the Transferor in effecting any Transaction, including but not limited to (i) brokerage commissions and syndication placement fees and disbursements, (ii) reasonable attorneys', accountants', engineers', surveyors' and other professional fees, (iii) title insurance premiums, (iv) filing fees and transfer and recording fees and taxes, including the New York State and New York City Real Property Transfer Tax and Mortgage Recording Taxes, (v) points and commitment fees, and other reasonable costs and expenses incurred in connection with the creation of a Debt Obligation or Mortgage, (vi) in connection with any Transaction, any required prepayment penalty or any so-called "kicker" that must be paid to the holder of a Debt Obligation in connection with the consummation of the applicable Transaction, and (vii) in connection with the foreclosure of the security for a Debt Obligation, all enforcement costs which the Lessee is obligated to pay.

24.13.4 "Debt Obligation" shall mean any (a) indebtedness (other than a Partner's/Member's Loan) the security for which: (i) is a Mortgage or (ii) consists of an assignment or pledge of an Equity Interest in the Lessee, or the functional equivalent of such an assignment or pledge, (b) Imputed Mezzanine Debt or (c) other unsecured indebtedness.

24.13.5 "Equity Distributions" shall mean all amounts distributed to the holders of Equity Interests in the Lessee out of the Total Receipts from a Transaction, including

any principal and interest paid on Partner's/Member's Loans, but such interest shall be included only if and to the extent that the rate thereof does not exceed the Prime Rate plus three percent. Payments made on any Debt Obligation (other than principal and interest on Partner's/Member's Loans to the extent included in Equity Distributions pursuant to the immediately preceding sentence) shall not be considered Equity Distributions.

24.13.6 "Equity Interest" shall mean, with respect to any entity, the beneficial ownership of (i) outstanding stock, or the right to buy outstanding stock, of such entity if such entity is a corporation, a real estate investment trust or a similar entity, (ii) a capital interest or profits interest in such entity or the right to buy such an interest, if such entity is a partnership, limited liability company or similar entity, (iii) the beneficial interest in a trust, or the right to buy such an interest, if such entity is a trust, (iv) any right of a mortgagee that is otherwise also the holder of an Equity Interest (or whose Affiliate is a holder of an Equity Interest) to participate (by virtue of the debt instrument by which it is a mortgagee) in cash flow, gross or net profits, gain or appreciation, in excess of that which would be deemed commercially reasonable when agreed upon, in light of then prevailing conditions in the financing markets, and (v) any other beneficial interest that is the functional equivalent of any of the foregoing.

24.13.7 "Installment Sale Obligation" shall mean a purchase-money note or any other instrument evidencing an obligation to pay any portion of Total Receipts payable after the Closing Date of any Transaction, together with any security for such note or other instrument.

24.13.8 "Operating Expenses" shall mean, as determined on a cash basis, with respect to each Annual Period, all costs and expenses paid by, or on behalf of, the Lessee during such Annual Period, determined on a cash basis, and properly allocable to and actually incurred,

in good faith, in connection with the ownership, use, occupancy, maintenance or operation of the Premises or any portion thereof (including an allocable share of items constituting Operating Expenses incurred with respect to the Premises and the premises demised under the Tower Leases, if any), including, without limitation:

(a) Rental, Tax Equivalent Rental and the BID Allocated Share;

(b) insurance premiums in respect of any insurance policy maintained by the Lessee and the deductible amount of any claim that the Lessee may have during such year under an insurance policy maintained by the Lessee (provided that the item to which such deductible amount is applied would otherwise qualify as an Operating Expense hereunder and was actually paid by the Lessee);

(c) wages, salaries and fringe benefits for employees employed in the management, maintenance or operation of the Premises, including, without limitation, medical, surgical, union and general welfare benefits, group life insurance and pension payments, payroll taxes, workers' compensation, uniforms and cleaning thereof and related expenses;

(d) fuel, gas, electricity, heat, ventilation, air-conditioning, steam and other utilities, together with any taxes thereon, and any non-refundable deposits paid to utility suppliers;

(e) management fees actually paid in an arm's-length transaction, or, with respect to management fees payable to a Related Party, so long as the aggregate amounts paid pursuant to this clause (e) and clause (f) below shall not exceed the amount customarily paid in an arm's-length transactions for such services in Comparable Buildings;

(f) fees, costs and expenses for cleaning, janitorial, security, accounting, legal, architectural and engineering and other services incurred in connection with the operation,

maintenance, repair or management of the Premises, in addition to a fee deemed to be charged by the Lessee for any services being directly provided by the Lessee in an amount equal to the market rate fee for such services, but excluding any accounting, legal, architectural and engineering services required in connection with or arising as a consequence of (i) the partnership, corporate, administrative, management or other internal operations of the Lessee, (ii) the preparation, amendment or renewal of Space Leases with tenants or prospective tenants or occupants, (iii) the initial construction of the Building, (iv) the performance of any tenant improvements or (v) any failure by the Lessee to comply with any of its obligations under this Agreement;

(g) any amounts paid pursuant to the terms of the REOA;

(h) amounts paid for non-capital (i.e., those which, pursuant to GAAP, are expensed) repairs, maintenance and other ordinary operating expenses;

(i) any payments for the rental of tools or building equipment and taxes thereon;

(j) membership fees, dues and other expenses in connection with Net Lessees' Association;

(k) amounts paid under Equipment Leases;

(l) reasonable and customary advertising and marketing expenses; and

(m) reasonable reserves for the operation and maintenance of the Premises or future Capital Improvements (the "Reserves").

The following shall be excluded, in any event, from Operating Expenses.

(i) Capital Costs, depreciation, amortization and any other expenditures which, in accordance with GAAP, should have been capitalized;

(ii) the cost of any items for which and to the extent the Lessee is reimbursed by insurance proceeds, condemnation awards or otherwise, unless the proceeds or awards pertaining thereto were included in Gross Revenues hereunder;

(iii) any amount paid to any Affiliate for, or with respect to, items or services that would otherwise constitute Operating Expenses, to the extent that such amount exceeds that which is customarily paid to unaffiliated third persons in arm's-length transactions for comparable items or services in Comparable Buildings;

(iv) any costs or expenses theretofore credited against Total Receipts in determining the amount of any Transaction Payment payable under Section 24; and

(v) any financing costs.

Any cost or expense once included within Operating Expenses for any Annual Year shall not again be included in Operating Expenses for such Annual Year. Any amounts included within the Reserves shall not be included in Operating Expenses upon the withdrawal of such amounts for use in connection with the operating and maintenance of the Premises.

24.13.9 "Operating Income" shall mean, with respect to each applicable period, on a cash basis, all receipts, revenues, fees, proceeds and other amounts of any kind received by or for the account of the Lessee from, in connection with, or arising out of:

(a) the use and occupancy of all or any portion of the Premises, any right or interest therein or in respect thereof, or the leasing, use, occupation or operation of all or any portion of the Premises, including, without limitation, fixed rent, percentage rent or additional rent, or the proceeds of any rental and/or business interruption insurance paid in lieu thereof, and all other income, sums and charges, whether paid under a Space Lease or otherwise, other than a

Capital Transaction, but excluding (w) any income, receipts or revenues derived by or on behalf of the Lessee from the conduct of any business at the Premises, other than (A) revenues arising from the ownership, leasing and operation of the Premises and from the provision of goods and services in connection therewith, as fully set forth in clause (b) below, and (B) percentage rent paid by any Space Tenant in connection with a business conducted by it at the Premises, (x) amounts received as deposits or refunds of deposits (unless retained by the Lessee on account of any Space Tenant's failure to pay rent), (y) amounts received by the Lessee resulting from breaches of representations and warranties, if any, and the proceeds of any indemnities, if any, as more particularly set forth in the Contract to Lease, and (z) payments received by the Lessee under the Tenant Support Agreement or pursuant to the Tower 4 Tenant Support Agreement;

(b) subject to the provisions of clause (a) above, the providing of services of any kind (excluding performance of tenant improvement work for Space Tenants) to any Space Tenant, or to any persons or entities on the Premises or in connection with the use, occupation or operation of the Premises, including and without limitation, services, such as the provision of utilities, cleaning and security, for which separate charges are customarily made, but excluding any receipts or revenues or other amounts received in connection with the costs incurred by the Lessee to provide such goods and services, whether designated as a payment or a reimbursement, (x) by or on behalf of the Lessee from, or in respect of its ownership of, any Excluded Space Tenant and (y) by any Related Entity of the Lessee for services rendered in the conduct of its normal business and not customarily provided to tenants by or on behalf of landlords of Comparable Buildings if provided at amounts equal to, or less than, market rates;

(c) any interest earned by the Lessee on deposits maintained in connection with the operation of the Premises, unless (i) such interest is required to be paid by the Lessee to

another party (including Space Tenants and the Depository), other than to a Related Entity, or (ii) such deposits are required to be maintained in connection with reserve accounts required by any Mortgagee; provided, however, that there shall be excluded from the foregoing any interest earned for the account of, or otherwise with respect to the accounts of, partners, members, stockholders or investors in or of the Lessee, and the constituent partners, members, stockholders or investors thereof, whether as capital or equity or loans, and the Port Authority acknowledges that any such interest shall not be included in Gross Revenue of the Lessee; and

(d) the Fair Market Rental Value of any space demised under a Space Lease entered into with any Excluded Space Tenant which was a Related Entity of the Lessee at the time of execution of such Space Lease.

Any receipts and revenues once included within Operating Income for any period shall not again be included in Operating Income with respect to such period.

24.13.10 "Partner's/Member's Loan" shall mean (A) a loan made by a Person holding an Equity Interest in the Lessee pursuant to the partnership, membership or shareholder's agreement, as applicable, of (i) the Lessee or (ii) the entity through which the Equity Interest in the Lessee is derived, or any modification of such agreement or (B) a loan made by the Four World Trade Center Lessee to the Lessee in connection with the obligations under the Tenant Support Agreement and the Tower 4 Tenant Support Agreement.

24.13.11 "Retained Proceeds" shall mean that portion, if any, of the Total Receipts from a Transaction which is immediately spent or reserved for use by the Lessee to fund any outlay constituting or that would constitute: (1) Capital Costs or Initial Cost; (2) any Operating Expense reasonably anticipated to be incurred, as determined by the Lessee, in the exercise of its prudent business judgment, within the succeeding twelve (12) months; (3) any

reserves required by the terms of any instrument binding on the Lessee; (4) tenant improvement work done or to be done for Space Tenants; (5) tenant improvement allowances funded or to be funded under Space Leases; (6) leasing commissions payable in connection with entering into or modifying Space Leases; or (7) any repairs not included in Operating Expenses. Retained Proceeds reserved for Operating Expenses shall be applied for such purpose within twelve (12) months after the Closing Date and, if not, shall thereupon immediately be distributed.

24.13.12 "Total Receipts" shall mean:

(a) In the case of a Sale or an Equity Interest Disposition, the following amounts (computed, except as otherwise indicated herein, as of the Closing Date) received as, or otherwise constituting consideration for, the Sale or Equity Interest Disposition, but excluding prorations:

(i) all cash or cash-equivalent proceeds;

(ii) The outstanding principal amount of any Debt Obligations for which the Premises (in the case of a Sale) or the Equity Interest being sold (in the case of an Equity Interest Disposition) is security or which is unsecured, and of any Partner's/Member's Loans (in the case of an Equity Interest Disposition), plus accrued interest in each case, assumed by the purchaser at such Sale or Equity Interest Disposition or to which the Sale or Equity Interest Disposition is made subject;

(iii) fair market value of the equity interest in any property (other than cash, cash-equivalent proceeds or Debt Obligations);

(iv) the principal amount of any Installment Sale Obligation(s); and

(v) any other consideration, provided, however, that Total Receipts shall not include rental payments and other charges payable under a Space Lease by a

Space Tenant which also acquires an Equity Interest, to the extent such payments and other charges have been, or will be, included in Operating Income.

(b) In the case of a Project Refinancing or an Equity Interest Refinancing, the principal amount of the applicable Debt Obligation, plus the amount of any previously existing Debt Obligations affecting the Premises in the case of a Project Refinancing or affecting the Equity Interest in the case of a Equity Interest Refinancing and remaining outstanding after the Project Refinancing or Equity Interest Refinancing.

(c) In the case of a Non-Occupancy Lease, the rental and all other sums (not in the nature of a reimbursement) paid to the Lessee under such Non-Occupancy Lease for each month during the term thereof.

(d) In computing "Total Receipts" from a Transaction involving the sale or transfer by any entity (or an Equity Interest in any such entity) that holds either (x) the Lessee's leasehold hereunder and other assets unrelated to the Premises, or (y) an Equity Interest and other assets unrelated to the Premises, a reasonable apportionment shall be made between the consideration received on account of such leasehold or Equity Interest and the consideration received for such other assets.

24.13.13 "Transaction Payment Outside Date" shall mean the date that shall be the earlier to occur of (i) Substantial Completion and (ii) the Outside Tower Construction Commencement Date.

24.13.14 "Transferee" shall mean the entity that is the recipient of the interest transferred by means of a Sale, Equity Interest Disposition or Non-Occupancy Lease.

24.13.15 "Transferor" shall mean the entity making a Sale, Equity Interest Disposition, Project Refinancing, Equity Interest Refinancing, or Non-Occupancy Lease.

24.13.16 "Unrecovered Capital Investment" shall mean the amount invested at any time by the holder of an Equity Interest (in the form of (i) equity contributions, (ii) principal and accrued, unpaid interest on Partner's/Member's Loans (but such interest shall be included only if and to the extent that the rate thereof does not exceed the Prime Rate plus three percent), (iii) purchase price for such Equity Interest, or (iv) any combination thereof), as reduced (but not below zero) from time to time by Equity Distributions. Debt Obligations (other than principal and interest on Partner's/Member's Loans to the extent included in Unrecovered Capital Investment pursuant to the immediately preceding sentence) held by the holder of an Equity Interest shall not be considered part of the holder's Unrecovered Capital Investment.

Section 25. Certificates by the Lessee and the Port Authority.

25.1 The Lessee and the Port Authority each agree that at any time, but not more than four (4) times per calendar year, upon not less than fifteen (15) days' prior notice, to execute, acknowledge and deliver to the other party or any other Person specified by the other party, a statement in writing certifying, as of the date of such certificate, (i) that this Agreement and the letting hereunder is in full force and effect, (ii) that no modifications of this Agreement have been executed between the Lessee and the Port Authority, other than as listed on the statement, (iii) that except as listed on the statement, no Event of Default has occurred and is continuing, and such party has not received or delivered any written notice of a default by the other party of a material obligation under this Agreement, and to such party's knowledge, neither such party nor the other party is in default of its material obligations under this Agreement, (iv) that to the best of such party's actual knowledge, there are no offsets, counterclaims, or defenses to the payment of rental and other sums payable hereunder, except as listed on the statement, and (v) as

to such other matters that the party requesting the statement may reasonably request and which are customarily contained in such certificate, provided, however, that any request from either party to this Agreement shall be accompanied by a statement setting forth all modifications of this Agreement which such party believes to have been executed with the other party. At the Lessee's request, the Port Authority shall cause to be delivered a certificate in accordance with this Section 25.1 on and as of the date of a proposed Mortgage, provided the request for such certificate is received by the Port Authority at least fifteen (15) days prior to the effective date of such Mortgage.

25.2 If the Port Authority does not respond within the fifteen (15) day period described in Section 25.1, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority, which Reminder Notice shall include a form of certificate addressing the matters described in Section 25.1 above (a "Proposed Certificate"). Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED CONFIRMED IF NOT RESPONDED TO WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice and Proposed Certificate shall be deemed to constitute a confirmation of the statements set forth in the Proposed Certificate.

25.3 Any certificate given or deemed given by the Port Authority shall be binding upon the Port Authority and may be relied upon by any then existing or prospective (i) Mortgagee, Space Tenant, assignee or purchaser of all or a portion of the Lessee's interest in this Agreement, (ii) purchaser of a direct or indirect partnership interest in the Lessee (if the Lessee is a partnership), (iii) purchaser of a direct or indirect membership interest in the Lessee (if the Lessee is a limited liability company), (iv) purchaser, directly or indirectly, of all or a portion of

the stock in the Lessee (if the Lessee is a corporation), and (v) purchaser, directly or indirectly, of all or a portion of the stock of a corporation, partnership interest in a partnership or membership interest in a limited liability company which is a member (if the Lessee is a limited liability company) or partner (if the Lessee is a partnership) or shareholder (if the Lessee is a corporation) of the Lessee. Any certificate given by the Lessee shall be binding upon the Lessee and may be relied upon by the Port Authority and any prospective successor to the Port Authority's interest in this Agreement.

Section 26. Right of Re-Entry.

As an additional remedy following the giving of a Termination Notice, subject to Section 21.1, the Port Authority shall have the right to re-enter the Premises and every part thereof upon the effective date of such Termination Notice in accordance with Section 21.1 above, 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 27. Survival of the Obligation of the Lessee.

27.1 In the event that the Term shall have been terminated or cancelled in accordance with a Termination Notice due to an Event of Default, each obligation of the Lessee under this Agreement shall survive such termination and shall remain in full force and effect for the full Term of this Agreement, subject to the provisions of Section 16 and Section 27.2, as if no termination had taken place.

27.2 Subject to the provisions of Section 16 hereof, there shall become due and payable by the Lessee to the Port Authority immediately upon any termination or cancellation pursuant to Section 21 of this Agreement, without notice or demand, as damages in addition to Rental which accrued prior to the effective date of termination, the sum of the following:

(a) the amount of all unfulfilled monetary obligations of the Lessee under this Agreement which accrued prior to the effective date of the Termination Notice, including without limitation thereto, all sums constituting additional rental hereunder and, subject to Section 27.2(c) below, the total cost to, and expenses of, the Port Authority for fulfilling all other obligations of the Lessee which would have accrued or matured during the balance of the term or on the expiration date originally fixed or within the stated time set forth in this Agreement after expiration or termination;

(b) an amount equal to the cost to and the expenses of the Port Authority in connection with the termination, cancellation, regaining possession and restoring and reletting the Premises, the Port Authority's legal expenses and cost, and the Port Authority's costs and expenses for the care and maintenance of the Premises and the furnishing and equipping thereof during any period of vacancy, and any usual and customary brokerage fees and commissions in connection with any reletting, exclusive of any internal expenses that are in excess of what out-of-pocket expenses would have been for the same service;

(c) subject to the provisions of Section 27.3 below, (i) on account of all unfulfilled monetary obligations of the Lessee, to the extent not provided for in clause (a) above, (ii) on account of the Lessee's basic rental obligation an amount equal to the then present value, assuming a discount rate equal to the then Prime Rate per annum (the "Present Value"), of all basic rental to be paid to the Port Authority pursuant to the provisions of Section 5 during the

balance of the Term following the effective date of the termination, and (iii) on account of the Lessee's percentage rental obligation under this Agreement, an amount equal to the Present Value of the percentage or the percentages set forth in Section 5 of this Agreement, applied in accordance with the formula set forth in that section to the amount of gross receipts which would have been received by the Lessee during the balance of the term if there had been no termination or cancellation (or re-entry, regaining or resumption of possession), and for the purpose of calculation hereunder, the amount of gross receipts shall be derived by (a) multiplying the number of months in the balance of the Term originally fixed, by (b) the Lessee's average monthly gross receipts; and the average monthly gross receipts shall be the total actual gross receipts of the Lessee during that part of the effective period of the letting (including all annual periods falling within the effective period) divided by the number of days included in such part of the effective period prior to the effective date of termination; and

(d) an amount equal to the cost to and the expenses of the Port Authority in the performance or completion of any construction work in the Premises (which the Lessee is required to pay under the REOA, this Agreement, or has undertaken to perform in accordance with the provisions of Section 19) in the event that the Lessee has failed to perform or complete the same on or prior to the effective date of termination under this Section regardless of whether or not such termination results from the failure of the Lessee to so perform or complete the same. In any such event, the Port Authority may itself perform or contract for the performance or completion thereof or may retain a third party to act as agent or representative in accomplishing the same and the reasonable costs and expenses of the agent or representative in addition those of the Port Authority shall likewise be included in the amount of damage under this provision.

27.3 Subject to the provisions of Section 16 hereof, the Port Authority may at any time bring an action to recover all damages as set forth above not previously recovered in separate actions, or it may bring separate actions to recover the items of damages set forth in Subsection 27.2(b) above and separate actions periodically to recover from time to time only such portion of the damages set forth in Subsection 27.2(a) and (c) above as would have accrued as costs and expenses of the Port Authority as rental up to the time of the action if there has been no termination or cancellation. In any such action under Subsection 27.2(a) or (c) above, the Lessee shall be allowed a credit against its continuing obligations (including, but not limited to, Rental and damages payable to the Port Authority) equal to the amounts which the Port Authority shall have actually received from any tenant, licensee, permittee or other occupier of the Premises or a part thereof during the period for which damages are sought (and, if recovery is sought for a period subsequent to the date of suit, a credit equal to the fair market rental value of the Premises during such period discounted to Present Value). If at the time of such action the Port Authority has relet the Premises, the rental for the Premises obtained through such reletting shall be deemed to be the fair market rental value of the Premises or be deemed to be the basis for computing such market rental value if less than the entire Premises were relet. In no event shall any credit allowed to the Lessee against its obligations and damages for any period exceed the then present value of the rental which would have been payable under this Agreement during such period if a termination or cancellation had not taken place.

Section 28. Reletting by the Port Authority.

The Port Authority, upon termination or cancellation pursuant to Section 21, may occupy the Premises or may relet the Premises, and shall have the right to permit any Person to enter upon the Premises and use the same. The Port Authority may grant free rental or other

concessions and such reletting may be of only a part of the Premises or of the entire Premises or of a part of the Premises together with other space, and for a period of time the same as or different from the balance of the Term hereunder remaining, and on terms and conditions and for purposes the same as or different from those set forth in this Agreement. The Port Authority shall also, upon such termination, or upon its re-entry, regaining or resumption of possession pursuant to Section 26, have the right to repair or make structural or other changes in the Premises, including changes which alter the character of the Premises and the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder. In the event either of any reletting or of any actual use and occupancy by the Port Authority (the mere right to use and occupy not being sufficient however) there shall be credited to the account of the Lessee against its surviving obligations hereunder, subject to Section 16 hereof, any net amount remaining after deducting from the amount actually received from any tenant, lessee, licensee, permittee or other occupier as the rental or fee or other payment, for the use of the said Premises or portion thereof during the balance of the letting as the same is originally stated in this Agreement or from the fair market value of the occupancy of such portion of the Premises as the Port Authority may during such period actually use and occupy, all reasonable expenses, costs and disbursements incurred or paid by the Port Authority in connection therewith. No such reletting or such use and occupancy shall be or be construed to be an acceptance of a surrender. This Section 28 shall not be deemed to impair the rights of any Mortgagee expressly contained elsewhere in this Agreement.

Section 29. Waiver of Redemption.

The Lessee hereby waives any and all rights of redemption, granted by or under any present or future law, arising in the event it is evicted or dispossessed for any cause, or in the

event the Port Authority obtains or regains possession of the Premises in any lawful manner in accordance with, and subject to, Section 21.

Section 30. Surrender.

On the cessation of the Term under this Agreement, the Lessee shall promptly yield and deliver peaceably to the Port Authority possession of the Premises and all construction, buildings, structures, improvements and fixtures thereon which are deemed real property by operation of law, whether such cessation be by termination as provided in this Agreement, or on the date established as the Expiration Date, promptly and in the operating order, condition and appearance consistent with the manner in which Comparable Buildings are maintained (except under circumstances described in Sections 13, 15 and 42 hereof), and free and clear of all Liens, encumbrances, and security interests, other than (i) any Liens, encumbrances, or security interests existing immediately prior to the Commencement Date, (ii) any of the items identified on Schedule 30 attached hereto, (iii) any Liens, encumbrances, or security interests affirmatively placed on title to the Premises by, or at the request of, the Port Authority, (iv) any non-monetary Liens, encumbrances, or security interests placed on title to the Premises by the Lessee with the written consent of the Port Authority, provided that, at the time of the granting of such written consent, the Port Authority shall have also agreed in writing that any such Liens, encumbrances, or security interests shall be permitted to remain on cessation of the Term under this Agreement, and (v) rights of any Space Tenant (x) under any Non-Disturbance Agreement executed by the Port Authority and such Space Tenant, or (y) pursuant to a Space Lease that is otherwise in accordance with Section 9 (collectively, "Permitted Encumbrances"). To the extent permitted by law, the Lessee hereby waives notice now or hereafter required by law with respect to vacating the premises on any such termination date. Nothing herein shall be deemed in derogation of the

right of any Mortgagee to a new lease in accordance with the provisions of Section 8 or the right of any Space Tenant to non-disturbance in accordance with any Non-Disturbance Agreement executed by the Port Authority and the applicable Space Tenant, or otherwise in accordance with Section 9.

Section 31. Rights of Entry Reserved.

31.1 Subject to the rights of Space Tenants set forth in Space Leases, the Port Authority, by its officers, employees, agents, representatives and contractors, shall have the right at all reasonable times, and upon reasonable prior notice, 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. The Port Authority agrees to minimize its interference with the activities at the Premises when performing such inspections. The Port Authority's right of inspection hereunder shall include the right, upon reasonable prior notice, and during normal business hours on Business Days, to review, examine and inspect the books and records of the Lessee and its Permitted Manager relating to the financial condition and performance of the Premises; provided, however, such right to review, examine and inspect said books and records may be exercised only one (1) time during each calendar year. In the exercise of its rights under this Section, the Port Authority shall not unreasonably interfere with the operations being conducted at the Premises and shall not enter security areas unless accompanied by an authorized representative of the Lessee and Space Tenant, if applicable.

31.2 At any time and from time to time during ordinary business hours on Business Days, within two (2) years next preceding the expiration of the Term, upon reasonable prior notice to the Lessee, the Port Authority, by its agents and employees, whether or not

accompanied by prospective lessees, occupiers, vendees, or users of the Premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same, provided that in the exercise of its rights under this Section the Port Authority shall not unreasonably interfere with the operations, including those of Space Tenants, being conducted on the Premises and shall not enter security areas of the Lessee or any Space Tenants unless accompanied by an authorized representative of the Lessee or of Space Tenant, as the case may be.

31.3 The exercise of any or all of the foregoing rights by the Port Authority or others, in good faith, shall not be or be construed to be an eviction of the Lessee nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

Section 32. 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, subject to the rights of any Mortgagee. 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. Without limiting the foregoing, no employee or officer of the Port Authority shall be authorized to accept the keys of the Premises prior to the Expiration Date and no delivery of keys by the Lessee shall constitute a termination of this Agreement or acceptance of surrender.

Section 33. Quiet Enjoyment.

The Lessee shall and may peaceably and quietly have, hold, occupy, and enjoy the Premises (subject, however, to the provisions, reservations, terms and conditions of this Agreement) during the Term of this Agreement.

Section 34. Fee Mortgages.

The Port Authority shall have the right to mortgage its fee interest in the Premises as long as such mortgage is subject and subordinate to this Agreement, the Lessee's leasehold estate, the Lessee's interest in this Agreement, the REOA, each Space Lease, any Mortgage and any Mortgagee's direct or indirect interest in this Agreement or the Lessee and any new lease executed pursuant to the provisions of Section 8.6 above. Anything in this Agreement to the contrary notwithstanding, the Port Authority covenants and agrees that the Lessee's leasehold estate, the Lessee's interest in this Agreement, the REOA, each Space Lease, any Mortgage, and any Mortgagee's direct or indirect interest in this Agreement or the Lessee or a new lease obtained pursuant to Section 8.6 above, shall not be subordinate to any mortgage on the Port Authority's fee interest in the Premises. The Port Authority agrees to include in such fee mortgage a subordination clause in order to accomplish such subordination. Such fee mortgage shall also provide that (i) the application of any insurance proceeds or condemnation awards shall be governed by this Agreement or a new lease obtained pursuant to Section 8.6 above and to the extent not governed thereby or in any supplement thereto, any Mortgage, and (ii) any transfer of the fee interest in the Premises by foreclosure or by deed in lieu thereof shall be subject to Section 60.1 below, and any fee mortgage which does not so provide shall be null and void. If the fee mortgagee refuses to include such provisions, the Port Authority shall not enter into the fee mortgage. For the purposes of this provision, it is understood and agreed that the lien of any such fee mortgage shall be subordinate not only to the lien of this Agreement, the

Lessee's leasehold estate, the Lessee's interest in this Agreement, the REOA, each Space Lease, any Mortgage and any Mortgagee's direct or indirect interest in this Agreement or the Lessee, but also to the lien of any new lease granted pursuant to Section 8.6, notwithstanding that as a technical legal matter the leasehold estate created pursuant to this Agreement may have terminated prior to the execution, delivery and recordation of a memorandum of such new lease. Any such fee mortgagee shall, upon foreclosure under such mortgage, be entitled to succeed only to the interests of the Port Authority.

Section 35. Additional Rent and Charges.

35.1 If the Lessee shall fail or refuse to perform any of its obligations under this Agreement beyond any applicable notice and grace periods, the Port Authority, in addition to all other remedies available to it, shall have the right to perform, upon ten (10) days' notice to the Lessee, any of the same, and the Lessee shall pay the Port Authority's reasonable cost thereof promptly, on demand, after the receipt of documentation reasonably sufficient to evidence such amounts. If the Port Authority has paid any sum or sums or has incurred any obligations, expense or cost which the Lessee is obligated, by the terms of this Agreement, 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, expense or cost 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, after the expiration of applicable notice and cure periods, if any, or as a result of an act or omission of the Lessee contrary to the said conditions, covenants and agreements, including any reasonable legal expense or cost in connection with any actions or proceedings brought by the Port Authority against the Lessee or by third parties against the Port Authority, the Lessee agrees to pay the sum or sums so paid or the Port Authority's cost so

incurred, including all interest costs, damages and penalties, promptly on demand, after receipt of documentation reasonably sufficient to evidence such amounts. The amounts described in this Section 35.1 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 rental as set forth in Section 5 hereof. The Lessee shall not be required to reimburse the Port Authority for any internal expenses that are in excess of what similar third-party expenses would have been.

35.2 "Cost" of the Port Authority in this Agreement shall mean and only include, and be limited to, (i) payroll costs including but not limited to contributions to the retirement system, or the cost of participation in other pension plans or systems, insurance costs, sick leave pay, holiday, vacation, authorized absence pay or other fringe benefits; (ii) cost of materials, supplies and equipment used (including rental thereof); (iii) payments to contractors; (iv) any other direct costs; and (v) ten percent (10%) of the foregoing; and with respect to clauses (i) through (iv), only such costs that are actually incurred by the Port Authority in the performance of the action or work shall be included. Upon request, the Port Authority shall provide the Lessee a statement itemizing its costs, and shall provide reasonable evidence that such costs were incurred.

Section 36. Deposits for Impositions.

36.1 In order to assure the payment of all Impositions, the Lessee, upon the written demand of the Port Authority at any time after the occurrence of an Event of Default hereunder, shall deposit with Depository on the first (1st) day of each and every month during the Term, an amount equal to one-twelfth (1/12th) of the annual Impositions then in effect, as reasonably estimated by the Port Authority. If, at any time, the monies so deposited by the Lessee shall be insufficient to pay in full the next installment of Impositions then due, after taking into account

monthly deposits coming due before the next payment of Impositions are due, the Lessee shall deposit the amount of the insufficiency with the Depository to enable the Depository to pay each installment of Impositions at least thirty (30) days prior to the due date.

36.2 Depository shall hold the deposited monies in a special account for the purposes of paying the charges for which such amounts have been deposited as they become due, and Depository shall apply the deposited monies for such purpose not later than the last day on which any such charges may be paid without penalty or interest.

36.3 If, at any time, the amount of any Imposition is increased or the Port Authority receives information that an Imposition will be increased, and the monthly deposits then being made by the Lessee under this Section would be insufficient to pay such Imposition thirty (30) days prior to the due date, the Lessee shall promptly, on the Port Authority's written demand, which demand shall be accompanied by reasonably satisfactory evidence substantiating such demand and the basis therefor, deposit immediately with the Depository sufficient monies for the payment of the increased Imposition. Thereafter, the monthly payments shall be adjusted so that the Depository shall receive from the Lessee sufficient monies to pay each Imposition at least thirty (30) days prior to the due date of such Imposition.

36.4 For the purposes of determining whether Depository has on hand sufficient monies to pay any particular Imposition at least thirty (30) days prior to the due date thereof, deposits for each category of Impositions shall be treated separately. Depository shall not be obligated to use monies deposited for the payment of an item not yet due and payable for the payment of an item that is due and payable.

36.5 Notwithstanding the foregoing, it is understood and agreed that (i) deposited monies in respect of Impositions may be held by Depository in a single interest bearing bank

account, and (ii) Depository may, at the Port Authority's option and direction and if there shall be an Event of Default, which is continuing, with respect to any payment required to be made by the Lessee under this Agreement, use monies so deposited in respect of Impositions to make any payment of Impositions that are in default, provided, however, the Lessee shall be entitled to request the Depository to transfer any surplus from one line of account to another, and Depository shall comply with such request if the Lessee submits satisfactory evidence in support thereof and invest interest earned in the account, if requested by the Lessee.

36.6 If this Agreement shall be terminated by reason of any Event of Default, all deposited monies in respect of Impositions, including interest thereon, under this Section then held by Depository shall be paid to and applied by the Port Authority in payment of any and all sums due under this Agreement and the Lessee shall promptly pay the resulting deficiency, or shall receive a refund to the extent the deposited moneys, including interest thereon, exceed such sums due.

36.7 Notwithstanding anything set forth in this Section 36, at such time as a period of one (1) year has elapsed from the date that the Event of Default which gave rise to the requirements under this Section 36 was cured, during which no other Event of Default has occurred, the Lessee shall not be obligated to make further deposits with the Depository. If a subsequent Event of Default shall occur, then the Lessee shall thereafter be obligated to make deposits with the Depository in accordance with and subject to the limitations of this Section 36.

Section 37. Compliance with REOA.

37.1 The parties hereto agree that performance of the duties and obligations of the Lessee hereunder shall be subject to the applicable provisions of the REOA and that the Lessee will comply with any such provisions of the REOA which are to be complied with by the Lessee

pursuant to the terms thereof, which provisions are incorporated herein by reference and shall have the same force and effect as if herein set forth in full. In the event that performance or compliance with any of the obligations under this Agreement by the Lessee would result in a violation of the terms and provisions of the REOA, the Lessee shall be excused from performing or complying with such conflicting provisions of this Agreement. An Assignment of this Agreement in accordance with Section 7 hereof shall be deemed an effective assignment of the Lessee's interest under the REOA as well. Notwithstanding anything to the contrary contained in this Section 37.1, a default under the REOA shall only be an Event of Default if the requirements contained in Section 1.99(k) shall have been met.

37.2 Notwithstanding any provision to the contrary set forth in the REOA, this Agreement or any other Transaction Documents: (a) the Port Authority and the Lessee shall, within six (6) months after the Net Lessee Execution Date, reasonably negotiate arrangements concerning the operation, security and maintenance of the Premises during the Interim Period and the allocation of costs with respect to such operation, security and maintenance, and any amendments to the provisions of Sections 6.18, 13.1(b), 19.9 and 19.11 of this Agreement necessitated by such negotiated arrangements, and (b) the Lessee, the Tower Lessees, the Retail Lessee and the Port Authority shall, within six (6) months after the Net Lessee Execution Date, reasonably negotiate any amendments to the provisions of the REOA with respect to the operations, security and maintenance of the Premises necessitated by the negotiated arrangements described in clause (a) of this Section 37.2. In the event that the arrangements and amendments referred to in this Section 37.2 are not completed within six (6) months after the Net Lessee Execution Date, the Port Authority or the Lessee may elect to commence an arbitration

proceeding pursuant to Section 9.2 of the Development Agreement to settle any disputes with respect to such arrangements and amendments.

Section 38. Remedies to be Non-Exclusive.

Subject to the provisions of Sections 16 and 21.1, 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 remedy available to the Port Authority at law or in equity, provided that the Port Authority shall not be entitled to duplicative recovery for any item of damages. Subject to the provisions of Sections 16 and 21.1, in the event of a breach by the Lessee of any term, covenant, condition or provision of this Agreement, the Port Authority shall have the right of injunction and the right to invoke any other remedy allowed by law or in equity as if termination, re-entry, summary proceedings and any other specific remedies including without limitation thereto, indemnity and reimbursement, were not mentioned herein, and neither the mention thereof nor the pursuance or exercise or failure to pursue or exercise any right or remedy shall preclude the pursuance or exercise of any other right or remedy.

Section 39. Notices.

39.1 Each notice, demand, request, consent, approval or other communication required or permitted hereunder ("Notice") shall be in writing and shall be deemed to have been duly given and received if and only if (i) personally delivered with proof of delivery thereof (any notice or communication so delivered being deemed to have been received at the time delivered on a Business Day, or if not a Business Day, the next succeeding Business Day), (ii) sent by overnight mail, postage prepaid (any notice or communication so delivered being deemed to have been received at the time delivered on a Business Day, or if not a Business Day, the next succeeding Business Day), or (iii) by telecopier with confirmation of receipt (sender's

confirmation of a successful transmission) (any notice or communication so sent being deemed to have been received on the date of transmission, if a Business Day, or if not a Business Day, the next succeeding Business Day), addressed to the respective parties as follows:

| | |
|---|---|
| if to the Port Authority: | The Port Authority of New York and New Jersey<br>225 Park Avenue South<br>New York, New York 10003<br>Attention: Director of Real Estate<br>Tel: (212) 435-6482<br>Fax: (212) 435-5146 |
| with a copy to: | The Port Authority of New York and New Jersey<br>225 Park Avenue South<br>New York, New York 10003<br>Attention: General Counsel<br>Tel: (212) 435-3515<br>Fax: (212) 435-6610 |
| if to the Lessee: | c/o Silverstein Properties, Inc.<br>7 World Trade Center<br>250 Greenwich Street<br>New York, New York 10007<br>Attention: Mr. Larry Silverstein<br>Tel: (212) 551-7333<br>Fax: (212) 687-0067 |
| with a copy to: | c/o BLDG Management Co., Inc.<br>417 Fifth Avenue<br>4th Floor<br>New York New York 10016<br>Attention: Mr. Lloyd Goldman<br>Tel: (212) 557-6700<br>Fax: (212) 557-6709 |
| with a copy to: | Stroock & Stroock & Lavan LLP<br>180 Maiden Lane<br>New York, New York 10038-4982<br>Attention: Karen Scanna, Esq.<br>Tel: (212) 806-5400<br>Fax: (212) 806-6006 |

with a copy to:

Wachtell Lipton Rosen & Katz
51 West 52nd Street
New York, New York 10019
Attention: Robin Panovka, Esq.
Tel: (212) 403-1000
Fax: (212) 403-2000

with a copy to:

Skadden Arps Slate Meagher & Flom
Four Times Square
New York, New York 10036
Attention: Benjamin F. Needell, Esq.
Tel: (212) 735-3000
Fax: (212) 735-2000

or to such other address and/or fax number as may be specified by written notice sent in accordance herewith. Attorneys may deliver any such notices on behalf of their clients.

Section 40. Injury and Damage to Person or Property.

The Lessee's indemnity obligations under Section 18.2 above shall include any claims or demands described therein relating to personal injury, death or property damage from falling material, water, rain, hail, snow, gas, steam, dampness, explosion, fire, smoke, radiation, and/or electricity if the same may leak into or fall, issue, or flow from any part of the Premises, including without limitation, any utility, mechanical, electrical, communication or other systems therein, unless said damage, injury or death shall be due to the gross negligence or willful misconduct of the Port Authority, its employees, agents, invitees, licensees, representatives or contractors or unless, and as otherwise provided in the REOA.

Section 41. Rules and Regulations.

41.1 The Lessee shall (and shall cause its officers, employees, agents, representatives, contractors, customers, Space Tenants (by diligent enforcement of the Space Leases, consistent with commercially reasonable business practice) and invitees while they are at the Premises to) observe and obey the Rules and Regulations. Nothing in the Rules and Regulations shall be

construed to preclude the Lessee from performing its operations under this Agreement in accordance with the terms of this Agreement, and in the event that any present or future rule or regulation set forth in the Rules and Regulations, or any part thereof, is inconsistent with the rights granted to the Lessee under this Agreement or prevents the use of the Premises for the purposes stated under this Agreement, then, only to the extent of such inconsistency, it shall not apply to the Lessee, its agents, employees or invitees; but nothing herein contained shall limit the effectiveness of any rule or regulation now or hereafter promulgated by the Port Authority for reasons of safety, health or preservation of property at the World Trade Center. The Rules and Regulations shall be applied uniformly, and without discrimination, by the Port Authority to the Lessee, the Tower Lessees, the Other Lessees and the Space Tenants (excluding the Retail Lessee).

41.2 No statement or provision in the Rules and Regulations shall be deemed a representation or promise by the Port Authority that any services or privileges described therein shall be or remain available or that such charges, prices, rates or fees, if any, as are stated therein shall be or remain in effect, all of the same being subject to change by the Port Authority from time to time, whenever it deems such a change advisable, subject nevertheless to the limitations and provisions of this Agreement and the REOA.

41.3 If the Lessee is a Sponsor of a Public Event, the Lessee shall, and shall use reasonable efforts to cause its Space Tenants to, comply with the Rules and Regulations in connection with such Public Event. The Lessee agrees to indemnify and hold harmless the Port Authority from and against any and all claims which may arise by reason of any violation of the Rules and Regulations by the Lessee in connection with a Public Event of which the Lessee is a Sponsor.

41.4 Notwithstanding anything to the contrary contained in this Section 41, the provisions of this Section 41 shall only apply during the Interim Period, if and to the extent applicable, and that portion of the Term following the Substantial Completion Date.

Section 42. Condemnation.

42.1 If at any time during the Term, the whole or substantially all of the Premises shall be taken (excluding a taking of the fee interest in the Premises if after such taking, the Lessee's rights under this Agreement are not affected and none of its benefits are reduced, and none of its obligations are increased) for any public or quasi-public purpose by any lawful power or authority by the exercise of the right of condemnation or eminent domain or by agreement among the Port Authority, the Lessee and those authorized to exercise such right, including, but not limited to, the Mortgagee holding the Senior Mortgage, this Agreement and the Term shall terminate and expire on the date of such taking and Rental payable by the Lessee hereunder shall be apportioned as of the date of such taking.

42.1.1 The term "substantially all of the Premises" shall be deemed to mean (a) such portion of the Premises as, when so taken, would leave remaining a balance of the Premises which, due either to the area so taken or the location of the part so taken in relation to the part not so taken, would not under economic conditions, rules and regulations then existing or prevailing, and after performance by the Lessee of all covenants, agreements, terms and provision contained herein or by law required to be observed or performed by the Lessee, readily accommodate a new building of a nature similar to the Building existing at the date of such taking, and capable of producing a proportionately (i.e., proportional to the number of Rentable Square Feet not so taken) fair and reasonable net annual income and (b) a taking for any public or quasi-public purpose by any lawful power or authority by the exercise of the right of condemnation or

eminent domain, or by agreement among the Port Authority, the Lessee and those authorized to exercise such right, including, but not limited to, any Mortgagee holding the Senior Mortgage, of either (i) the easements created pursuant to the terms of the REOA, or (ii) the East Bathtub Common Building Systems and East Bathtub Common Areas, provided that in each case, following such taking or agreement, the Premises would not be capable of providing a fair and reasonable net annual income (as determined below). For purposes of the foregoing, the average net annual income produced by the Premises during the last full Annual Period which elapsed immediately prior to the taking, shall be deemed to constitute a fair and reasonable net annual income for the purpose of determining what is a proportionately fair and reasonable net annual income. If there be any dispute as to whether or not "substantially all of the Premises" has been taken, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

42.1.2 If the whole or substantially all of the Premises is taken or condemned, the entire award paid in connection with such taking or condemnation (net of reimbursement to the Port Authority, the Lessee and the Mortgagee most senior in lien, of any reasonable costs of collection) shall be paid as follows:

(a) first, to the Port Authority an amount equal to all unpaid Rental accrued through the date of taking;

(b) second, to the Lessee, an amount equal to the lesser of (i) the aggregate indebtedness secured by any Mortgage(s) encumbering the Premises and (ii) the value of the Lessee's interest in the Premises (but only if and to the extent that the same is taken);

(c) third, to the Port Authority, an amount equal to the value of the Port Authority's fee interest in the Land and Premises (but only if and to the extent that the same is taken), as burdened and benefited by this Agreement; and

(d) fourth, the balance of such award to the Lessee.

42.2 For purposes of this Section 42, the "date of taking" shall be deemed to be the earlier of (i) the date on which actual possession of the whole or substantially all of the Premises, or a part thereof, as the case may be, is acquired by any lawful power of authority pursuant to the provisions of the applicable federal or New York State law, or (ii) the date on which title to the Premises or the aforesaid portion thereof shall have vested in any lawful power or authority pursuant to the provisions of the applicable federal or New York State law.

42.3 If within the fifteen (15) years prior to the Expiration Date a permanent taking of less than substantially all of the Premises occurs, then the Lessee may elect to terminate this Agreement by giving the Port Authority notice to that effect at any time within sixty (60) days of such taking. In such event, this Agreement shall terminate as of the date set forth in the Lessee's notice, which date shall not be later than the ninetieth (90th) day after the date of such taking. The Lessee shall pay, or cause Depository to pay, to the Port Authority the entire award received by either the Lessee or Depository, as the case may be. Upon the aforesaid payment, neither party shall have any further rights or obligations to the other hereunder arising or accruing after such termination, except those expressly stated to survive the termination of this Agreement, and the Rental payable hereunder shall be apportioned as of the effective date of such termination. Any dispute arising under this Subsection 42.3 shall be settled by arbitration pursuant to Section 45.

42.3.1 If less than substantially all of the Premises shall be taken as provided in this Section 42 and this Agreement is not terminated pursuant to Section 42.3 above, this Agreement and the Term shall continue, with an equitable abatement of Rental, taking into account the portions of the Premises taken, but without a diminution of any of the Lessee's other obligations hereunder. The Lessee, at its sole cost and expense, whether or not the award or awards, if any, shall be sufficient for the purpose and whether or not the Mortgagees shall permit the award or awards to be used for the repair, restoration, alteration, replacement and rebuilding (the "Restoration"), shall proceed with reasonable diligence (subject to Unavoidable Delays) to repair, restore, alter, replace and rebuild (in each case, only to the extent practicable, provided, however, the Lessee shall not take into account the amount of any condemnation award when determining the extent to which restoration is practicable) (collectively, "Restore") or cause to be Restored any remaining part of the Building not so taken. If the taking shall have occurred following the Substantial Completion Date, such restoration shall be performed so that the remaining part of the Building not so taken shall be complete, rentable, self-contained architectural units in good condition and repair. If the taking shall have occurred during the Interim Period, such restoration shall be performed so that the remaining part of the Capped Podium Building not so taken shall be a complete architectural unit in good condition and repair.In the event of any taking of the nature described in this Subsection 42.3.1, the entire award for or attributable to the Land and the Building taken in any proceeding with respect to such taking, without deduction for any estate vested in the Lessee by this Agreement, shall be paid to Depository if the cost of Restoration is [redacted] or more (Subject to Adjustment on each five (5) year anniversary of the Commencement Date), or, subject to the rights of Mortgagees, to the Lessee or, at the Lessee's option, any Space Tenant of

all or substantially all of the Premises designated by the Lessee if such cost is less than [redacted] (Subject to Adjustment on each five (5) year anniversary of the Commencement Date). Subject to the provisions and limitations in this Section 42, Depository shall make available to the Lessee or such Space Tenant as much of that portion of the award actually received and held by Depository, if any, less all reasonable expenses paid or incurred by Depository, the Mortgagee holding the Mortgage most senior in lien and the Port Authority in the condemnation proceedings, as may be necessary to pay the cost of Restoration of the part of the Building remaining. Such Restoration, the estimated cost thereof, the payments to the Lessee or such Space Tenant on account of the cost thereof, the Port Authority's right to perform the same and the Lessee's or such Space Tenant's obligation with respect to condemnation proceeds held by it, shall be done, determined, made and governed in accordance with and subject to the provisions of Section 13 and Section 19. Any balance of the award held by Depository and any cash and the proceeds of any security deposited with Depository pursuant to Section 42.4 remaining after completion of the Restoration (net of reimbursement to the Port Authority, the Lessee and the Mortgagee holding the Mortgage most senior in lien, of any reasonable costs of collection) shall be paid as follows:

(a) first, to the Port Authority an amount equal to all unpaid Rental accrued through the date of taking;

(b) second, to the Lessee, an amount equal to the lesser of (i) the aggregate indebtedness secured by any Mortgage(s) encumbering the Premises and (ii) the value of the Lessee's interest in the Premises (but only if and to the extent that the same is taken);

(c) third, to the Port Authority, an amount equal to the value of the Port Authority's fee interest in the Land and Premises (but only if and to the extent that the same is taken), as burdened and benefited by this Agreement; and

(d) fourth, the balance of such award to the Lessee.

If the portion of the award made available by Depository, as aforesaid, is insufficient for the purpose of paying for the Restoration, the Lessee shall nevertheless be required to make or cause to be made the Restoration and pay or cause to be paid any additional sums required for the Restoration.

42.4 If the estimated cost of any Restoration required by the terms of this Section 42, (i) is equal to or greater than [redacted] (Subject to Adjustment on each five (5) year anniversary of the Commencement Date), and (ii) exceeds the condemnation award (after deducting reasonable expenses of collection incurred by the Depository, the Port Authority and the Mortgagee holding the Mortgage most senior in lien), then, prior to the commencement of such Restoration or thereafter if it is determined that the cost to complete the Restoration exceeds the unapplied portion of such award, the Lessee shall deposit with Depository a bond, cash, irrevocable letter of credit or other security reasonably satisfactory to the Port Authority in the amount of such excess, to be held and applied by Depository in accordance with the provisions of Subsection 42.3, as security for the completion of the work, free of public improvement, vendors', mechanics', laborers' or materialmen's statutory or other similar Liens.

42.5 If the temporary use of the whole or any part of the Premises shall be taken at any time during the Term for any public or quasi-public purpose by any lawful power or authority by the exercise of the right of condemnation or eminent domain or by agreement between the Lessee and those authorized to exercise such right, the Lessee shall give prompt notice thereof to

the Port Authority and the Term shall not be reduced or affected in any way and the Lessee shall continue to pay in full the Rental payable by the Lessee hereunder without reduction or abatement, and the Lessee shall be entitled to receive for itself any award or payments for such use, provided, however, that:

(a) if the taking is for a period not extending beyond the Term and if such award or payment is made less frequently than in monthly installments, and if the same is [redacted] or more (Subject to Adjustment on each five (5) year anniversary of the Commencement Date), the same shall be paid to and held by Depository as a fund which Depository shall apply on the first day of each calendar month during the Term, first to the payment of the Rental payable by the Lessee hereunder for the period in question and any balance remaining for such month shall be paid to the Lessee or, at the election of the Lessee, any Space Tenant of all or substantially all of the Premises designated by the Lessee. Any interest on the fund shall be paid to the Lessee. Notwithstanding the foregoing, if such taking results in changes in, or alterations to, in the Building which would necessitate an expenditure to Restore such Building to its former condition, then, a portion of such award or payment equal to the cost of the Restoration shall be applied and paid over toward the Restoration of such Building to its former condition, substantially in the same manner and subject to the same conditions as provided in Subsection 42.3; or

(b) if the taking is for a period extending beyond the Term, such award or payment shall be apportioned between the Port Authority and the Lessee as of the Expiration Date, and the Lessee's share thereof, if paid less frequently than in monthly installments, and if the same is [redacted] or more (Subject to Adjustment on each five (5) year anniversary of the Commencement Date), shall be paid and applied in accordance with the

provisions of Subsection 42.5(a), provided, however, that the amount of any award or payment allowed or retained for Restoration of the Building which has not been previously applied for that purpose shall be paid over to the Port Authority if this Agreement shall expire prior to the Restoration of the Building to its former condition.

42.6 In case of any governmental action, not resulting in the taking or condemnation of any portion of the Premises but creating a right to compensation therefor, such as the changing of the grade of any street upon which the Premises abut, then, except as otherwise provided in Subsection 42.1, this Agreement shall continue in full force and effect without reduction or abatement of Rental and, if the condemnation shall occur following the Substantial Completion Date, the award shall be paid to the Net Lessees' Association to the extent of the amount, if any, necessary to restore any portion of the East Bathtub Common Areas or the East Bathtub Common Building Systems damaged thereby to their former condition, and any balance remaining shall be paid to the Lessee.

42.7 The rights of the Lessee in and to any condemnation award shall be subject to the rights of Mortgagees. If there is more than one Mortgage, the Port Authority shall recognize the Mortgagee whose Mortgage is most senior in lien as the Mortgagee having priority as to the rights of a Mortgagee under this Section 42, unless the Port Authority is otherwise notified by the Mortgagee whose lien is senior to any other Mortgagee.

42.8 Each of the parties agrees to execute and deliver any and all documents that may be reasonably required in order to facilitate collection by them of such awards in accordance with the provisions of this Section 42.

42.9 Anything contained herein to the contrary notwithstanding, the Port Authority shall not settle or compromise any taking or other governmental action creating a right to

compensation in the Lessee as provided in this Section 42 without the prior consent of the Lessee and the Mortgagee whose Mortgage is most senior in lien if the settlement or compromise adversely affects the Lessee's right to compensation for such taking.

Section 43. Financial Reports.

43.1 The Lessee shall furnish to the Port Authority the following:

(a) on or before the forty-fifth (45th) day following the end of each quarterly fiscal period of each Annual Period, the Lessee shall furnish to the Port Authority a vacancy report/leasing status report for the Premises as of the end of each such quarterly period; and

(b) as soon as practicable after the end of each Annual Period following the Space Tenant Rent Commencement Date, and in any event within one hundred twenty (120) days thereafter, the Lessee shall furnish to the Port Authority a financial statement of the operations for the Premises, for such year, setting forth in each case, in comparative form (following the first Annual Period), the corresponding figures for the previous Annual Period, all in reasonable detail and accompanied by a report and opinion thereon of an independent Certified Public Accountant affiliated with an accounting firm, which reports and opinion shall be prepared in accordance with generally accepted auditing standards relating to reports, subject to the general exceptions usually taken with respects to such reports and opinions.

43.2 Following the Operations Commencement Date, the Lessee shall keep and maintain at all times full and correct records and books of account of the operations of the Premises on an income tax basis throughout the periods involved and otherwise in accordance with any applicable provisions of each Mortgage and accurately shall record and preserve for a period of four (4) years the records of its operations of the Premises. Upon written request by

the Port Authority, not more than one (1) time each calendar year, giving the Lessee at least ten (10) days' written notice, the Lessee shall make said records and books of account available from time to time for inspection by Port Authority during reasonable business hours on Business Days. Nothing contained in this Section 43.2 shall limit the rights granted to the Port Authority and its representatives under Section 5 to examine, audit and /or photocopy the Lessee's books and records.

43.3 The obligations of the Lessee under this Section 43 shall survive the Expiration Date.

43.4 All records and documents which are not otherwise available to the Port Authority or in the public domain (i.e., in the public records) shall be furnished to the Port Authority on a strictly confidential basis and the Port Authority shall hold all such records and documents accordingly and shall not disclose the contents of the same, either in haec verba, summary, abstract or otherwise, except to the Port Authority's advisors, accountants and attorneys, subject to each of said parties holding same confidential as aforesaid, subject, however, to the Port Authority's Freedom of Information policies as set forth by the Commissioners of the Port Authority. The obligations of the Port Authority under this Section 43.4 shall survive the Term hereof.

43.5 Nothing contained in this Section 43 shall be deemed to diminish or otherwise modify any obligations of the Lessee under Section 7.3 of the Tenant Support Agreement.

Section 44. Payments.

44.1 All payments of Rental, BID Allocated Share and Tax Equivalent Rental shall be wire transferred in immediately available funds, or provided in immediately available funds by

another commonly used method acceptable to the Port Authority, to the Port Authority's Account, or to such other account as the Port Authority may designate from time to time.

44.2 No payment by the Lessee or receipt by the Port Authority of a lesser rental amount than that which is due and payable under the provisions of this Agreement at the time of such payment shall be deemed to be other than a payment on account of the earliest rental then due, nor shall any endorsement or statement on any check or in any letter accompanying any check or payment be deemed an accord and satisfaction, and the Port Authority may accept such check or payment without prejudicing in any way its right to recover the balance of such rental or to pursue any other remedy provided in this Agreement or by law.

Section 45. Arbitration.

45.1 If either party hereto desires to invoke the arbitration procedure set forth in this Section 45 pursuant to a specific provision set forth in this Agreement, the party invoking the arbitration procedure shall give a notice (the "Arbitration Notice") to the other party of the question at issue and the disinterested person such party wishes to appoint as an arbitrator on its behalf. Within ten (10) days after receipt of an Arbitration Notice, the other party shall appoint a second disinterested person as an arbitrator on its behalf and give written notice thereof to the first party, and if such party fails to appoint a second arbitrator, the arbitrator appointed by the person invoking the arbitration shall appoint a second disinterested person as an arbitrator. The two (2) arbitrators shall thereafter appoint a third disinterested person within ten (10) days after the appointment of the second arbitrator. If the first two arbitrators are unable to agree on the selection of the third arbitrator, they shall send notice thereof to the Lessee and the Port Authority who shall meet, within ten (10) days of receipt after such notice to attempt to agree on a third arbitrator. If the parties hereto have not agreed on the third arbitrator within ten (10) days

after their meeting, then either party hereto, on behalf of both, may apply to the New York City office of the AAA for appointment of the third Arbitrator, or, if the AAA shall not then exist or shall fail, refuse or be unable to act such that the Arbitrator is not appointed by the AAA within thirty (30) days after application therefor, then either party may apply to the presiding Justice of the Court, for the appointment of the Arbitrator and the other party shall not raise any question as to the Court's full power and jurisdiction to entertain the application and make the appointment. The date on which the third Arbitrator is appointed by the agreement of the parties, by appointment by the AAA or by appointment by such court is referred to herein as the "Appointment Date". If any Arbitrator appointed hereunder shall be unwilling or unable, for any reason, to serve, or continue to serve, a replacement Arbitrator shall be appointed in the same manner as the original Arbitrators. The first, second and third arbitrators are hereinafter referred to individually as an "Arbitrator", and collectively as the "Arbitrators". The Arbitrators appointed shall be competent, qualified by training and experience and shall each have not less than ten (10) years' experience in the area which is the subject of the dispute as it relates to commercial buildings in New York City. Without limiting the generality of the preceding sentence, (i) if the arbitration concerns restoration of the Premises, then each Arbitrator shall be a licensed professional engineer or registered architect having at least ten (10) years' experience in the design of New York City commercial buildings, and (ii) if the arbitration concerns the valuation of all or a portion of the Premises or shall be invoked pursuant to Section 5.2(c)(vi), each Arbitrator shall be a licensed appraiser having at least ten (10) years' experience in the appraisal of commercial buildings located within the Borough of Manhattan.

45.2 The arbitration shall be conducted in accordance with the then prevailing commercial arbitration rules of the AAA, modified as follows:

45.2.1 Before hearing any testimony or receiving any evidence, the Arbitrators shall be sworn by an officer authorized to administer an oath to hear and decide the controversy faithfully and fairly and a written copy thereof shall be delivered to the Port Authority and the Lessee.

45.2.2 Within thirty (30) days after the Appointment Date, the parties hereto shall deliver to each Arbitrator two copies of their respective written determinations of the question at issue (each, a "Determination"), together with such affidavits, appraisals, reports and other written evidence relating thereto as the submitting party deems appropriate. After the submission of any Determination, the submitting party may not make any additions to or deletions from, or otherwise change, such Determination or the affidavits, appraisals, reports and other written evidence delivered therewith. If either party fails to so deliver its Determination within such time period, such party shall be deemed to have irrevocably waived its right to deliver a Determination and the Arbitrators, without holding a hearing, shall accept the Determination of the submitting party as the question at issue. If each party submits a Determination with respect to the question at issue, within the thirty (30) day period described above, the Arbitrators shall, promptly after its receipt of the second Determination, deliver a copy of each party's Determination to the other party.

45.2.3 Not more than thirty (30) days after the earlier to occur of (i) the expiration of the thirty (30) day period provided for in Subsection 45.2.2, or (ii) the Arbitrators' receipt of both of the Determinations from the parties (such earlier date is referred to herein as the "Submission Date"), and upon not less than ten (10) days' notice to the parties, the Arbitrators shall hold one or more hearings with respect to the determination of the question at issue. The hearings shall be held in the Borough of Manhattan at such location and time as shall

be specified by the Arbitrators. Each of the parties shall be entitled to present all relevant evidence and to cross-examine witnesses at the hearings. The Arbitrators shall have the authority to adjourn any hearing to such later date as the Arbitrator shall specify, provided that in all events all hearings with respect to the determination of the question at issue shall be concluded not later than sixty (60) days after the Submission Date, unless extended by agreement of the Port Authority and the Lessee.

45.2.4 The Arbitrators shall render their determination in a signed and acknowledged written instrument, original counterparts of which shall be sent simultaneously to the parties hereto, within ten (10) days after the earlier to occur of (i) their determination of the question at issue pursuant to Subsection 45.2.2, or (ii) the conclusion of the hearing(s) referred to in Subsection 45.2.3.

45.3 The arbitration decision, determined as provided in this Section 45, shall be conclusive and binding on the parties, shall constitute an "award" by the Arbitrators within the meaning of the AAA rules and applicable law and judgment may be entered thereon in any court of competent jurisdiction.

45.4 Each party shall pay its own fees and expenses relating to the arbitration (including, without limitation, the fees and expenses of its counsel and of experts and witnesses retained or called by it). The unsuccessful party shall pay the fees and expenses of the AAA and of the Arbitrators, provided, each party shall be responsible for the fees and disbursements of its own attorneys and the expenses of it own proof.

45.5 Notwithstanding anything contained herein to the contrary, with respect to any issue in connection with which an arbitration proceeding is outstanding and no arbitration

decision has been made, other than with respect to the payment of Rental, no Event of Default shall be deemed to exist.

45.6 After a decision of the Arbitrators has been rendered pursuant to Section 45.2 above, and if a failure by the Lessee to comply with such decision would give rise to an Event of Default hereunder, then the Lessee shall have the period otherwise provided herein with respect to such default to effect such compliance before such failure shall result in an Event of Default.

Section 46. Brokerage.

46.1 Each of the Lessee and the Port Authority represents and warrants that it has had no contacts, dealings, or conversations with any broker, investment banker, finder or other intermediary or person regarding the negotiation and execution of this Agreement and the letting hereunder other than Jones Lang LaSalle and Tishman Speyer Properties Inc. (individually and collectively hereinafter referred to as the "Arrangers"), and that there is no broker, investment banker, finder or other intermediary or person who is or may be entitled to be paid a commission in connection with the negotiation and execution of this Agreement and the letting hereunder based upon such party's acts or omissions except the Arrangers. Each of the Lessee and the Port Authority shall indemnify and save harmless the other from any claims for commission or brokerage made by any and all Persons whatsoever for services in connection with the negotiation and execution of this Agreement or in connection with the letting hereunder arising out of any contacts, dealings, or conversations of such party, or based upon the acts or omissions of such party, and the Port Authority shall indemnify and save harmless the Lessee from any such claims made by the Arrangers in connection with the negotiation and execution of this Agreement and the letting hereunder. The Port Authority has paid or shall pay all amounts due

to the Arrangers in connection with the negotiation and execution of this Agreement and the letting hereunder in accordance with a separate agreement.

Section 47. Separability.

Each and every covenant and agreement contained in this Agreement shall for all purposes be construed to be a separate and independent covenant and agreement and the breach of any such covenant or agreement by the Port Authority shall not to any extent discharge or relieve the Lessee from the Lessee's obligation to perform each and every covenant and agreement of this Agreement to be performed by the Lessee. If any term or provision of this Agreement or the application thereof to any person or circumstances shall to any extent be invalid and unenforceable, the remainder of this Agreement, or the application of such term or provision to Persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

Section 48. Utilities.

48.1 The Lessee and the Port Authority acknowledge that Con Edison shall install and maintain one or more meters or submeters (collectively, the "Submeter") measuring consumption and demand of electricity for the Premises.

48.2 Pursuant to and in accordance with the NYPA Agreement, the Port Authority will provide electrical power directly to the Premises, to the extent such electrical power is actually received by the Port Authority from NYPA under the NYPA Agreement, and, in connection therewith, shall maintain coincident demand totalization. Such coincident demand totalization shall include the power consumption values of both the Tower PDC and the Primary Distribution Center located in One World Trade Center and serving the other portions of the WTC Site. All

electricity supplied pursuant to the NYPA Agreement to Space Tenants shall be regarded as having been directly supplied to such Space Tenants by the Port Authority, and the Lessee shall act as the Port Authority's collection agent in collecting payments for electrical power from such Space Tenants in accordance with Section 48.6 below. Notwithstanding any provision to the contrary in this Agreement, except as otherwise provided in Exhibit EE-1 to the Development Agreement, (i) the Lessee and the Tower Lessees shall be responsible, jointly and severally at their sole cost and expense, for the installation, maintenance, and repair of the Primary Distribution Center located on Site 2 and servicing the Premises and the Premises of each Tower Lessee (the "Tower PDC") and of any electrical system components (including, without limitation, conductors, raceways, splice and pull chambers, transformers, distribution panels, and circuit breakers) located within the Tower PDC or located between (x) the Tower PDC and (y) the Premises, or located within the Premises (the Tower PDC and such components, collectively, "Lessee Electrical System Components"), (ii) the Port Authority shall be responsible, at its sole cost and expense, for the installation, maintenance, and repair of any electrical system components (including, without limitation, conductors, raceways, splice and pull chambers, transformers, distribution panels, and circuit breakers) that are not part of the Lessee Electrical System Components (collectively, "PA Electrical System Components"), and (iii) the Port Authority shall be responsible for "extra distribution facility" (EDF) charges imposed by Con Edison or such other utility company servicing the Premises. The Lessee Electrical System Components shall be maintained and repaired by the Lessee at the Lessee's cost and expense in accordance with standards and criteria that shall be established by the Port Authority, which standards and criteria shall be comparable to the standards and criteria that are established with respect to the Comparable Buildings (the "Electrical R&M Standards") and in accordance with

the Port Authority High Tension Administrative and Safety Rules and Procedures as described in Schedule 48.2 attached hereto, as the same may be amended pursuant to Section 48.2.4 below (the "High Tension Rules"), and the PA Electrical System Components shall be maintained and repaired by the Port Authority at the Port Authority's cost and expense in accordance with the Electrical R&M Standards and the High Tension Rules.

48.2.1 If and to the extent that the Port Authority does not receive electrical power from NYPA for the Premises, or reasonably expects that provision of electrical power by NYPA for the Premises will be terminated or reduced, the Port Authority shall cooperate with the Lessee, at the Lessee's cost and expense, to enable the Lessee to receive electrical power from sources other than NYPA, such cooperation to include providing transmission and distribution services at commercially reasonable rates, including recovery of the Port Authority's reasonable operation and maintenance costs, over facilities and equipment owned, operated or controlled by the Port Authority or which are available to the Port Authority for such purpose.

48.2.2 The Port Authority acknowledges that the Lessee intends to generate up to 1.2 MW of electrical power at the Premises using fuel cells and to use such electrical power at the Premises. The Port Authority agrees not to reduce the capacity of electrical power made available by the Port Authority for the Premises at the Tower PDC on account of the existence of such fuel cells.

48.2.3 In the event of any conflict between the provisions of this Section 48.2 and the provisions of Exhibit EE-1 to the Development Agreement, the provisions of Exhibit EE-1 to the Development Agreement shall control.

48.2.4 The Port Authority and the Lessee shall, within ninety (90) days after the Net Lessee Execution Date, reasonably negotiate the provisions of the Port Authority High

Tension Administrative and Safety Rules and Procedures, and shall enter into an amendment to this Agreement replacing Schedule 48.2 attached to this Agreement with a revised Schedule 48.2 containing such negotiated provisions. In the event that the amendment referred to in the immediately preceding sentence is not entered into within ninety (90) days after the Net Lessee Execution Date, the Port Authority or the Lessee may elect to commence an arbitration proceeding pursuant to Section 9.2 of the Development Agreement to settle any disputes with respect to the provisions of the Port Authority High Tension Administrative and Safety Rules and Procedures.

48.3 From and after the installation of the Submeter, the Lessee shall pay to the Port Authority, in consideration for the Lessee's consumption and demand of electricity made available to the Premises (the "Lessee's Electricity"), an amount equal to the Port Authority's Cost of Service, it being agreed that, during the period prior to the date that the Submeter is actually installed and operational, the Lessee shall pay to the Port Authority in consideration for Lessee's use of electrical power provided by the Port Authority, within ten (10) Business Days of written demand therefor, a reasonable rate per rentable square foot of the Premises to be determined by a survey conducted by the Port Authority of the electrical fixtures, appliances and equipment in the Premises and the Lessee's consumption of electricity therein on a "rent inclusion basis" (as such term is used in the Manhattan office leasing market) (the "Electricity Inclusion Charge"). The parties agree that although the charge for furnishing electrical energy is reflected in the Electricity Inclusion Charge on a so called "rent inclusion" basis, the value to the Lessee of such service may not be accurately reflected in such Electricity Inclusion Charge. Accordingly, the Port Authority and the Lessee agree that after the Submeter is installed and operational and electricity is being furnished to the Premises for a three (3) month period, the

Electricity Inclusion Charge shall be adjusted based on the average of the Port Authority's Cost of Service ("Three Month Average") payable by the Lessee for such three (3) month period with respect to the Premises, with such Three Month Average to be annualized (i.e., adjusted so as to be normalized to account for typical seasonal fluctuations in the usage of electricity during a calendar year as reasonably agreed between the Port Authority and the Lessee). If the Three Month Average shall exceed the Electricity Inclusion Charge, the Lessee, within ten (10) Business Days after demand therefor, shall pay such excess to the Port Authority, and if the Electricity Inclusion Charge shall exceed the Three Month Average, the Port Authority, at its option, shall either promptly refund to the Lessee such excess or shall credit such excess against immediately subsequent monthly installments of Base Rent next becoming due and payable hereunder. If the Submeter shall consist of more than one meter or submeter measuring the Lessee's Electricity, then the service rendered through each such meter or submeter shall be aggregated and billed in accordance with the foregoing. The Port Authority may, not more frequently than once per month, render bills for the Lessee's Electricity detailing the Port Authority's Cost of Service, and the Lessee shall pay all amounts shown on said bills to the Port Authority, as additional rent, within thirty (30) days following the date that such bills shall have been rendered. The Lessee shall have the right to review the calculations made by the Port Authority pursuant to this Section 48.3, and the Port Authority shall provide to the Lessee on request therefor such information and documentation as the Lessee shall reasonably require in connection with such review. Any disputes with respect to determinations made as to billing amounts under this Section 48.3 shall be subject to arbitration under Section 45.

48.4 In the event that the Submeter fails, the Port Authority and the Lessee shall cooperate in determining a commercially reasonable basis for determining the level of

consumption; provided, further, that the Port Authority shall repair to working order or replace such failed Submeter within forty-five (45) days after such failure. Any disputes with respect to determinations made as to billing amounts under this Section 48.4 shall be subject to arbitration under Section 45.

48.5 The Port Authority shall not terminate the NYPA Agreement with respect to the Premises without the consent of the Lessee. At any time after December 31, 2017, the Lessee may request that the Port Authority terminate the NYPA Agreement with respect to the Premises, in which event the Port Authority shall consider the Lessee's economic reasons therefor, but shall not have an obligation to terminate the NYPA Agreement. The Port Authority shall not amend, modify or supplement the Existing NYPA Agreement in a manner that would be materially adverse to the operation of the Premises.

48.6 With respect to the providing of electricity to Space Tenants, if the Lessee shall be supplied electricity pursuant to the NYPA Agreement, the Lessee, as collection agent for the Port Authority, shall not collect from its Space Tenants in the aggregate, as additional rent or otherwise, an amount in excess of the sum of the Port Authority's Cost of Service and the Lessee's Cost of Service. The Port Authority shall have the right, upon reasonable notice to the Lessee, to audit the books and records of the Lessee with respect to the charges actually paid by the Space Tenants since the date of the preceding audit. In the event that, after such audit, a rebate is due to one (1) or more Space Tenants or to NYPA, the Lessee shall be responsible for such payments.

48.7 If at any time the NYPA Agreement is terminated by (i) the Port Authority (which termination shall be subject to Section 48.5 above), notice thereof will, simultaneously with the delivery of such notice to NYPA, promptly be provided by the Port Authority to the Lessee, or

(ii) NYPA, notice thereof will, promptly after the receipt of such notice by the Port Authority, be provided by the Port Authority to the Lessee. As of, and upon the effective date of termination thereof, the Port Authority will no longer have any obligation to provide electrical power to the Lessee and Space Tenants and the provisions of Section 48.3 shall be rendered void and of no force and effect. The Lessee understands and agrees that, except as otherwise set forth above (including, without limitation, Section 48.2 above), the Port Authority will not provide any utilities of any kind to the Lessee and, upon the termination of the NYPA Agreement, as aforesaid, the Lessee shall be responsible for providing electrical power to its Space Tenants.

48.8 The Port Authority agrees to carry out and fully discharge all of its obligations under, and use reasonable efforts to provide that NYPA meets its obligations under, the NYPA Agreement, or any supplement or amendment thereto, so as to avoid any default thereunder. In the event of a default by NYPA under the NYPA Agreement with respect to the Premises and the exercise of any remedies by the Port Authority in connection therewith, any relief obtained by the Port Authority shall be for the benefit of the Lessee to the extent of Lessee's proportionate share of the overall loss incurred by all Persons due to such default, and the Port Authority shall pass such benefit on to the Lessee, including, without limitation, Lessee's proportionate share of any damages paid by NYPA to the Port Authority or of any credit or rebate received by the Port Authority from NYPA.

48.9 The Port Authority shall (i) provide Lessee with "most favored nation" status as compared to the other stakeholders at the World Trade Center regarding rates for NYPA power and the amount of any "mark-up" charged by the Port Authority to recipients of NYPA power (collectively, "WTC Electric Rates") (i.e., the WTC Electric Rates shall be the same for all the stakeholders at the World Trade Center taking service of the same characteristic), and (ii) allow

Lessee to audit the Port Authority solely to confirm the most favored nation status for the WTC Electric Rates. In the event that any such audit shall reveal that the provisions of the foregoing clause (i) shall not have been complied with, the Lessee shall be entitled to a refund to the extent of the excess of (A) the WTC Electric Rates charged to the Lessee over (B) the WTC Electric Rates charged to any other entity set forth in the foregoing clause (i). The Port Authority will not affirmatively request NYPA to decrease rates for NYPA power at a property owned or operated by the Port Authority (other than the World Trade Center) and in exchange for such decrease, to increase rates for NYPA power at the World Trade Center.

Section 49. Headings.

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

Section 50. Construction and Application of Terms; Governing Law; Venue; Amendments; Counterparts.

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

50.2 All designations of time herein contained shall refer to the time system then officially in effect in the City of New York.

50.3 No greater rights or privileges with respect to the use of the Premises or any part thereof or with respect to the World Trade Center are granted or intended to be granted to the

Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly granted hereby and in the REOA.

50.4 The provisions and obligations contained in any Exhibits or Schedules attached hereto whether set out in full or as amendments of or supplements to provisions elsewhere in this Agreement stated shall have the same force and effect as if herein set forth in full.

50.5 THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. SUBJECT TO THE TERMS OF THE PORT AUTHORITY LEGISLATION, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST THE PORT AUTHORITY OR THE LESSEE ARISING OUT OF OR RELATING TO THIS AGREEMENT SHALL BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE COUNTY OF NEW YORK AND STATE OF NEW YORK, AND THE PORT AUTHORITY AND THE LESSEE EACH HEREBY IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF ANY SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING. THE PORT AUTHORITY AND THE LESSEE HEREBY AGREE TO VENUE IN SUCH COURTS AND HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY CLAIM THAT ANY SUCH ACTION OR PROCEEDING WAS BROUGHT IN AN INCONVENIENT FORUM.

50.6 The words "herein", "hereof", "hereunder", and other words of similar import refer to this Agreement as a whole and not to any particular article, section or other subdivision of this Agreement unless specifically noted otherwise in this Agreement. All references to articles, sections and paragraphs are references of articles, sections and paragraphs of this Agreement, unless otherwise indicated.

50.7 The use of any gender shall include all other genders. The singular shall include the plural and vice versa.

50.8 This Agreement may be changed, amended or modified only by an agreement in writing signed by the Lessee and the Port Authority.

50.9 This Agreement may be executed in several counterparts, each of which shall be an original, and all such counterparts taken together shall be deemed to constitute one and the same instrument.

Section 51. Title, Use and Occupancy Rights.

51.1 The Port Authority and the Lessee acknowledge that, as of the Net Lessee Execution Date (i) the Port Authority may not possess rights sufficient to provide such easements and other services required under the REOA or to comply with its obligations under the REOA, and (ii) the City of New York and the Port Authority have submitted the Request Letter to the Lower Manhattan Development Corporation with respect to the acquisitions (collectively, the "Acquisitions") referred to in clause (i) of this sentence. The Port Authority shall use diligent efforts to pursue the Acquisitions until the Acquisitions shall have been effectuated in accordance with the Request Letter, and the Lessee shall reasonably cooperate with the Port Authority in the Port Authority's pursuit thereof. In furtherance of the foregoing, in the event that the Acquisitions shall not have been effectuated in accordance with the Request Letter by the first anniversary of the Net Lessee Execution Date, one or more duly appointed representatives of each of the Port Authority, the Lessee, the City of New York and the Lower Manhattan Development Corporation (each, a "Representative") shall meet with one or more duly appointed Representatives of each other party within ten (10) days following said first anniversary and every sixty (60) days thereafter until the Acquisitions shall have been so

effectuated. The Representative of the Port Authority shall be the Executive Director of the Port Authority, the Representative of the Lessee shall be the Chief Executive Officer or President of the Lessee, the Representative of the Lower Manhattan Development Corporation shall be the President of the Lower Manhattan Development Corporation and the Representative of the City of New York shall be the Deputy Mayor for Economic Development (or equivalent) of the City of New York; provided, however, that in the event that the Acquisitions shall not have been effectuated within eighteen (18) months after the Net Lessee Execution Date, the Representative of the City of New York shall be the Mayor of the City of New York.

51.2 The Port Authority hereby represents to the Lessee that, as of the Net Lessee Execution Date, neither the U.S. General Services Administration nor HMH WTC LLC possesses any right to occupy any portion of the Premises.

51.3 Intentionally Omitted.

51.4 The Port Authority shall not, without the Lessee's prior written consent (i) terminate the Request Letter, or modify or amend any provision of the Request Letter or any of the schedules or exhibits attached thereto, (ii) agree on documents of transfer, restrictions, easement agreements, precise legal descriptions or other agreements or information with respect to the conveyances described in the Request Letter unless the Lessee shall have previously approved the same in writing, (iii) waive any of its rights under the Request Letter, (iv) consent to or permit the waiver or release of the Lower Manhattan Development Corporation from its obligations under the Request Letter, or (v) agree to effect the acquisitions and dispositions described in the Request Letter through means and methods other than those described in the Request Letter.

51.5 The Port Authority shall provide to the Lessee (i) contemporaneously with delivery thereof, copies of any notices given by the Port Authority under the Request Letter, and (ii) promptly following receipt thereof, copies of any notices received by the Port Authority under the Request Letter.

51.6 The Port Authority shall not, without the Lessee's prior written consent, terminate the Vertical Gore Letter, or modify or amend any provision of the Vertical Gore Letter, or waive any of its rights under the Vertical Gore Letter.

Section 52. Depository.

The Lessee agrees to pay any and all charges of the Depository in connection with any services rendered by the Depository pursuant to the terms of this Agreement.

Section 53. Joint and Several Liability.

Subject to Section 16, if the Lessee shall consist of more than one Person, each Person constituting the Lessee shall have joint and several liability with respect to the Lessee's obligations under this Agreement to the extent of the Lessee's liability therefor under the terms of this Agreement.

Section 54. Interest.

In the event that payment of Rental, Tax Equivalent Rental, BID or any other amounts required to be paid by the Lessee hereunder shall become overdue (or if no such due date is set forth in this Agreement, then such due date for purposes of this Section 54 shall be deemed to be the date ten (10) days after written demand therefor is made), then, in such event, the Port Authority may impose (by statement, bill or otherwise), interest (a "Default Interest Charge") with respect to each such unpaid amount, at the Default Interest Rate. In the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit

findings, in addition to any fees and expenses incurred by the Port Authority, a Default Interest Charge shall be payable with respect to such required payments in an amount equal to interest thereon (i) at the Prime Rate, if such deficiency shall be equal to or in excess of [redacted], and less than [redacted], of the sums actually payable by the Lessee, or (ii) at the Default Interest Rate, if such deficiency shall be equal to or greater than [redacted] of the sums actually payable by the Lessee. Each Default Interest Charge shall be payable within ten (10) days of demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or any Default Interest Charge shall be deemed a waiver of the right of the Port Authority to payment of any Default Interest Charge payable under the provisions of this Section with respect to such unpaid amount. Each Default Interest Charge shall be recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the basic rental as set forth in Section 5 of this Agreement. 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 Section 21 of this Agreement or (ii) any obligations of the Lessee under this Agreement. In the event that any Default Interest Charge imposed pursuant to this Section shall exceed a legal maximum applicable thereto, then, in such event, each such Default Interest Charge shall be payable instead at such legal maximum.

Section 55. PATH.

55.1 Intentionally Omitted.

55.2 The Port Authority shall have no obligation to cause PATH to continue operating public transportation to and from the World Trade Center or otherwise to continue operating the PATH Facilities.

Section 56. Unavoidable Delay.

56.1 Neither the Port Authority nor the Lessee shall be liable for any failure, delay or interruption in performing its obligations hereunder due to an Unavoidable Delay, provided, however that this provision shall not apply to the Lessee's obligation to pay Rental, or its obligation to pay any other fee, charge, or monetary payment due the Port Authority. Further, neither the Port Authority nor the Lessee shall be liable unless the failure, delay or interruption shall result from failure to use reasonable care to prevent or reasonable efforts to cure such failure, delay or interruption.

56.2 Except as otherwise expressly provided in this Agreement, no abatement, diminution or reduction of the rent or other charges payable by the Lessee, shall be claimed by or allowed to the Lessee for any inconvenience, interruption, cessation or loss of business or other loss caused, directly or indirectly, by any present or future laws, rules, requirements, orders, directions, ordinances or regulations of the United States of America, or of the state, county or city governments, or of any other municipal, governmental or lawful authority whatsoever, or by priorities, rationing or curtailment of labor or materials, or by war or any matter or thing resulting therefrom, or by any other cause or condition beyond the control of the Port Authority, nor shall this Agreement be affected by any such causes or conditions.

Section 57. Partial Invalidity.

All rights, powers, and remedies provided in this Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable law, and are intended to be limited to the extent necessary so that they will not render this Agreement invalid or unenforceable under applicable law. If any provision of this Agreement, or the application thereof, to any person, entity, or circumstance shall be finally determined to be invalid or

unenforceable to any extent, the remaining provisions of this Agreement, or the application thereof, to other Persons, entities, or circumstances, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 58. Binding Effect; Successors and Assigns.

Subject to the applicable provisions of Section 7, hereof, this Agreement shall be binding upon and inure to the benefit of the Port Authority, the Lessee, and their respective successors and assigns, and all references in this Agreement to the "Port Authority" or the "Lessee", except as otherwise provided herein, shall include the respective successors and assigns of such parties (including the successors and assigns of the Port Authority with respect to the Premises).

Section 59. Recordation.

Neither the Lessee nor the Port Authority shall record this Agreement. The Lessee, at its sole cost and expense, shall prepare and record in a timely fashion a memorandum of this Agreement and each modification, amendment, supplement, assignment, surrender, or other amendatory agreement relating hereto in such form as is reasonably satisfactory to the Port Authority.

Section 60. Privatization.

60.1 In the event that, following the Substantial Completion Date, the Port Authority sells, assigns or otherwise disposes of its fee interest in the Premises or in this Agreement, including by reason of a foreclosure by the holder of a mortgage encumbering the fee simple interest in the Premises (any such sale, assignment or other disposition, whether occurring prior to, on, or after the Substantial Completion Date, a "Privatization") to a non-governmental entity

(the "Successor Landlord") then, as a condition to, and prior to the effective date of, the Privatization, the Port Authority shall obtain either (i) from the Department of Buildings of the City of New York (or its equivalent if the Department of Buildings of the City of New York ceases to exist or is no longer performing the functions it performs as of the Net Lessee Execution Date), a permanent certificate of occupancy (a "C/O") for the Premises, which C/O shall indicate that any aspect or condition of the Premises that does not then currently conform to the Building Department Code is deemed to be a legal, non-conforming (i.e. "grandfathered") aspect or condition, or (ii) a statutory equivalent thereof or waiver thereof.

60.1.1 If, in order to satisfy the requirements of Section 60.1, Capital Improvements are required and provided that such Capital Improvements do not impair the value or utility of the Premises in any material respect, as determined by the Lessee in its reasonable discretion, then, upon request of the Port Authority, the Lessee shall perform, or cause the Net Lessees' Association to perform, such Capital Improvements at the sole cost and expense of the Port Authority ("Privatization Costs"). Privatization Costs shall be paid by the Port Authority pursuant to Subsection 60.1.2 below, on written demand therefor by the Lessee, accompanied by reasonable documentation supporting such demand for payment, which payment shall be made promptly, but no later than thirty (30) days from the date such notice and necessary documentation are received by the Port Authority. The Port Authority shall, at the Lessee's option, either pay such Privatization Costs directly to the parties entitled to receive payment of the Privatization Costs, or if the Lessee has paid amounts due to any such party, upon receipt of an invoice marked "paid" or other documentation indicating the amounts due to such party have been paid, reimburse to the Lessee such amounts actually paid to such party. If the payments required to be made by the Port Authority pursuant to this Section 60.1.1 (or Section 60.1.2

below) are not made within the thirty (30) day time period set forth above, such amounts shall bear interest at the Default Interest Rate, accruing from the date of expiration of the thirty (30) day period until the date such amounts are paid.

60.1.2 Prior to commencing any action to comply with the requirements in Section 60.1 above, the Lessee shall submit a budget to the Port Authority detailing the actions required to be taken to comply with Section 60.1 above and the Privatization Costs projected to be incurred therewith, which budget shall be subject to the approval of the Port Authority, which approval shall not be unreasonably withheld, delayed or conditioned. Within ten (10) Business Days of the receipt of such budget, the Port Authority will advise the Lessee as to whether such budget has been approved or disapproved, and in the event of a disapproval, provide reasonable detail as to the reasons for such disapproval.

(a) If the Lessee anticipates that the actual cost of the Capital Improvements may exceed the amounts set forth in the budget approved by the Port Authority, the Lessee shall provide documentation, in reasonable detail, detailing the reasons for such increased amounts, and requesting the Port Authority's approval of such increases in the approved budget, which approval the Port Authority shall not unreasonably withhold, delay or condition. The Port Authority agrees that it shall be unreasonable to disapprove reasonable costs to be incurred with respect to matters which were not known to the Lessee, or which the Lessee could not have reasonably anticipated, as of the initial budget request. Within ten (10) Business Days of the receipt of such documentation, the Port Authority will advise the Lessee as to whether such increases have been approved or disapproved, and in the event of (i) a disapproval, provide reasonable detail as to the reasons for such disapproval, or (ii) an approval, payments in connection with such costs shall be made in accordance with the budget, as amended by the

increases that have been approved. If there is a dispute as to whether the determination by the Port Authority with respect to increases in the amounts set forth in an approved budget was reasonable, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

(b) If the Port Authority does not respond to a request from the Lessee to approve or disapprove a proposed budget, or to an increase to a budget, within the time periods specified above, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute an approval of such request.

(c) The Lessee shall have no obligation to commence any Capital Improvements as set forth in this Section 60.1 to the extent the Port Authority has not approved the Privatization Costs to be incurred in connection therewith.

60.2 Prior to and as an additional condition to a Privatization occurring at any time during the Term the Port Authority shall cause the Premises to be a separately assessed tax lot(s) for purposes of any Taxes and Impositions that would be payable with respect thereto following the Privatization.

60.2.1 In the event the Port Authority sells, assigns or otherwise disposes of its interest in a Non-Net Leased Portion, including by reason of a foreclosure by the holder of a mortgage encumbering the fee simple interest in such buildings, to a non-governmental entity (each, a "Non-Net Lease Privatization"), prior to the effective date of any such Non-Net Lease

Privatization, the Port Authority shall cause such Non-Net Leased Portion to be a separately assessed tax lot(s) for purposes of any Taxes and Impositions that would be payable with respect thereto following the Non-Net Lease Privatization.

60.2.2 In the event a Privatization occurs and the Lessee has thereafter paid any and all Tax Equivalent Rental then due and payable to the Successor Landlord then, in the event the Successor Landlord fails to pay any Taxes that may be due and payable with respect to the Premises (the "Successor Landlord's Tax Obligations"), after written notice from the Lessee, the Lessee may, but shall not be obligated to, perform the Successor Landlord's Tax Obligations at the expense of the Successor Landlord, and may offset the amount, with interest at the Default Interest Rate, from the date such amounts were actually paid by the Lessee, to the date such amounts are offset, against Rental thereafter payable by the Lessee.

60.2.3 After a Privatization, in the event the Successor Landlord fails to pay its pro rata share of the Port Authority Allocated Costs due to the Net Lessees' Association under the REOA, and the Lessee makes such payment (it being acknowledged that the Lessee shall have no obligation to make such payment), the Lessee shall be permitted to offset such amounts against Rental thereafter payable by the Lessee.

60.2.4 In the event a Privatization occurs, such Privatization is effective prior to December 31, 2017 and the NYPA Agreement is terminated, the Port Authority shall reimburse the Lessee the positive excess (such excess, if any, being hereinafter referred to as the "Excess Electrical Costs") of (i) the cost of providing electricity to the Premises after the termination of the NYPA Agreement, over (ii) the cost of electricity under the NYPA Agreement had the NYPA Agreement not been terminated, solely for the period commencing on the date the NYPA Agreement is terminated and ending on December 31, 2017. The Port Authority shall reimburse

the Lessee for any such cost increases within thirty (30) days after written demand therefor from the Lessee, which demand shall be accompanied by such supporting documentation as shall reasonably substantiate the request for reimbursement.

60.3 In the event a Privatization, which satisfies the conditions set forth in Sections 60.1 above (to the extent applicable) and Section 60.2 above, occurs (A) all references to the Port Authority Manual shall be deemed deleted and replaced with the Building Department Code, (B) all references to the Code Compliance Office and the Port Authority, in its role and capacity as "governmental entity", shall be deemed deleted, (C) all references to the Port Authority, in its role and capacity as "landlord", shall be deemed to be solely a reference to the "Successor Landlord", (D) Section 4 shall be deemed deleted and rendered void and of no force and effect and shall be replaced with the following: "[t]he Lessee shall use, operate and maintain the Premises, subject to all of the provisions of this Agreement, for any use or purpose permitted under Governmental Requirements.", (E) Subsection 6.11.3 shall be rendered void and of no force and effect and shall be replaced with the following: "[t]he Lessee shall have the right to institute tax assessment reductions or other proceedings to reduce the assessed valuation of the Premises, upon prior written notice to the Successor Landlord.", and (F) the following provisions shall be rendered void and of no force and effect, except as otherwise expressly provided below (it being agreed that each reference to a Section shall be deemed to include all Subsections thereof): clauses (ii) and (iii) of the definitions of Institutional Investor and Permitted Manager; Section 6.3; Section 6.12; Section 6.13; Section 6.16; Section 7.3; Section 9.2; clause (iii) of Section 9.3; Section 13.3; Section 13.4; Section 16.3 (other than clause (i)); Section 19.1; the third and fifth sentences of Section 19.2; Sections 19.3 through 19.7, inclusive; Section 19.9; Section 19.14; the phrase beginning with ", subject, however" and ending with "Commissioners

of the Port Authority" set forth in Section 43.4; Section 48; Section 60.1; Section 60.2; and Sections 61 through Section 63, inclusive, it being agreed and understood that any provisions not deemed deleted pursuant to this Section 60.3, including, without limitation, Section 6.2 and 6.4, shall continue to apply in the event of a Privatization. Notwithstanding the foregoing, any term defined in a Section or Subsection which is deemed deleted and rendered void and of no force and effect pursuant to the provisions of this Section 60.3 and which is also used elsewhere in this Agreement shall continue to have the meaning ascribed thereto in such void Section or Subsection.

60.4 After a Privatization, the Lessee shall have the right to seek any and all remedies allowed by law or in equity against any Successor Landlord in the event of a default hereunder by such Successor Landlord.

Section 61. Right of First Offer.

61.1 Subject to the provisions of this Section 61 and provided that (i) this Agreement shall then be in full force and effect, and (ii) no Event of Default shall have occurred and then be continuing, in the event the Port Authority desires to, or is required to, enter into a Privatization, the Lessee shall have the right ("Right of First Offer") to have submitted to it, and the Port Authority shall have an affirmative obligation to submit to the Lessee, written notice ("Privatization Notice") prior to such Privatization, which Privatization Notice shall be deemed an offer to enter into a Privatization with the Lessee, and the Port Authority shall give the Privatization Notice to the Lessee before the Port Authority enters into negotiations with any non-governmental, independent third party.

61.1.1 The Right of First Offer herein set forth is available only to, and may be exercised only by, the Lessee, any Related Entities or any Mortgagee, and to no other person, party or entity whatsoever.

61.2 The Privatization Notice shall set forth (i) the price ("Privatization Price") for which the Port Authority is willing to enter into a Privatization, (ii) all other material terms upon which the Port Authority is willing to enter into a Privatization and (iii) such other matters as the Port Authority may deem appropriate for such Privatization Notice.

61.2.1 Together with the Privatization Notice, the Port Authority shall deliver or cause to be delivered to, or, at the Port Authority's option, otherwise make or cause to be made available during business hours on Business Days for examination by, the Lessee at the office of the Port Authority the usual and customary documents shown to purchasers in connection with the sale or transfer of real property in the City of New York, to the extent they are in the possession of the Port Authority and are not in the possession of the Lessee, any Related Entities or any Mortgagee (individually and collectively, such documents are hereinafter referred to as the "Documents"). All Documents which are not otherwise available to the Lessee, any Related Entities or any Mortgagee, or in the public domain (i.e., in the public records) shall be furnished to the Lessee on a strictly confidential basis and the Lessee shall hold all such instruments accordingly and shall not disclose the contents of the same, either in haec verba, summary, abstract or otherwise, except as may be required by law or to the Lessee's advisors, accountants, attorneys, partners, lenders and other consultants, subject to each of said parties holding same confidential as aforesaid. The Port Authority may require the Lessee and each of said parties to sign a confidentiality agreement in connection with the Lessee's and such respective parties' receipt of the Documents, which confidentiality agreement shall be in form and substance

reasonably satisfactory to the Port Authority and the Lessee, Related Entities or Mortgagee, as the case may be.

61.3 The Lessee shall have one hundred eighty (180) days following the Port Authority's giving of the Privatization Notice and furnishing or making available the Documents as set forth in Subsection 61.2.1, to negotiate and enter into a contract ("Sale and Purchase Agreement") with the Port Authority to acquire from the Port Authority its interest in the Premises and this Agreement for the Privatization Price and on such terms as may be set forth in the Privatization Notice, or such other price and terms as the Port Authority and the Lessee may agree upon. Each of the Port Authority and the Lessee agrees to negotiate in good faith, to enter into the Sale and Purchase Agreement. Time shall be of the essence with respect to said one hundred eighty (180) day period and the failure or inability of the Port Authority and the Lessee for any reason whatsoever to enter into the Sale and Purchase Agreement in the time and manner herein prescribed shall be deemed an irrevocable waiver of the Lessee's Right of First Offer, effective solely during the Non-Restricted Period, whereupon the Lessee shall return or cause to be returned all Documents previously furnished to and/or photocopied by the Lessee, any Related Entities, and their accountants and attorneys, including, without limitation, all photocopies thereof.

61.4 If (i) the Lessee shall notify the Port Authority of the Lessee's waiver of its Right of First Offer with respect to a Privatization Notice, or (ii) the Port Authority and the Lessee shall fail or be unable as aforesaid to agree upon the terms of and enter into the Sale and Purchase Agreement within said one hundred eighty (180) day period following the Port Authority's giving of such Privatization Notice (other than due to the Port Authority's failure or refusal to negotiate in good faith), or (iii) the Sale and Purchase Agreement is entered into and is

thereafter terminated as a consequence of the Lessee's default in the performance of its material obligations as purchaser thereunder, then the following shall apply:

61.4.1 the Lessee shall (with respect to clauses (i) or (ii) above), within ten (10) Business Days after demand by the Port Authority, execute and deliver to the Escrowee an instrument, in substantially the form of "Exhibit J" (a "Waiver") (in which event the ten (10) Business Day period shall be extended, if necessary, for such period as may be reasonably necessary to permit the Lessee and the Lessee's attorneys to review and approve such alternate form of Waiver), confirming the irrevocable waiver of the Right of First Offer during the Non-Restricted Period and expressly reciting that the Waiver is given pursuant to Section 61 of this Agreement. With respect to clause (iii) above, termination of the Sale and Purchase Agreement entered into between the Port Authority and the Lessee following the Lessee's default thereunder shall be deemed an irrevocable waiver and termination of the Lessee's Right of First Offer. If the Lessee shall fail or refuse to execute, if required hereunder, the Waiver and deliver same to the Escrowee in the time and manner prescribed in this Subsection 61.4.1, or otherwise creates a lien or encumbrance on the Port Authority's title by reason of the Lessee's failing to comply with its obligations under this Section 61 and refuses to remove same upon demand, then the Port Authority may, subject to Section 16, seek equitable relief (e.g., an action to compel specific performance) which shall be its sole and exclusive remedy for the Lessee's failure or refusal;

61.4.2 upon receipt of the Waiver from the Lessee, the Port Authority shall deliver same to a title insurance company acceptable to both the Port Authority and the Lessee (the "Escrowee"), to be held in escrow pending either (i) the closing of a Privatization or (ii) a failure by the Port Authority to enter into an Other Contract within the Non-Restricted Period (other than a failure resulting from a default by the Lessee hereunder), and within five (5)

Business Days of the earlier to occur of the events described in clauses (i) and (ii), the Port Authority shall provide written notification thereof to the Escrowee, with a copy to the Lessee. The Escrowee, acting as an escrowee, shall give written notice to both the Port Authority and the Lessee concurrent with any such disposition by the Escrowee;

61.4.3 the functions of the Escrowee in acting as escrowee shall be considered ministerial only and said Escrowee shall have no liability for any act or omission taken by it absent bad faith or gross negligence. The Escrowee shall be entitled to request written confirmation of any instructions given to it and, consistent therewith, may, as a condition to its acting in such capacity, require the Port Authority and the Lessee to enter into a written escrow agreement mutually and reasonably acceptable to the Port Authority, the Lessee and said Escrowee;

61.4.4 the fact that the Port Authority and the Lessee may, or in fact do, resume or enter into subsequent negotiations after said one hundred eighty (180) day period, shall not affect the validity or enforceability of the Waiver;

61.4.5 in the event that the Port Authority and the Lessee shall be unable or fail to enter into the Sale and Purchase Agreement within said one hundred and eighty (180) day period, provided the Port Authority negotiates the Sale and Purchase Agreement in good faith, then the Port Authority shall have a period commencing upon the earlier of (i) the date of the Port Authority's receipt of the Waiver executed by the Lessee, or (ii) the expiration of the aforesaid one hundred and eighty (180) day period and expiring one (1) year after the later to occur of the preceding clauses (i) and (ii) of this Subsection 61.4.5 (said period, as so extended, being herein the "Non-Restricted Period") to negotiate and enter into a contract ("Other Contract"), for a price of at least [redacted] of the Privatization Price, and on

terms and conditions materially consistent with the terms and conditions set forth in the Privatization Notice (the "Notice Terms"), and any other terms required by the Port Authority from the Lessee during its negotiations (the "Negotiated Terms"); and

61.4.6 if the Other Contract is not entered into within the Non-Restricted Period other than as a result of the failure of a condition resulting from a default by the Lessee hereunder, then the Right of First Offer accorded to the Lessee in this Section 61 shall be revived and reinstated in all respects with respect to any subsequent desire of or attempt by the Port Authority to enter into a Privatization subsequent to the Non-Restricted Period, and in such event the Port Authority shall direct the Escrowee to return the Waiver to the Lessee. If the Port Authority enters into an Other Contract, it shall not renegotiate the Other Contract if the result of such renegotiation would be to cause the terms of the Other Contract to be materially inconsistent with the Notice Terms and/or the Negotiated Terms.

61.5 Any breach by the Lessee or the Port Authority of its obligations under this Section 61 shall entitle the other party to any and all remedies available to the other party at law and in equity, subject to the provisions of Sections 16, 21.1 and 61.4.1.

61.6 Upon consummation of the Privatization, upon request by the Port Authority, or the Port Authority's purchaser pursuant to the Other Contract, the Port Authority and the Lessee, at the closing under the Other Contract shall execute an amendment of this Agreement in recordable form confirming termination of the Lessee's Right of First Offer and deleting this Section 61 from this Agreement.

61.7 The Lessee's Right of First Offer shall cease and be of no further force or effect upon the consummation of the Privatization.

61.7.1 Within ten (10) Business Days following the Lessee's receipt of a written request of the Port Authority or any lender or title insurance company, accompanied by the certificates of the Port Authority and such lender in substance certifying that the transaction then contemplated, when completed shall be of a kind or nature as to which the Lessee's Right of First Offer does not apply or shall have ceased to be of any further force or effect, as the case may be, the Lessee shall deliver to the Port Authority, the Lessee's confirmation, in recordable form if so requested, of the non-applicability, or termination, as the case may be, of the Lessee's Right of First Offer (which may assume the accuracy of the certificates delivered to the Lessee).

61.8 The Lessee shall indemnify, defend and hold harmless the Port Authority from any claims for any brokerage commissions or real estate consultant fees and all costs, expenses and liabilities in connection therewith, including, without limitation, reasonable attorneys' fees and expenses, arising out of any conversations or negotiations had by the Lessee with any broker or real estate consultant in connection with the exercise of the Right of First Offer, and consummation of the transaction(s) contemplated thereby.

61.8.1 The Port Authority shall indemnify, defend and hold harmless the Lessee from any claims for any brokerage commissions or real estate consultant fees and all costs, expenses and liabilities in connection therewith, including, without limitation, reasonable attorneys' fees and expenses, arising out of conversations or negotiations had by the Port Authority with any broker or real estate consultant in connection with the granting of the Right of First Offer, and the exercise thereof and consummation of the transaction(s) contemplated thereby.

Section 62. Chief Engineer Contests.

62.1 In order to resolve any material disputes arising out of, under, or in connection with, or in any way related to any duties to be performed by the Code Compliance Office as specifically set forth in this Agreement, the Lessee shall have the right to invoke, and the Port Authority hereby consents to, the administrative hearing procedure set forth in this Section 62 (the "Chief Engineer Contest"). The Chief Engineer's decision, determined as provided in this Section 62, shall be conclusive, final and binding on the parties.

62.2 If the Lessee desires to invoke a Chief Engineer Contest, the Lessee shall deliver to the Chief Engineer's Office a written notice specifying, in reasonable detail, the question at issue, together with any reports or other written pertinent evidence relating thereto (a "Contest Notice"). The Chief Engineer, after examining the Contest Notice, may request additional information from the Lessee, and the Lessee shall promptly provide such information, to the extent practicable (the "Additional Information"). The Chief Engineer may, but shall not be obligated to, not more than twenty (20) Business Days after the receipt of the Contest Notice, or five (5) Business Days after the receipt of Additional Information, if applicable, and upon not less than five (5) Business Days notice to the Lessee, hold one or more hearings with respect to the determination of the question at issue in the Contest Notice (a "Chief Engineer Hearing"). All or any of the Lessee, the A/E of record and any contractors employed by the Lessee for the project at issue may be requested by the Chief Engineer, and shall have the right, to attend the Chief Engineer Hearing. The Lessee shall also be entitled to have its retained experts at the Chief Engineer Hearing. All such parties shall be permitted to be witnesses, present evidence and submit information. Upon receipt of a Contest Notice, the Chief Engineer and his or her staff shall be permitted to inspect, if deemed necessary by the Chief Engineer, the A/E of record and the contractor involved, together with representatives of the Lessee, the A/E of record and

the contractor involved, the work, equipment, material, alteration or improvement in question (all information and evidence discovered or identified by the Chief Engineer's staff in connection therewith is hereinafter referred to as the "Discovery Materials").

62.3 The Chief Engineer shall render his or her determination in a signed written instrument, original counterparts of which shall be sent simultaneously to the parties hereto, after the later to occur of (i) fifteen (15) Business Days after receipt of the Contest Notice, (ii) if Additional Information has been requested, within five (5) Business Days after the receipt thereof, or (iii) if the Chief Engineer has held a Chief Engineer Hearing, within five (5) Business Days after the conclusion of such hearing. The Chief Engineer shall have the right to establish different time frames for a Chief Engineer Contest if more than two (2) unrelated Chief Engineer Contests are requested simultaneously.

62.4 No evidence or information shall be relied upon in any Chief Engineer Contest, other than information and evidence set forth in the Contest Notice, Discovery Materials, Additional Information or information or evidence provided at the Chief Engineer Hearing (the "Contest Information"). The Chief Engineer's determination shall be based solely upon the Port Authority Manual, Discovery Materials and the Contest Information.

62.5 The Lessee shall pay its own fees and expenses relating to a Chief Engineer Contest (including, without limitation, the fees and expenses of its experts). The Lessee shall pay the reasonable fees and expenses of the Chief Engineer and his or her staff or experts.

Section 63. Port Authority Police.

The Port Authority shall provide Port Authority police presence at the Premises, unless another governmental or municipal entity shall provide police presence at the Premises.

Section 64. Antenna Restriction.

64.1 Subject to the provisions of Section 64.2 below, the Lessee shall not, nor shall the Lessee permit, the erection of an antenna or placement of any type of equipment including base stations, poles, satellite dishes or masts, cabling or wiring and ancillary equipment ("Communications Equipment") that would enable the broadcasting to the public, for a charge or no charge, of any television or radio signals or any other type of transmissions. Furthermore, subject to the provisions of the preceding sentence, only Space Tenants at the Premises shall be permitted to install Communications Equipment at the Premises provided such Communications Equipment shall be for the exclusive non-commercial private communications needs of such Space Tenants for their business operations (but in no event for public broadcasting), and not for the use of third parties that are not Affiliates of such Space Tenants.

64.2 Notwithstanding anything to the contrary contained in Section 64.1 above, the Lessee shall have the right to erect Communications Equipment that would enable the broadcasting to the public, for a charge or no charge, of Non-Television Broadcasting and to have such Non-Television Broadcasting at the Premises, provided that the Lessee shall pay to the Port Authority, as and when same is received by the Lessee, fifty percent (50%) of the Net Broadcasting Profit; provided, however, that the first payment due by the Lessee to the Port Authority under this Section 64.2 shall not be payable unless and until the Lessee shall have received an aggregate amount of Net Broadcasting Profit equal to the aggregate costs of construction and installation of the Communications Equipment, together with interest thereon from the date such costs shall have been incurred at a rate equal to the Prime Rate plus two percent (2%).

64.2.1 As used in this Section 64.2, "Non-Television Broadcasting" shall mean the transmission of signals that do not involve or constitute over the air television broadcasting

regulated by the Federal Communications Commission (or any successor thereto) for a charge (or fee) or for no charge (or fee) to the receiver of such signals.

64.2.2 As used in this Section 64.2, "Net Broadcasting Profit" shall mean, with respect to any period, the excess of (i) all rentals, fees, payments, charges, revenues or other consideration received by the Lessee during such period related to the use of such Communications Equipment or such public broadcasting over (ii) the operating costs incurred by the Lessee during such period in connection with the use, maintenance and repair of the Communications Equipment.

64.3 Notwithstanding anything in Section 64.2 to the contrary, Lessee shall not allow Non-Television Broadcasting from the Communications Equipment erected at the Building that interferes (except to a de minimus extent) with the transmission signals of the antenna tower (or towers) that may be erected on the premises demised under the One World Trade Center Lease. In the event of any dispute under this Subsection 64.3 between the Port Authority and the Lessee as to whether such interference has occurred, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

Section 65. Intentionally Omitted.

Section 66. Construction Period Provisions.

66.1 The provisions of Sections 67 through 72 shall apply only during the period commencing on November 16, 2006 (or such other date as is specifically set forth herein) and ending on the Substantial Completion Date. All other provisions of this Agreement shall also be applicable throughout such period, except to the extent expressly set forth to the contrary in this Agreement.

66.2 For purposes of the Development Agreement, construction of Office Tower 3 (as defined in the Development Agreement) is not required to commence prior to the fifteenth (15th) anniversary of substantial completion of the Podium.

Section 67. Law Compliance (Construction Period).

67.1 Subject to the provisions of Sections 6.2, 6.3, 6.4, 67.2 and 67.3, the Lessee shall be responsible for procuring and maintaining, all necessary permits, certificates, authorizations and licenses from all governmental entities having jurisdiction over the operations of the Lessee under this Agreement, including, without limitation, under the Port Authority Manual, necessary for the construction of the Tower Project by the Lessee in accordance with and subject to the terms and provisions of the Development Agreement, subject to the provisions hereof.

67.2 Except as otherwise provided in this Section 67.2 and Sections 6.3, 6.4 and 67.3, the Lessee shall promptly comply with the provisions of the Port Authority Manual and all Governmental Requirements, in either case, which pertain or apply to: (x) the construction of the Tower Project, or (y) the operations of the Lessee under this Agreement, and the Lessee shall promptly correct or cure, or cause to be corrected or cured, all violations or notices of non-compliance, including any matters set forth in any Violations Notice served on the Lessee or other notice of non-compliance by reason of failure to comply with any of the foregoing obligations. With respect to Governmental Requirements only, compliance therewith shall not be required unless either (x) a court of competent jurisdiction makes a final, non-appealable, determination that the governmental or municipal entity requiring compliance with the provisions of such Governmental Requirement has jurisdiction over the Premises with respect to such matters (or the Port Authority enters into any settlement or agreement to such effect), or (y) the Port Authority fails to challenge the validity of a Governmental Requirement within the time

required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination.

67.3 Subject to this Section 67.3 and Sections 6.3, 6.4 and 67.2 above, the Port Authority may issue Violations Notices against any portion of the Premises by reason of the Lessee's failure to comply with the Lessee's obligations under Section 67.2 above. The Lessee shall use commercially reasonable efforts to cure the matters set forth in any such Violations Notice delivered to the Lessee within thirty (30) days from the date the Lessee is notified as to such non-compliance; provided, however, that in the event that such non-compliance is not reasonably susceptible of cure within such thirty (30) day period, provided the Lessee commences such cure and continues to diligently perform such cure, the Lessee shall have such additional time as is necessary to complete such cure. In the event that such non-compliance shall not be cured as aforesaid, unless the Lessee is diligently prosecuting the cure of such non-compliance and has notified the Port Authority of its intent to do so, and such non-compliance does not cause imminent peril to the life, safety or health of Persons at the Premises or the World Trade Center, the Port Authority shall have the right, upon reasonable notice to the Lessee, but not the obligation, to effect Self-Help. In the event that the Port Authority effects Self Help, any Non-Compliance Costs and Expenses shall be borne by the Lessee, and the Lessee shall reimburse same to the Port Authority within ten (10) days after demand, after receipt of supporting documentation evidencing the costs and expenses attributable thereto, together with (i) interest thereon accruing from the date of expenditure calculated at the Non-Compliance Rate, and (ii) a charge in an amount equal to ten percent (10%) of the amount of Non-Compliance Costs and Expenses. Additionally, in the event that the Port Authority effects such cure, the Lessee shall provide access to the Port Authority to the Premises, and otherwise cooperate with

the Port Authority in good faith, as the Port Authority deems reasonably necessary in order to effect all such work. The Port Authority, except as otherwise expressly provided herein, shall have no obligation to perform such acts. The Port Authority shall not engage in any rights of Self-Help while a Chief Engineer Contest is pending.

67.4 Notwithstanding anything contained herein to the contrary, neither the Port Authority nor the Code Compliance Office shall be permitted to enforce a violation of, or compliance with, the Port Authority Manual, if such violation or non-compliance is caused by the Port Authority and/or its Affiliates or any party claiming by, through or under the Port Authority (including, without limitation, contractors, personnel or consultants) in connection with any matter with respect to which the Lessee is indemnified under Section 7.2 of the Development Agreement and the performance of any work done in order to deliver Site 3 on the Site 3 PA Actual Final Site Completion Date.

Section 68. Lessee's Operations (Construction Period).

68.1 The Lessee shall not commit any nuisance on the Premises, or do or permit its agents or contractors to do anything in the Premises which might result in the creation or commission of a nuisance on the Premises, and the Lessee shall not cause or produce or permit its agents or contractors to cause or produce upon the Premises (or to permeate the same or to emanate therefrom) any unusual, noxious or objectionable smoke, gases, vapor, odors, noises or vibrations, other than as is necessary in connection with the construction of the Building.

68.2 The Lessee shall not do or permit its agents, or contractors to do any act or thing upon the Premises which will invalidate or conflict with any insurance policies covering the World Trade Center or any part thereof, or which, in the reasonable opinion of the Port Authority or the Code Compliance Office, acting in a non-arbitrary and non-capricious manner, may

constitute an extra-hazardous condition, so as to increase the risks normally attendant with construction activities, or will increase the applicable rate of any insurance, including fire, extended coverage, or rental insurance, on the World Trade Center or upon the contents of any structure thereon. 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 National Fire Protection Association and The Insurance Services Office of New York, and of any other board or organization exercising or which may exercise similar functions, which may pertain or apply to the Premises, or the construction operations of the Lessee thereon. The Lessee shall have the right, in good faith, to contest or challenge any violation or notice of non-compliance with any of the rules and regulations, requirements, orders and directions of the National Fire Protection Association and The Insurance Services Office of New York, and of any other board or organization exercising similar functions. To the extent such violation or non-compliance, as the case may be, does not involve matters of imminent peril to safety, health or preservation of person or property, the Lessee may defer compliance with any demand that the Lessee comply with any such violation or notice of non-compliance during the pendency of such challenge. In the event the Lessee undertakes to so challenge or contest, it shall indemnify the Port Authority against any claims, damages or losses that may arise or result therefrom. In the event the Lessee contests or challenges the rules and regulations, requirements, orders and directions of the National Fire Protection Association and The Insurance Services Office of New York, and of any other board or organization exercising or which may exercise similar functions, no Event of Default shall be deemed to have occurred unless the Lessee shall have failed to comply with such requirements within a reasonable period following the final, non-appealable determination that such compliance is required. If by reason of any failure on the part of the

Lessee to comply with the provisions of this Agreement, and solely as the direct result of such failure on the part of the Lessee, any insurance rate on the World Trade Center or any part thereof shall at any time be higher than it otherwise would be, then the Lessee shall absorb the cost thereof and shall pay to the Port Authority (on behalf of the Port Authority or the World Trade Center Tenants, if any), as an item of additional rental, that part of all insurance premiums paid by the Port Authority or the World Trade Center Tenants which shall have been charged solely because of, and as a direct result of, such violation or failure by the Lessee, but no such payment shall relieve the Lessee of its other obligations under this Section.

Section 69. Construction Events of Default.

69.1 "Construction Event of Default" shall mean, subject to Section 67, the Lessee shall fail to cure any violations of the Port Authority Manual, as set forth in a Violations Notice from the Code Compliance Office, which it is obligated to cure pursuant to the terms of this Agreement, within the time period specified therein, which violations may imminently result in peril to the life, safety or health of any Persons within the World Trade Center as reasonably determined by the Code Compliance Office, provided, however, such failure shall not be deemed to be an Event of Default as long as (1) the Lessee is diligently prosecuting the cure of such default, and (2) the Lessee provides notice to the Port Authority no less often than once every thirty (30) Business Days thereafter as to the status of such default, and what measures have been taken, or caused to have been taken, by the Lessee to effectuate a cure thereof.

Section 70. Insurance Coverage During Construction.

70.1 In addition to any other insurance provided for or required under this Agreement and the REOA, the Lessee shall procure and maintain, or cause to be procured and maintained, in its own name as insured and shall pay the premiums on the following policies of insurance in the

limits set forth below, which policies shall be effective at all times during the following periods: (a) in the case of all insurance other than Builders' Risk insurance, the period commencing on the earlier of (i) the Site 3 PA Actual Final Site Completion Date and (ii) the commencement of Lessee's construction activities on the Premises other than site preparation and preliminary construction work (such earlier date, the "Construction Commencement Date") and ending on the Substantial Completion Date but excluding the Interim Period, it being agreed that, notwithstanding anything to the contrary contained in Section 70.12(a) below, with respect to site preparation work and preliminary construction work, the Lessee shall require the construction contractor to maintain limits of liability of not less than [redacted] per occurrence and in the aggregate, subject to the provisions of Section 70.21 below, and (b) in the case of Builders' Risk insurance, the period commencing on the date of completion of the footings and foundations of the Building (the "Foundations Completion Date") and ending on the Substantial Completion Date but excluding the Interim Period, subject to the provisions of Section 70.21 below (collectively, the "Required Construction Insurance"), it being understood and agreed, however, that the requirements of Section 14 (subject to the provisions of Section 14.19 above) and Section 71 (subject to the provisions of Section 71.19 below) of this Agreement, shall be in lieu of the insurance requirements of this Section 70 (subject to the provisions of Section 70.21 below):

70.1.1 Lessee shall provide the following types of insurance coverage:

(a) Builder's Risk insurance written on an "all risks" basis, completed value form, on a non-reporting basis, insuring against "all risks", including, but not limited to the following perils: loss or damage by fire, collapse, sprinkler leakage, lightning, windstorm, flood, earthquake, hail, explosion, riot, vandalism and malicious mischief civil commotion, aircraft,

vehicles, and smoke and such other risks, in each case (i) in an amount equal to 100% of the "Full Replacement Cost", which for purposes of this Section 70 and for purposes of application of coverage shall mean the total cost of construction of the Tower Project (exclusive of the land development costs, footings and foundations); provided, however, that said Full Replacement Cost may be secured in incremental purchases, with an initial purchase on or prior to the Foundations Completion Date equal to the total cost of construction of the Capped Podium Building (exclusive of the land development costs, footings and foundations), and purchase of the balance of the Full Replacement Cost on or prior to the Tower Construction Commencement Date, (ii) subject to a deductible of up to [redacted] per occurrence and up to [redacted] in the aggregate, except for (named) windstorm which shall be up to [redacted] of the Full Replacement Cost, whichever is greater; (iii) providing for repairs and alteration coverage; (iv) providing coverage for demolition costs and increased cost of construction, subject to a [redacted] sublimit; (v) providing "Ordinance or Law Coverage", subject to a [redacted] sublimit; and (vi) if such insurance places a sub-limit on flood coverage, such sub-limit shall be no less than [redacted]. The Full Replacement Cost shall be determined prior to the Foundations Completion Date and will be adjusted as necessary during construction of the Capped Podium Building or the entire Tower Project, as applicable, to reflect the Full Replacement Cost.

(b) Builders' Risk coverage as defined in Section 70.1.1(a) shall include coverage for Soft Costs (to be defined and agreed to by the Lessee and the Port Authority), plans, specifications, blueprints and models in connection with any restoration following a casualty;

(c) Builders' Risk coverage as defined in Section 70.1.1(a) shall include coverage for loss suffered with respect to property of every kind and description that the Lessee owns or is liable for, that is intended to become a permanent part of the building or structure described (other than footings and foundations) and shall include property in-transit or stored off-site that is intended to become a permanent part of the building or structure, in an amount equal to the full value of such property but in no event more than [redacted] unless specifically provided by the sub-contractor in an amount equal to the full value of the property in such sub-contractor's care, custody or control. Lessee shall require that all sub-contractors of every tier provide coverage for their temporary structures (whether on-site, in transit or off-site) including but not limited to: cribbing, scaffolding and construction forms.

(d) earthquake insurance (based on probable maximum loss) in amounts and in form and substance reasonably satisfactory to the Port Authority, provided that the insurance pursuant to this section hereof shall be on terms consistent with the all risk insurance policy required under Section 70.1.1(a) hereof and shall be subject to a sublimit of [redacted];

(e) the Environmental Insurance Policy, including remediation of unknown pollutants and on-site/off-site liability for known and unknown pollutants arising from any discovery, disposal or release of any material on the Premises (other than Hazardous Materials existing on the Premises on or prior to the Site 3 PA Actual Final Site Completion Date at or above the level of excavation performed by the Port Authority in connection with the work performed by the Port Authority to deliver Site 3 on the Site 3 PA Actual Final Site Completion Date) due to the discovery of or acts or omissions of the Lessee or its contractors, sub-contractors, architects, engineers, vendors or suppliers, with (A) Environmental Site

Liability coverage with respect to the Tower Project in an amount of not less than [redacted] per occurrence and in the aggregate and (B) Contractor's Pollution Legal Liability coverage, with respect to the Tower Project, in an amount of not less than [redacted] per occurrence and in the aggregate, in both cases, (i) during the portion of the Term prior to the Tower Construction Commencement Date, with a term of not less than three (3) years from the Net Lessee Execution Date or the period until delivery of the Capped Podium Building or the Tower Project above the seventh (7th) floor thereof, as applicable, in accordance with Exhibit EE-2 of the Development Agreement, whichever is greater, and said Contractors' Pollution Legal Liability policy to remain in force for completed operations claims for a period of (3) years following delivery of the Capped Podium Building or the Tower Project above the seventh (7th) floor thereof, as applicable, in accordance with Exhibit EE-2 of the Development Agreement, and (ii) during the portion of the Term from and after the Tower Construction Commencement Date, with a term of not less than two (2) years from the Tower Construction Commencement Date or the period until the Substantial Completion Date, whichever is greater, and said Contractors' Pollution Legal Liability policy to remain in force for completed operations claims for a period of (3) years following the Substantial Completion Date, subject, in any case, to a deductible of up to [redacted] per occurrence with an aggregate deductible of no more than [redacted]. The Port Authority and the Lessee agree that the coverage limits described in the foregoing clauses (A) and (B) are subject to commercial availability and may, at the election of the Lessee, be maintained under either (i) a single policy insuring the Premises, or (ii) under a single policy insuring the Premises and all of the respective premises demised by the Tower Leases with

coverage as set forth in this Section 70.1.1(e) in an amount of not less than [redacted] per occurrence and in the aggregate.

70.1.2 In the event an Owner's Controlled Insurance Program shall be utilized, Lessee shall cause to be provided the following types of insurance coverage with respect to each construction contractor or construction sub-contractor of any tier and all trades and professions performing construction services, other than any union that shall maintain its own insurance program, including, without limitation, Local 3 electrical engineers:

(a) commercial general liability insurance (together with any excess or umbrella liability) against claims for personal injury, bodily injury, death or property damage (including liabilities as a result of repairs and alterations) occurring upon, in or about the Project, such insurance (i) to be on the so called "occurrence" form with a combined single limit of not less than [redacted] per occurrence and in the aggregate; (ii) to cover at least the following hazards: (A) premises and operations; (B) completed operations on an "if any" basis and for a period of, during the portion of the Term prior to the Tower Construction Commencement Date not less than five (5) years after delivery of the Capped Podium Building or the Tower Project above the seventh (7th) floor thereof, as applicable, in accordance with Exhibit EE-2 of the Development Agreement, and, during the portion of the Term from and after the Tower Construction Commencement Date not less than five (5) years after the Substantial Completion Date; (C) independent contractors; (D) blanket contractual liability for all "insured contracts" as defined in the standard general liability policy; and (E) contractual liability covering the indemnities provided by the Lessee in the Development Agreement, to the extent the same is commercially available and falls within the definition of

"insured contracts"; and (iii) with a deductible or self-insured retention of not more than [redacted] per occurrence;

(b) Workers' compensation insurance, as required by any Governmental Authority or legal requirement, subject to the statutory limits of the state of New York with a deductible or self-insured retention of not more than [redacted]) per occurrence;

(c) Employers Liability with limits [redacted] and excess liability coverage provided by the commercial general liability in Section 70.1.2(a) with a deductible or self-insured retention of not more than [redacted] per occurrence;

(d) The insurance coverages described in subparagraphs (a), (b) and (c) of this Section 70.1.2 shall have such aggregate collateralized deductible amounts agreed to between the Lessee and the insurance company providing such insurance coverages, which insurance company shall have a claims paying ability/financial strength rating of at least the Required Insurer Rating.

(e) Automobile liability insurance (including coverage of owned, non-owned, and hired vehicles) providing insurance against liability for personal injury, including death resulting there from, and for damage to property, with limits of liability acceptable to the Port Authority, but not less than [redacted] per occurrence and [redacted] aggregate;

(f) Errors and Omissions and Professional liability insurance providing insurance against liability for professionals (including architects and engineers) with limits of liability acceptable to the Port Authority, but not less than (i) prior to the Tower

Construction Commencement Date, [redacted] per claim and [redacted] aggregate, and (ii) from and after the Tower Construction Commencement Date, such limit shall be increased to [redacted] per claim and [redacted] aggregate with such increase applicable only to the design and construction of the Tower Project above the seventh (7th) floor thereof.This coverage may be obtained through a Project Specific or Owners Protective Professional Insurance Program; and

(g) Railroad Protective Liability insurance with limits of liability of not less than [redacted]) per claim and [redacted] aggregate; provided, however, that if the insurance required by this Section 70.1.2(g) shall be obtained through an Owner Controlled Insurance Program or Contractor Provided insurance with the contractual exclusion for work done within fifty (50) feet of a railroad, lightrail, subway or similar tracked conveyance deleted, the requirements of this Section 70.1.2(g) shall be deemed satisfied.

70.1.3 In the event an Owner's Controlled Insurance Program shall not be utilized, the Lessee and the Port Authority agree to reasonably negotiate the terms of an insurance program to include Commercial General Liability insurance, Workers' compensation insurance, Employers Liability, Commercial Automobile Liability Insurance, and other insurances appropriate for a construction project of the size, character and location of the Tower Project.

70.1.4 Lessee shall be caused to be provided with respect to architects and engineers, vendors and suppliers and other persons coming on to the Premises and/or making deliveries to the Premises (other than any trades and professions performing construction

services), commercial general liability insurance against claims for personal injury, bodily injury, death or property damage occurring upon, in or about the Premises, such insurance (i) to be on the so called "occurrence" form with limits of not less than [redacted] per occurrence, [redacted] in the aggregate; (ii) to cover at least the following hazards: (A) premises and operations; (B) products and completed operations on an "if any" basis and for a period of, prior to the Tower Construction Commencement Date not less than five (5) years after delivery of the Capped Podium Building or the Tower Project above the seventh (7th) floor thereof, as applicable, in accordance with Exhibit EE-2 of the Development Agreement, and, from and after the Tower Construction Commencement Date not less than five (5) years after the Substantial Completion Date; (C) independent contractors; (D) blanket contractual liability for all "insured contracts" as defined in the standard general liability policy; and (E) contractual liability covering the indemnities provided by the Lessee in the Development Agreement, to the extent the same is commercially available and falls within the definition of "insured contracts"; and (iii) with a deductible or self-insured retention of up to [redacted] per occurrence;

70.1.5 It is hereby understood and agreed that the foregoing coverages in this Section 70 (other than those described in Section 70.1.2(d) may be obtained through a "wrap up" Owner Controlled Insurance Program ("OCIP") and/or project specific policies for eligible site contractors.

70.1.6 Subject to the provisions of Section 70.2, no policy required in Section 70.1 shall contain an exclusion from coverage under such policy for loss or damage incurred as a result of an act of terrorism or similar acts of sabotage, provided that the Lessee may obtain separate terrorism insurance coverage subject to and in accordance with the terms of

this Section 70. The Lessee will be required to maintain Terrorism Insurance in sufficient amount to cover (x) prior to the Tower Construction Commencement Date, the full construction value of the Capped Podium Building but in no event less than [redacted] (the "Minimum Capped Podium Building Terrorism Insurance Amount"), subject to a deductible of up to [redacted] per occurrence and up to [redacted] in the aggregate, from the date when improvements are first being constructed "above grade" and (y) from and after the Tower Construction Commencement Date, the full construction value of the Tower Project but in no event less than the Minimum Terrorism Insurance Amount, subject to a deductible of up to [redacted] per occurrence and up to [redacted] in the aggregate. The Lessee shall not be obligated to procure Terrorism Insurance in an amount in excess of the Minimum Capped Podium Building Terrorism Insurance Amount or the Minimum Terrorism Insurance Amount, as applicable, unless the Port Authority, at its option, directs the Lessee to procure such additional Terrorism Insurance coverage and reimburses the Lessee for an amount equal to fifty percent (50%) of the amount of the increase in the cost of the Terrorism Insurance attributable to the procurement of Terrorism Insurance coverage in excess of the Minimum Capped Podium Building Terrorism Insurance Amount or the Minimum Terrorism Insurance Amount, as applicable; provided, however, that (i) in no event shall the amount of Terrorism Insurance that the Lessee shall be obligated to maintain under this Section 70 exceed the Minimum Capped Podium Building Terrorism Insurance Amount or the Minimum Terrorism Insurance Amount, as applicable, unless Terrorism Insurance in an amount in excess of the Minimum Capped Podium Building Terrorism Insurance Amount or the Minimum Terrorism Insurance Amount, as applicable, is commercially available, and (ii) in no event shall the amount of Terrorism Insurance that the Lessee shall be obligated to maintain under this Section 70 exceed (x) prior to

the Tower Construction Commencement Date, One Hundred Million Dollars ($100,000,000), unless Terrorism Insurance in an amount in excess of [redacted] is both commercially available and available at commercially reasonable rates and (y) from and after the Tower Construction Commencement Date, [redacted] unless Terrorism Insurance in an amount in excess of [redacted] is both commercially available and available at commercially reasonable rates. All-risk property insurance must include "fire following" coverage, if such coverage is required under New York State regulations, and, in such case, subject to the coverage provisions provided under such New York State regulations.

70.2 In the event any item of insurance required to be procured by the Lessee under this Section 70 is not available, or is not available at commercially reasonable rates, the Lessee may propose a modification of such requirement and provide the reasons therefor in writing to the Port Authority. The Port Authority may, in its reasonable discretion, waive or modify any provision hereunder in light of such request.

70.3 Intentionally Omitted.

70.4 Intentionally Omitted.

70.5 Intentionally Omitted.

70.6 All property insurance policies procured by the Lessee pursuant to the provisions of this Section 70, including any Construction Period Excess Insurance (as defined below) that shall have been obtained, shall include the Lessee, as a named insured, and the PA Insured Entities and each Mortgagee, each named as an insured, as their interests may appear. All liability insurance policies (other than workers' compensation or employer's liability insurance)

procured by the Lessee pursuant to the provisions of this Section 70 shall have the PA Insured Entities each named as an additional insured.

70.7 Each of the items of insurance required to be procured by the Lessee under this Section 70 and by the Four World Trade Center Lessee under Section 69 of the Four World Trade Center Lease and by the Two World Trade Center Lessee under Section 70 or Section 72 of the Two World Trade Center Lease, as applicable, may be covered under either a single policy or a combination of primary and excess policies, provided, however, that such combination of primary and excess policies, when taken together, shall insure the property required to be insured under this Section 70 by the Lessee and the property required to be insured under Section 69 of the Four World Trade Center Lease by the Four World Trade Center Lessee and the property required to be insured under Section 70 or Section 72, as applicable, of the Two World Trade Center Lease by the Two World Trade Center Lessee.

70.8 The loss under all property policies required by any provision of this Section 70 insuring against property damage shall be payable to the Depository as further described in Subsections 72.2.1 and 72.2.2, provided, however, if the amounts payable under such policies are less than [redacted], which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, such amounts shall be payable to the Lessee.

70.9 As to any insurance required by this Section, a certified copy of each binder, policy, and certificate of insurance that evidences each and every layer of coverage provided and is reasonably satisfactory to the Port Authority, shall be delivered to the Port Authority (i) with respect to binders and/or certificates, at least ten (10) days prior to (a) with respect to all Required Construction Insurance other than Builders' Risk insurance, the Construction

Commencement Date, and (b) with respect to Builders' Risk insurance, the Foundations Completion Date, and (ii) with respect to policies, promptly following receipt by the Lessee of final policies, except that if any insurance carried by the Lessee is effected by one or more blanket policies, then with respect to such insurance, a certified copy of such binders and certificates of insurance relating to the Premises shall be so delivered to the Port Authority at least ten (10) days prior to (a) with respect to all Required Construction Insurance other than Builders' Risk insurance, the Construction Commencement Date, and (b) with respect to Builders' Risk insurance, the Foundations Completion Date, and upon receipt of such policies by the Lessee, a certified copy of such policies shall be promptly delivered to the Port Authority. Evidence of insurance, reasonably satisfactory to the Port Authority, including evidence of new or renewal policies replacing any policies expiring during the Term shall be delivered as aforesaid prior to the date of expiration of such policies. Upon a reasonable request from the Port Authority, the Lessee shall promptly deliver or cause to be delivered to the Port Authority proof reasonably satisfactory to the Port Authority that premiums have been paid by the Lessee. In the event that at any time during the Term hereof a notice of claim shall be filed or an action or proceeding commenced against the Port Authority which is required to be covered by insurance pursuant to the provisions of this Section 70, or in the event that an action or proceeding at law or in equity or a dispute shall arise, whether between the Port Authority and the Lessee or between the Port Authority and a third party or which otherwise involves the Port Authority, which may relate to a matter covered by any such policy, then in either such event the Lessee shall make available for the Port Authority's review a copy of the relevant portions of any policy covering the affected area of the Premises or which provides coverage against such claim,

action or proceeding or which relates to such dispute, within thirty (30) calendar days after receipt of request by the Port Authority.

70.10 Each policy of insurance procured by the Lessee pursuant to this Section 70 shall be written by companies authorized to do business in the State of New York, with a claims paying ability/financial strength rating of at least the Required Insurer Rating, and provide as part of the policy, or by endorsement that: (x) the policy may not be canceled, or materially changed as to the coverages required under this Section 70, without giving thirty (30) days written advance notice thereof (except for non-payment of premiums, for which ten (10) days written advance notice shall be required) to the Port Authority and each Mortgagee, (y) as respects any policy of liability insurance, the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority, and (z) that the protection 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 by the Lessee against the Port Authority, but such endorsement shall not limit, vary, change, or affect either the protections afforded the Port Authority as an insured or additional insured, or the protections afforded the Port Authority under the contractual liability endorsement referred to in Subsection 70.1.2 hereof.

70.11 If at any time any of the policies shall be or become unsatisfactory to the Port Authority, acting in a reasonable manner, as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, such as a result of a

downgraded A.M. Best rating below the Required Insurer Rating, acting in a reasonable manner, the Lessee shall promptly obtain a new and satisfactory policy in replacement within thirty (30) days of such unsatisfactory notice. With respect to all insurance required to be obtained pursuant to this Section 70, the Port Authority will not find a policy issued by a satisfactory carrier to be unsatisfactory as to form or substance unless it contains an exclusion not generally included in Commercial General Liability policies covering office building projects in the City of New York at the time of such determination or unless the claims paying ability/financial strength rating of such carrier shall be downgraded below the Required Insurer Rating.

70.12 Each party hereto shall include in each of its insurance policies covering loss, damage or destruction by fire or other casualty (insuring, in the case of the Port Authority, the portions of the World Trade Center site other than the Building, and the Port Authority's property therein, and insuring, in the case of the Lessee, all property required to be insured by the Lessee pursuant to this Section) a waiver of the insurer's right of subrogation against the other party or, if such waiver should be unobtainable or unenforceable, (i) an express agreement that such policy shall not be invalidated if the insured waives before the casualty the right of recovery against any party responsible for a casualty covered by such policies, or (ii) any other form of permission for the release of the other party. If any party hereto is unable to obtain such waiver, agreement or permission without additional charge, then, upon providing reasonable notice to the other party, such party shall be relieved from providing such waiver, agreement or permission unless the other party shall so elect and shall pay the carrier's additional charge therefor.

70.13 Each party hereto hereby releases the other party with respect to any claim (including a claim for negligence) which it might otherwise have against the other party for loss, damage or destruction with respect to property which it is required to or elects to insure

(including business interruption with respect to the portion of the term following the Tower Construction Commencement Date) occurring during the Term under this Section 70 and with respect and to the extent to which it is, or is under this Section 70 required to be, insured under a policy or policies containing a waiver of subrogation or permission to release liability as provided in Section 70.11 hereof.

70.14 Nothing contained in this Section 70 shall be deemed to impose upon the Port Authority any duty to procure or maintain any of the kinds of insurance referred to therein except as otherwise required in this Section 70, Section 14.20 or the REOA. If the Lessee shall fail to maintain insurance in effect as required in this Section, the release by the Lessee set forth in Section 70.12 shall be in full force and effect to the same extent as if such required insurance (containing a waiver of subrogation) were in effect. Notwithstanding anything to the contrary contained in this Agreement, the carrying of insurance by any party shall not modify, reduce, limit or impair such party's obligations and liability under the indemnification provisions of the Development Agreement.

70.15 All insurance policies for property damage required by this Section 70 shall provide in substance that: (i) all adjustments for claims with the insureds for [redacted] or more, which amount shall be increased by One Million Dollars ($1,000,000) on each five (5) year anniversary of November 16, 2006, shall be made with the Port Authority, the Lessee (or Space Tenant of all or substantially all of the Premises designated by the Lessee) and each Mortgagee named as an insured; and (ii) subject to the rights of any Mortgagee named as an insured, all adjustments for claims with insurers for less than [redacted]), which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, shall be made with the Lessee and such designated Space

Tenant only. All rental loss insurance policies covering Base Rent, Tax Equivalent Rental and BID Allocated Share required by this Section 70 during the period from and after the Tower Construction Commencement Date shall provide in substance that (x) all adjustments [redacted], which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, or less shall be made by the Lessee without any requirement to consult with the Port Authority and (y) all adjustments in excess [redacted], which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, shall be made by the Lessee in consultation with the Port Authority.

70.16 The Lessee shall not carry separate insurance concurrent in form or contribution in the event of loss with that required by this Section 70 to be furnished by the Lessee, unless the Port Authority and each Mortgagee are included therein as insured or additional insured with loss payable as provided in this Section 70. The Lessee immediately shall notify the Port Authority of the carrying of any such separate insurance and shall cause the same to be delivered as required in this Section 70. Notwithstanding the foregoing, the Lessee and/or the Tower Lessees may maintain insurance in excess of the insurance required to be maintained under Section 70.1.1 (any such insurance hereinafter referred to as "Construction Period Excess Insurance"). The Port Authority shall be named as an additional insured on any Construction Period Excess Insurance obtained by the Lessee. Any proceeds from such Construction Period Excess Insurance shall be applied to restore and repair the Tower Project in accordance with the terms of Section 72, except as set forth below.

70.17 All policies provided for in Section 70.1 shall contain clauses or endorsements to the effect that the Port Authority shall not be liable for any insurance premiums thereon or subject to any assessments there under.

70.18 Without limiting, and subject to, the provisions of Section 70.2 above, if at any time the Port Authority is not in receipt of written evidence that all insurance required hereunder is in full force and effect, the Port Authority shall have the right, on ten (10) Business Days notice to the Lessee to take such action as the Port Authority deems necessary to protect its interest in the Premises, including, without limitation, the obtaining of such insurance coverage as the Port Authority in its sole and absolute discretion deems appropriate, and all expenses incurred by the Port Authority in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by the Lessee to the Port Authority upon demand and shall bear interest at the Default Interest Rate.

70.19 The Lessee shall give prompt written notice to the insurance carrier and to the Port Authority of (i) any loss reasonably believed by the Lessee to be in excess of [redacted] that may be covered by worker's compensation insurance and/or general liability insurance; and (ii) with respect to Builder's Risk insurance, claims in excess of [redacted].

70.20 In the event of any dispute under this Section 70 between the Port Authority and the Lessee as to (i) whether an item of insurance is "commercially available", "available" or "available at commercially reasonable rates", or (ii) whether the Port Authority is acting reasonably under Section 70.2, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

70.21 Notwithstanding anything to the contrary contained in this Section 70, the provisions of this Section 70 shall only apply during that portion of the Term following the

Construction Commencement Date and prior to the Substantial Completion Date (other than during the Interim Period), it being agreed, however, that, if and to the extent that any policies obtained pursuant to this Section 70 shall also satisfy the insurance requirements of Section 14 of this Agreement (or, with respect to the Interim Period, Section 71 of this Agreement), and such policies obtained pursuant to this Section 70 shall continue in effect following the Substantial Completion Date (or, with respect to the Interim Period, during the Interim Period), then, to such extent, the Lessee shall be deemed to have satisfied such insurance requirements of Section 14 (or, with respect to the Interim Period, Section 71).

Section 71. Insurance Coverage During Interim Period.

71.1 In addition to any other insurance provided for or required under this Agreement and the REOA, the Lessee shall procure and maintain, or cause to be procured and maintained, in its own name as insured and shall pay the premiums on the following policies of insurance in the limits set forth below, which policies shall, subject to the provisions of Section 71.19 below, be effective during the Interim Period, it being understood and agreed, however, that the requirements of Section 14 (subject to the provisions of Section 14.19 above) and Section 70 (subject to the provisions of Section 70.21 above) of this Agreement, shall be in lieu of the insurance requirements of this Section 71 (subject to the provisions of Section 71.19 above):

71.1.1 Fire and property damage insurance covering and insuring the Capped Podium Building, against loss or damage by fire or such other hazards and risks as may be covered by a standard form of all risk policy of loss or damage, (A) subject to the following sublimits: [redacted] per occurrence and in the aggregate annually for loss or damage from the peril of flood; [redacted] per occurrence and in the aggregate annually for loss or damage from the peril of earthquake;

[redacted] per occurrence for Demolition; [redacted] per occurrence for property in the course of transit; and [redacted] for boiler and machinery, (B) in each case with a waiver of depreciation, (C) containing an agreed amount endorsement with respect to the Improvements and Personal Property waiving all co-insurance provisions; (D) subject to a deductible of up to [redacted] per occurrence and, subject to commercial availability, up to [redacted] in the aggregate; provided, however, that in the case of ancillary coverages such as earthquake, windstorm and flood, such deductibles as are customary in the insurance industry for projects comparable to the Capped Podium Building; and (E) providing coverage for contingent liability from operation of Governmental Requirements, demolition costs and increased cost of construction endorsements together with an "Ordinance or Law Coverage" or "Enforcement" endorsement if any of the Improvements or the use of the Property shall at any time constitute legal non-conforming structures or uses. Subject to the provisions of Section 71.2, no policy required in Section 71.1 shall contain an exclusion from coverage under such policy for loss or damage incurred as a result of an act of terrorism or similar acts of sabotage, provided that the Lessee may obtain separate terrorism insurance coverage subject to and in accordance with the terms of this Section 71. The Lessee will be required to maintain Terrorism Insurance in sufficient amount to cover the full value of the Premises but in no event less than the Minimum Interim Period Terrorism Insurance Amount, subject to a deductible of up to [redacted] per occurrence and up to [redacted] in the aggregate. The Lessee shall not be obligated to procure Terrorism Insurance in an amount in excess of [redacted] (the "Interim Period Minimum Terrorism Insurance Amount") unless the Port Authority, at its option,

directs the Lessee to procure such additional Terrorism Insurance coverage and reimburses the Lessee for an amount equal to fifty percent (50%) of the amount of the increase in the cost of the Terrorism Insurance attributable to the procurement of Terrorism Insurance coverage in excess of the Interim Period Minimum Terrorism Insurance Amount; provided, however, that (i) in no event shall the amount of Terrorism Insurance that the Lessee shall be obligated to maintain under this Section 71 exceed the Interim Period Minimum Terrorism Insurance Amount unless Terrorism Insurance in an amount in excess of the Interim Period Minimum Terrorism Insurance Amount is commercially available, and (ii) in no event shall the amount of Terrorism Insurance that the Lessee shall be obligated to maintain under this Section 71 exceed [redacted] unless Terrorism Insurance in an amount in excess of [redacted] is both commercially available and available at commercially reasonable rates. All-risk property insurance must include "fire following" coverage, if such coverage is required under New York State regulations, and, in such case, subject to the coverage provisions provided under such New York State regulations. Such insurance (other than flood insurance, earthquake insurance and Terrorism Insurance) shall be maintained in an amount equal to the lesser of (x) an amount sufficient to insure and keep insured at all times during the Interim Period the items of property described in this Subsection, except for the footings and foundations, to the extent of not less than the Interim Period Full Insurable Value, or (y) [redacted] per occurrence. Insurance for flood shall be maintained to insure and keep insured at all times during the Interim Period the items of property described in this Subsection (other than footings and foundations), in an amount of not less than [redacted] per occurrence and in the aggregate. Insurance for earthquake shall be maintained to insure and keep insured at all times during the

Interim Period the items of property described in this Subsection (other than footings and foundations), in an amount of not less than [redacted]) per occurrence and in the aggregate. The term "Interim Period Full Insurable Value" shall mean the actual replacement cost of the items of property described in this Subsection. Interim Period Full Insurable Value shall be determined on or about the date of delivery of the Capped Podium Building in accordance with Exhibit EE-2 of the Development Agreement and at least once every three (3) years thereafter during the Interim Period and, in the event the Port Authority requires an increase thereof, such additional amount shall not exceed the percentage increases in the New York City Construction Cost Index published by the Engineering News Record, unless otherwise agreed to by the Lessee. In the event the Port Authority and the Lessee cannot agree as to what the Interim Period Full Insurable Value is, such value shall be determined by an appraiser selected jointly by the Port Authority and the Lessee, whose fees shall be paid by the Lessee and the Port Authority equally. No omission by the Port Authority to request an appraisal shall relieve the Lessee of its obligation to maintain the appropriate insurance under this Section 71. In lieu of the proposed appraisal, the Lessee may procure and maintain property insurance which does not restrict, by limit or coinsurance provisions, the amount that may be recovered in the event of a loss to the insured property.

71.1.2 Intentionally Omitted.

71.1.3 Intentionally Omitted.

71.1.4 Commercial general liability insurance on an occurrence form during the Interim Period in the minimum amount of [redacted] combined single limit per occurrence, and in the aggregate including a contractual liability endorsement covering the Lessee's indemnity obligations under this Agreement within the policy

terms. Such policy or policies shall include coverage for bodily injury, including wrongful death, property damage liability, personal injury, advertising liability, premises/operations, products/completed operations, broad form property damage, independent contractor's liability, elevator liability (including coverage for escalators), and such other coverages as the Port Authority may reasonably require, if such insurance is commercially available. There shall be no exclusion relating to the sale of liquor at or from the Premises or any exclusion for claims arising within fifty (50) feet of a railroad, train or subway. With respect to commercial general liability insurance, the Lessee shall have the right to purchase such insurance with a deductible or self-insured retention of not more than [redacted] per occurrence and [redacted] in the aggregate, provided, however, commencing on November 16, 2011 and at any time thereafter, such amount shall be subject to an increase upon request from the Lessee, approval of which shall not be unreasonably withheld by the Port Authority.

71.1.5 Automobile liability insurance for all owned, non-owned and hired vehicles insuring against liability for bodily injury and death and for property damage in an amount of not less than [redacted] combined single limit.

71.1.6 Environmental liability covering environmental hazards arising from the Premises and discovered or occurring during the Interim Period, or through sudden and accidental release, in an amount not less than [redacted] per discovery and in the aggregate.

71.1.7 If not included within the insurance required to be maintained pursuant to Section 71.1.1, boiler and machinery insurance covering all steam, mechanical and electrical equipment, including without limitation, all boilers, chillers, unfired pressure vessels, piping and

wiring, in an amount not less than [redacted] per accident on a combined basis covering all hazards, perils, property loss and loss of income.

71.1.8 Statutory Workers' compensation and/or employer's liability insurance, as required by law.

71.1.9 Intentionally Omitted.

71.1.10 Intentionally Omitted.

71.1.11 Crime insurance providing insurance against liability for employee dishonesty, with limits of liability acceptable to the Port Authority, but not less than [redacted] per loss, providing for no deductible in excess of [redacted] per occurrence;

71.1.12 All tenants, contractors, vendors and suppliers contracted by the Lessee must provide evidence of the following coverage:

(a) Commercial General Liability with limits appropriate for the exposure

(b) Workers Compensation

(c) Employers Liability

71.2 In the event any item of insurance required to be procured by the Lessee under this Section 71 is not available, or is not available at commercially reasonable rates, the Lessee may propose a modification of such requirement and provide the reasons therefor in writing to the Port Authority. The Port Authority may, in its reasonable discretion, waive or modify any provision hereunder in light of such request.

71.3 All property insurance policies procured by the Lessee pursuant to the provisions of this Section 71, including any Interim Period Excess Insurance that shall have been obtained,

shall include the PA Insured Entities and each Mortgagee, each named as an insured, as their interests may appear. All liability insurance policies (other than workers' compensation or employer's liability insurance) procured by the Lessee pursuant to the provisions of this Section 71 shall have the PA Insured Entities each named as an additional insured.

71.4 Each of the items of insurance required to be procured by the Lessee under this Section 71 shall be covered under either a single policy or a combination of primary and excess policies, provided, however, that such combination of primary and excess policies, when taken together, shall insure the property required to be insured under this Section 71 by the Lessee.

71.5 The loss under all property policies required by any provision of this Section 71 insuring against property damage shall be payable to the Depository as further described in Subsections 15.2.1 and 15.2.2, provided, however, if the amounts payable under such policies are less than [redacted], which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, such amounts shall be payable to the Lessee.

71.6 As to any insurance required by this Section, a certified copy of each binder, policy, and certificate of insurance that evidences each and every layer of coverage provided and is reasonably satisfactory to the Port Authority, shall be delivered to the Port Authority (i) with respect to binders and/or certificates, within ten (10) days prior to the later to occur of (x) the expiration of the policies required to be maintained under Section 70 and (y) the date of delivery of the Capped Podium Building in accordance with Exhibit EE-2 of the Development Agreement, and (ii) with respect to policies, promptly following receipt by the Lessee of final policies, except that if any insurance carried by the Lessee is effected by one or more blanket policies, then with respect to such insurance, a certified copy of such binders and certificates of

insurance relating to the Premises shall be so delivered to the Port Authority within ten (10) days prior to the later to occur of (x) the expiration of the policies required to be maintained under Section 70 and (y) the date of delivery of the Capped Podium Building in accordance with Exhibit EE-2 of the Development Agreement, and upon receipt of such policies by the Lessee, a certified copy of such policies shall be promptly delivered to the Port Authority. Evidence of insurance, reasonably satisfactory to the Port Authority, including evidence of new or renewal policies replacing any policies expiring during the Interim Period shall be delivered as aforesaid prior to the date of expiration of such policies. Upon a reasonable request from the Port Authority, the Lessee shall promptly deliver or cause to be delivered to the Port Authority proof reasonably satisfactory to the Port Authority that premiums have been paid by the Lessee. In the event that at any time during the Interim Period a notice of claim shall be filed or an action or proceeding commenced against the Port Authority which is required to be covered by insurance pursuant to the provisions of this Section 71, or in the event that an action or proceeding at law or in equity or a dispute shall arise, whether between the Port Authority and the Lessee or between the Port Authority and a third party or which otherwise involves the Port Authority, which may relate to a matter covered by any such policy, then in either such event the Lessee shall make available for the Port Authority's review a copy of the relevant portions of any policy covering the affected area of the Premises or which provides coverage against such claim, action or proceeding or which relates to such dispute, within thirty (30) calendar days after receipt of request by the Port Authority.

71.7 Each policy of insurance procured by the Lessee pursuant to this Section 71 shall be written by companies authorized to do business in the State of New York, with a claims paying ability/financial strength rating of at least the Required Insurer Rating, and provide as

part of the policy, or by endorsement that: (x) the policy may not be canceled, or materially changed as to the coverages required under this Section 71, without giving thirty (30) days written advance notice thereof (except for non-payment of premiums, for which ten (10) days written advance notice shall be required) to the Port Authority and each Mortgagee, (y) as respects any policy of liability insurance, the insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority, and (z) that the protection 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 by the Lessee against the Port Authority, but such endorsement shall not limit, vary, change, or affect either the protections afforded the Port Authority as an insured or additional insured, or the protections afforded the Port Authority under the contractual liability endorsement referred to in Subsection 71.1.4 hereof.

71.8 If at any time any of the policies shall be or become unsatisfactory to the Port Authority, acting in a reasonable manner, as to form or substance, or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, such as a result of a downgraded A.M. Best rating below the Required Insurer Rating, acting in a reasonable manner, the Lessee shall promptly obtain a new and satisfactory policy in replacement within thirty (30) days of such unsatisfactory notice. With respect to all insurance required to be obtained pursuant to this Section 71, the Port Authority will not find a policy issued by a satisfactory carrier to be unsatisfactory as to form or substance unless it contains an exclusion not generally included in

Commercial General Liability policies covering similar office buildings in the City of New York at the time of such determination or unless the claims paying ability/financial strength rating of such carrier shall be downgraded below the Required Insurer Rating. Without limiting the generality of the provisions of this Section, from time to time during the Interim Period, but not more than once every three (3) years, the Port Authority, acting in a reasonable manner, shall have the right to require the Lessee to raise the limits of the various liability coverages set forth in this Section, or to require insurance against other insurable hazards, and the Lessee shall comply, or cause compliance with, any such reasonable request, provided that such insurance is commercially available.

71.9 Intentionally Omitted.

71.10 Each party hereto shall include in each of its insurance policies covering loss, damage or destruction by fire or other casualty (insuring, in the case of the Port Authority, the portions of the World Trade Center other than the Building, and the Port Authority's property therein, and insuring, in the case of the Lessee, all property required to be insured by the Lessee pursuant to this Section) a waiver of the insurer's right of subrogation against the other party or, if such waiver should be unobtainable or unenforceable, (i) an express agreement that such policy shall not be invalidated if the insured waives before the casualty the right of recovery against any party responsible for a casualty covered by such policies, or (ii) any other form of permission for the release of the other party. If any party hereto is unable to obtain such waiver, agreement or permission without additional charge, then, upon providing reasonable notice to the other party, such party shall be relieved from providing such waiver, agreement or permission unless the other party shall so elect and shall pay the carrier's additional charge therefor.

71.11 Each party hereto hereby releases the other party with respect to any claim (including a claim for negligence) which it might otherwise have against the other party for loss, damage or destruction with respect to property which it is required to or elects to insure occurring during the Interim Period under this Section 71 and with respect and to the extent to which it is, or is under this Section 71 required to be, insured under a policy or policies containing a waiver of subrogation or permission to release liability as provided in Section 71.10 hereof.

71.12 Nothing contained in this Section 71 shall be deemed to impose upon the Port Authority any duty to procure or maintain any of the kinds of insurance referred to therein except as otherwise required in this Section 71, Section 14.20 or the REOA. If the Lessee shall fail to maintain insurance in effect as required in this Section, the release by the Lessee set forth in Section 71.11 shall be in full force and effect to the same extent as if such required insurance (containing a waiver of subrogation) were in effect. Notwithstanding anything to the contrary contained in this Agreement, the carrying of insurance by any party shall not modify, reduce, limit or impair such party's obligations and liability under Section 18 of this Agreement.

71.13 All insurance policies for property damage required by this Section 71 shall provide in substance that: (i) all adjustments for claims with the insureds for [redacted] or more, which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, shall be made with the Port Authority, the Lessee and each Mortgagee named as an insured; and (ii) subject to the rights of any Mortgagee named as an insured, all adjustments for claims with insurers for less than [redacted], which amount shall be increased by [redacted] on each five (5) year anniversary of November 16, 2006, shall be made with the Lessee only.

71.14 The Lessee shall not carry separate insurance concurrent in form or contribution in the event of loss with that required by this Section 71 to be furnished by the Lessee, unless the Port Authority and each Mortgagee are included therein as insured or additional insured with loss payable as provided in this Section 71. The Lessee immediately shall notify the Port Authority of the carrying of any such separate insurance and shall cause the same to be delivered as required in this Section 71. Notwithstanding the foregoing, the Lessee, the Tower Lessees and/or the Net Lessees' Association may maintain insurance in excess of the insurance required to be maintained under Section 71.1.1 hereof (any such insurance hereinafter referred to as "Interim Period Excess Insurance"). The Port Authority shall be named as an additional insured on any Interim Period Excess Insurance obtained by the Lessee. Any proceeds from such Interim Period Excess Insurance shall be applied to restore and repair the Premises in accordance with the terms of Section 15, except as set forth below.

71.15 All policies provided for in Section 71.1 shall contain clauses or endorsements to the effect that the Port Authority shall not be liable for any insurance premiums thereon or subject to any assessments there under.

71.16 Without limiting, and subject to, the provisions of Section 71.2 above, if at any time the Port Authority is not in receipt of written evidence that all insurance required hereunder is in full force and effect, the Port Authority shall have the right, on ten (10) Business Days notice to the Lessee to take such action as the Port Authority deems necessary to protect its interest in the Premises, including, without limitation, the obtaining of such insurance coverage as the Port Authority in its sole and absolute discretion deems appropriate, and all expenses incurred by the Port Authority in connection with such action or in obtaining such insurance and

keeping it in effect shall be paid by the Lessee to the Port Authority upon demand and shall bear interest at the Default Interest Rate.

71.17 The Lessee shall give prompt written notice to the insurance carrier and to the Port Authority of any loss reasonably believed by the Lessee to be in excess of $1,000,000 that may be covered by worker's compensation insurance and/or general liability insurance.

71.18 In the event of any dispute under this Section 71 between the Port Authority and the Lessee as to (i) whether an item of insurance is "commercially available", "available" or "available at commercially reasonable rates", or (ii) whether the Port Authority is acting reasonably under Section 71.2, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

71.19 Notwithstanding anything to the contrary contained in this Section 71, the provisions of this Section 71 shall only apply during the Interim Period, it being agreed, however, that, if and to the extent that any policies obtained pursuant to Section 70 above shall also satisfy the insurance requirements of this Section 71, and such policies obtained pursuant to said Section 70 shall continue in effect following the delivery of the Capped Podium Building in accordance with Exhibit EE-2 of the Development Agreement, then, to such extent, the Lessee shall be deemed to have satisfied such insurance requirements of this Section 71.

Section 72. Fire and Other Casualty (Construction Period).

72.1 If the Premises (other than the Appurtenances) or any structures, improvements, fixtures and equipment, furnishings and physical property located thereon, or any part thereof, shall be damaged or destroyed by fire, the elements, the public enemy or other casualty, or by reason of any cause whatsoever and whether partial or total, the Lessee, at its sole cost and expense, and whether or not such damage or destruction is covered by insurance proceeds

sufficient for the purpose, shall remove all debris resulting from such damage or destruction, and shall rebuild, restore, repair and replace the Premises (other than the Appurtenances) and any structures, improvements, fixtures and equipment, furnishings and physical property located thereon substantially in accordance, to the extent feasible, prudent and commercially reasonable, with the plans and specifications for the same as they existed prior to such damage or destruction or with the consent in writing of the Port Authority, which consent shall not be unreasonably withheld, conditioned or delayed, make such other repairs, replacements, changes or alterations as is mutually agreed to by the Port Authority and the Lessee, and following such restoration Lessee shall proceed to continue the construction of the Capped Podium Building (if the Lessee shall have elected the Interrupted Construction Option and construction of the entire Tower Project shall not have resumed prior to the delivery of the Capped Podium Building in accordance with Exhibit EE-2 of the Development Agreement) or the Tower Project (if the Lessee shall have elected the Continuous Construction Option or the Lessee shall have elected the Interrupted Construction Option and construction of the entire Tower Project shall have resumed prior to the delivery of the Capped Podium Building in accordance with Exhibit EE-2 of the Development Agreement), as applicable, in accordance with its obligations under the Development Agreement and the Tenant Support Agreement. Such rebuilding, restoration, repairs, replacements, or alterations shall be commenced promptly and shall proceed with all due diligence subject to the terms and conditions of this Agreement and the Development Agreement.

72.1.1 Intentionally Omitted.

72.1.2 No destruction of, or damage to the whole or any part of the Premises or any structures, improvements, fixtures, and equipment, furnishings or other property located

thereon by fire or any other casualty, cause or condition shall permit the Lessee to surrender or terminate this Agreement or shall relieve the Lessee from its liability to make payment of any monies, charges, fees or rentals or additional rentals payable under this Agreement or from any of its other obligations hereunder. The Lessee waives any rights now or hereafter conferred upon the Lessee by statute or otherwise to quit or surrender the Premises and terminate this Agreement or any part thereof, or to any suspension, diminution, abatement or reduction of rent on account of any destruction or damage, except as elsewhere specifically provided herein. The parties 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.

72.1.3 Notwithstanding anything herein to the contrary, if (i) damage or destruction as is described in Section 72.1 above occurs (ii) the cost of restoration and repair of such damage or destruction shall be reasonably expected to exceed the sum of the insurance required to be maintained under Section 70.1 hereof for such a casualty and the Construction Period Excess Insurance, if any, obtained by the Lessee or on the Lessee's behalf (such excess, the "Construction Period Uninsured Casualty Amount"), as set forth in a written notice from the Lessee to the Port Authority (a "Construction Period Proceeds Deficiency Notice"), (iii) either (x) the Port Authority does not deliver a Construction Period Uninsured Casualty Funding Notice in accordance with the second sentence of this Section 72.1.3, or (y) the Port Authority shall deliver a Construction Period Uninsured Casualty Funding Notice but shall fail to deliver to the Depository portions of the Construction Period Uninsured Casualty Amount at the time third party insurers would otherwise deliver such amounts, and (iv) the Lessee shall default in its obligation to perform all rebuilding, restoration, repairs, replacements or alterations required in accordance with the provisions of this Section 72, then the Port Authority shall receive the

portion of the proceeds of any insurance which the Port Authority is entitled to pursuant to the provisions of Section 70 hereof, and the Lessee and/or the Tower Lessees (and/or any of their respective mortgagees) shall be entitled to the Construction Period Excess Insurance, if any, that shall have been obtained. Within ninety (90) days of receipt of a Construction Period Proceeds Deficiency Notice, the Port Authority may elect by written notice to the Lessee (a "Construction Period Uninsured Casualty Funding Notice") to fund the Construction Period Uninsured Casualty Amount (at the same time as such amount would otherwise be funded by a third party insurer), with failure to deliver a Construction Period Uninsured Casualty Funding Notice within said ninety (90) day period being deemed an election by the Port Authority not to fund such amount. If the Port Authority funds the Construction Period Uninsured Casualty Amount, the Lessee's failure to provide the Construction Period Uninsured Casualty Amount shall not be deemed to be an Event of Default under this Agreement.

72.2 If such damage or destruction as is described in Section 72.1 is covered by insurance then, subject to the provisions of Subsection 72.2.1, such proceeds shall be made available for and applied to the payment of the cost of the rebuilding, restoration, repair, replacement and alteration work required to be performed by the Lessee under the provisions of this Section 72.

72.2.1 In the event that for any single casualty hereunder the insurance proceeds referred to above do not exceed, in the aggregate, [redacted], Subject to Adjustment on each five (5) year anniversary of the Commencement Date, such proceeds shall be made available directly to the Lessee or to any Mortgagee holding the senior most Mortgage, to be applied as set forth in this Section 72.2. In the event that the insurance proceeds exceed, in the aggregate, [redacted] Subject to Adjustment on each five (5) year

anniversary of the Commencement Date, the proceeds shall be deposited in an interest bearing account with the Depository to be disbursed to the Lessee from time to time upon a written request from the Lessee and accompanied by a certificate signed by a responsible officer of the Lessee, dated not more than thirty (30) days prior to such request, setting forth, to the best of such officer's knowledge, the following:

(a) That the sum then requested either has been paid by the Lessee, or is justly due to contractors, subcontractors, materialmen, engineers, architects or other persons who have rendered services or furnished materials for the rebuilding or restoration therein specified, the names and addresses of such persons, a brief description of such services and materials, the several amounts so paid or due to each of said persons in respect thereof, that no part of such expenditures has been made the basis, in any previous or then pending request, for the withdrawal of insurance money or has been paid out of the proceeds of insurance received by the Lessee, and that the sum then requested does not exceed the value of the services and materials described in the certificate;

(b) That except for the amount, if any, stated in such certificate to be due for services or materials (other than retainage), there is no outstanding indebtedness known to the persons signing such certificate, after due inquiry, then due for labor, wages, materials, supplies or services in connection with such rebuilding or restoration which, if unpaid, might become the basis of a vendor's, mechanic's, laborer's or materialman's statutory or similar Lien or alleged Lien upon such rebuilding or restoration or upon the Premises or any part thereof or upon the Lessee's leasehold interest therein; and

(c) That the cost, as estimated by the persons signing such certificate, of the rebuilding or restoration required to be done subsequent to the date of such certificate in

order to complete the same, does not exceed the insurance proceeds, plus any amount deposited by the Lessee or as to which the Lessee has provided other security or credit support (including a guaranty from a credit worthy entity) to defray such cost remaining in the hands of the Depository after payment of the sum requested in such certificate. Upon request the Lessee shall also provide evidence, reasonably satisfactory to the Port Authority, to the effect that there has not been filed with respect to the Premises or any part thereof or upon the Lessee's leasehold interest therein any vendor's, mechanic's, laborer's, materialman's or other Lien which is the Lessee's obligation hereunder to discharge and which has not been discharged of record, except such as will be discharged by payment of the amount then requested. Nothing contained herein shall be or be deemed or construed as a submission, by the Port Authority to the application to itself of any vendor's, mechanic's, laborer's or materialman's statutory or similar Lien.

72.2.2 Upon compliance with the foregoing provisions of Subsection 72.2.1 the Depository shall, out of such insurance money and interest thereon, subject to the reasonable or commercially customary additional requirements, if any, of the Mortgagee holding the Senior Mortgage, which requirements shall be set forth in such Mortgage, promptly pay or cause to be paid to the Lessee or, at the Lessee's option, to the persons named (pursuant to Subsection 72.2.1(a)) in such certificate, the respective amounts stated therein to have been paid by the Lessee or to be due to them, as the case may be.

72.3 If the Lessee has secured and maintained the policies of insurance described in Section 70 in the limits set forth therein and the proceeds of such insurance shall be insufficient to pay the entire cost of the rebuilding, restoration, repair, replacement and alteration work required to be performed by the Lessee pursuant to Section 72.2, the excess cost shall be borne by the Lessee.

72.4 Upon receipt by the Depository and the Port Authority of satisfactory evidence, of the character required by Subsection 72.2.1 above, that the rebuilding or restoration has been completed in accordance with the provisions of Section 72.1 and paid for in full (other than sums to be paid from retainage) and that there are no Liens of the character referred to therein, any balance of the insurance money at the time held by the Depository shall be paid to the Lessee, its designee, or as otherwise required by any Mortgagee.

72.5 Notwithstanding anything to the contrary contained in this Section 72, (a) if a casualty that is governed by the provisions of Section 8.2(b) of the REOA shall occur, Lessee's obligation to restore or rebuild following such casualty shall be subject to compliance by the other parties to the REOA of their respective obligations under subparagraph (ii) of such Section 8.2(b), and the Lessee's failure to comply with its obligations under this Section 72 by reason of said other parties' failure to comply with their respective obligations under subparagraph (ii) of such Section 8.2(b) of the REOA shall not be an Event of Default, and (b) if a casualty that is governed by the provisions of Section 8.2(c) of the REOA shall occur, and said casualty is not a Lessee Only Casualty (as defined in the REOA) with respect to the Lessee, the Lessee shall have no obligation to restore or rebuild damage following such casualty, and the Lessee's failure to so restore or rebuild shall not be an Event of Default.

72.6 Notwithstanding anything to the contrary contained in this Section 72, the provisions of this Section 72 shall only apply during that portion of the Term commencing on the Construction Commencement Date and ending on the Substantial Completion Date but excluding the Interim Period.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amended and Restated Agreement of Lease as of the day and year first above written.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amended and Restated Agreement of Lease as of the day and year first above written.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____
Name: Christopher O. Ward
Title: Executive Director

3 WORLD TRADE CENTER LLC

By: _____
Name: Michael L. Levy
Title: Senior Vice President and Secretary

IN WITNESS WHEREOF, the parties hereto have executed this Second Amended and Restated Agreement of Lease as of the day and year first above written.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____
Name: Christopher O. Ward
Title: Executive Director

3 WORLD TRADE CENTER LLC

By: _____
Name: Michael L. Levy
Title: Senior Vice President and Secretary

## SCHEDULE 4

### Comparable Buildings

Downtown Buildings

- 7 World Trade Center
- One Liberty Plaza
- World Financial Center

Midtown Buildings

- One Bryant Park
- The new New York Times Building (8th Avenue between 40th and 41st Streets)

## SCHEDULE 6.10.1

**Calculation of Tax Equivalent Rental Due to the Port Authority (Base Amount)**

[see attached]

## SCHEDULE 6.10.3

**Calculation of Tax Equivalent Rental Due to the Port Authority (Market Increase)**

[see attached]

## SCHEDULE 6.10.3

## EXAMPLES OF SPACE TENANTS TAX EQUIVALENT RENTAL

**The Port Authority and the Lessee agree and acknowledge that the example set forth in this Schedule 6.10.3 is for illustrative purposes only.**

Example of Recovery per square foot from Tenant A

Assumptions:

Existing PILOT in 2006 [redacted]
Growth in existing PILOT per year
Year of lease commencement for Tenant A
Lease expiration year for Tenant A
Base amount for Tenant A
Market tax base in 2006
Growth in market taxes

| Year | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Space Tenant Tax Increase (Section 6.10.3) | | | | | | | | | | |
| Section 6.10.3 (a) (1) Current Year Rate | [redacted] | | | | | | | | | |
| Section 1.35 Base Tax Amount | N/A | N/A | N/A | N/A | $8.87 | $8.87 | $8.87 | $8.87 | $8.87 | $8.87 |
| Space Tenant Tax Increase (Section 6.10.3 (a)) | N/A | N/A | N/A | N/A | $0.00 | $0.27 | $0.54 | $0.82 | $1.11 | $1.41 |
| Existing PILOT Payment (Section 6.10.1) | [redacted] | | | | | | | | | |
| Existing PILOT Base (Section 6.10.1) | N/A | N/A | N/A | N/A | [redacted] | | | | | |
| Existing PILOT Escalation (Section 6.10.1) | [redacted] | | | | | | | | | |
| Space Tenant Tax Increase (Section 6.10.3 (a)) | N/A | N/A | N/A | N/A | [redacted] | | | | | |
| Less Existing PILOT Escalation | [redacted] | | | | | | | | | |
| Section 6.10.3 Amount | N/A | N/A | N/A | N/A | [redacted] | | | | | |

## SCHEDULE 13.4.1

**Code Compliance Office Inspection Schedule**

Structural Integrity Program Cycles

| Structure | Cycles |
|---|---|
| Tower 2, Tower 3 and Tower 4 | |
| (Above the sub grade levels only) | |
| • Building Components | Ten (10) years |
| • Exterior Walls/Antenna Supports | Five (5) years |
| Sub grade Levels | |
| • Parking Level Slabs | Two (2) years |
| • Parking Level Full Inspection | Four (4) years |
| • Slurry Wall | Four (4) years |
| • Non-Parking Levels | Ten (10) years |

## SCHEDULE 14.20

**Lessee Additional Insureds**

Silverstein 2/3/4 WTC Redevelopment LLC
WTC Redevelopment LLC
World Trade Center Properties LLC
2 World Trade Center LLC
3 World Trade Center LLC
4 World Trade Center LLC
Net Lessees' Association of the World Trade Center
Silverstein Properties, Inc.
Larry A. Silverstein (as an individual)
Tishman Construction Corporation
Tishman Realty & Construction Co., Inc.
Tishman Construction Company and its affiliates
Turner Construction Company and its affiliates
WTC Management and Development LLC
Silverstein WTC Mgmt. Co. LLC
Silverstein WTC Mgmt. Co. II LLC
Silverstein Freedom Tower Development LLC
Silverstein WTC Properties LLC
Silverstein WTC LLC
Silverstein WTC Management and Development LLC
2 WTC Holdings LLC
3 WTC Holdings LLC
4 WTC Holdings LLC
WTC Investors LLC
WTC Investors Management and Development LLC

All Lessee OCIP enrolled Trade Contractors of any tier and its interests, entities, divisions, or other interests including, but not limited to, joint ventures, partnerships, investments and other interests of the Named Insured but solely as respects the interests of the Named Insured; and including automatically the interests of the parent, trust(s), affiliated, subsidiary, and associated companies or corporations, owner(s), entity(ies) or individual(s) in the Named Insured which either have existed, exist now, or may exist in the future, and any joint venture or partnership interests in which the Insured is a participant to the extent the Insured is required to insure such interests.

## SCHEDULE 30

### Permitted Encumbrances

Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the lease to which this Schedule is attached.

1. The following recorded instruments:

   a. Agreement made 6/6/1967 between The Port of New York Authority and The City of New York, recorded on 11/16/1967 in Record Liber 243 Page 350.

      With Respect Thereto:

      (1) Unrecorded Supplemental Agreement dated 6/21/1967, as disclosed by (a)(3) below.

      (2) Unrecorded Letter Agreement dated 8/13/1971, as disclosed by (a)(3) below.

      (3) Agreement made 8/4/76 between The Port Authority of New York and New Jersey and The City of New York, recorded on 1/12/1977 in Reel 388 Page 1439.

      (4) Letter Agreement between the New York Metropolitan Transit Authority Capital Construction Company and The Port Authority of New York and New Jersey, dated 11/16/06, recorded on 11/30/06 as CRFN 2006000662058.

   b. Indenture made 1/31/1968 between The City of New York and The Port Authority, recorded on 2/2/1968 in Record Liber 273 Page 34.

   c. Agreement, undated, between The Port of New York Authority and The City of New York, recorded on 3/19/1970 in Reel 168 Page 765.

   d. Second Amended and Restated Reciprocal Easement and Operating Agreement of The East Bathtub of The World Trade Center dated 11/16/06, recorded on 11/30/06 as CRFN 2006000662051 in the Office of the Register of the City of New York.

2. Any utility company rights, easements and franchises for electricity, water, steam, gas, telephone, or other service or the right to use and maintain poles, lines, wires, cables, pipes, boxes and other fixtures and facilities, in, over, under and upon the Net Leased Property..

3. Any right, lack of right or restricted right to construct and/or maintain (and the right of any Governmental Authority or require the removal of) any sidewalks abutting the Net Leased Property.

4. Unrecorded World Trade Center Design and Site Plan Agreement made the 24th day of November, 2004 among The City of New York, Lower Manhattan Development Corporation, The Port Authority of New York and New Jersey, WTC Retail LLC, I World Trade Center LLC, 2 World Trade Center LLC, 4 World Trade Center LLC and 5 World Trade Center LLC, as amended by unrecorded letter agreement dated 11/16/06 among The City of New York, Lower Manhattan Development Corporation, The Port Authority of New York and New Jersey, WTC Retail LLC, 1 World Trade Center LLC, 2 World Trade Center LLC, 4 World Trade Center LLC and 3 World Trade Center LLC formerly known as 5 World Trade Center LLC.

5. Unrecorded World Trade Center Redevelopment Agreement dated the 24th day of November, 2004 between The Port Authority of New York and New Jersey and The City of New York, as amended by unrecorded letter agreement dated 11/16/06 between The City of New York and The Port Authority of New York and New Jersey.

6. Unrecorded Amended and Restated Master Development Agreement for Towers 2/3/4 of the World Trade Center dated of even date herewith.

7. Declaration of Restrictive Covenant by The Port Authority of New York and New Jersey in favor of The City of New York dated as of 12/5/07, recorded on 12/13/07 as CRFN 2007000611078.

8. Easements created pursuant to Acquisition Order dated 9/11/08, recorded on 9/24/08 as CRFN 2008000379765, as affected by the Assignment of Tie-Back Easements and Assumption of Obligations dated as of 9/24/08 between Lower Manhattan Development Corporation and The Port Authority of New York and New Jersey, recorded on 11/6/08 as CRFN 2008000432160.

9. Declaration of Restrictive Covenant by The Port Authority of New York and New Jersey in favor of The City of New York dated as of 12/5/07, recorded on 12/13/07 as CRFN 2007000611077.

## SCHEDULE 48.2

**Port Authority High Tension Administrative and Safety Rules and Procedures**

[see attached]

[Attached proposal by PA under discussion between PA and SPI]

**THE PORT AUTHORITY** OF NY & NJ

# WORLD TRADE CENTER HIGH TENSION SYSTEM PROCEDURES

All Lessee Electrical System Components energized by a line-to-line voltage in excess of 600V AC ("High Tension) shall be operated, maintained, and repaired in accordance with the Port Authority High Tension Administrative and Safety Rules. No work on high tension Lessee Electrical System Components shall be performed without the specific approval of the World Trade Center High Tension System Operator (the "HTSO"), who is appointed by the Port Authority and certified by the Port Authority High Tension Electrical Board . The HTSO shall direct the "qualified" (as defined in section 7.C) electricians employed by the Lessee as to what procedures to take to safely isolate and ground the equipment and verify that it has been performed as per the High Tension Administrative and Safety Rules. In addition to the High Tension Administrative and Safety Rules, the Lessee shall comply to the following procedures:

1. Advance Notice:

    a. The Lessee shall provide the High Tension Office with 5 days written notice for routine maintenance shutdowns.

    b. Whenever practical, the Lessee shall provide schedules of upcoming shutdowns as far in advance as possible.

2. Safety & Test Equipment:

    a. The frequency of certification of Lessee owned high voltage test and safety equipment used on high tension equipment shall be in compliance with Port Authority most current requirements.

    b. The Lessee shall provide the High Tension Office, with copies of certified test reports for high voltage test and safety equipment.

    c. The Lessee shall ensure that all safety equipment conforms to the most current requirements of the Port Authority.

3. Maintenance Testing:

    a. When high tension equipment of the Lessee Electrical System Components are taken out of service to perform maintenance, a written certification, stating that the equipment is operating within acceptable parameters and is safe to re-energize shall be provided to the High Tension Office, prior to placing the

equipment back into service. The certification shall include a copy of any "HiPot" test, "megger" tests, and Vacuum circuit breaker acceptance testing performed.

4. Equipment Failures & Relay Activation:

    a. Upon the activation of a protective relay, the High Tension Office shall be immediately notified. Under no circumstances will the relay be reset, or the breaker operated. Under the supervision of the High Tension System Operator an inspection of the affected equipment will be conducted. If at the discretion of the Operator electrical testing is required, it shall be performed before any re-energizing.

5. New Equipment Installation:

    a. Whenever new equipment is installed on the high tension equipment of the Lessee Electrical System Components, commissioning test results shall be submitted to the Engineer of Record for review and written approval. A copy of the approved test reports shall be made available to the High Tension Office prior to energizing the equipment. The High Tension System Operator reserves that right to witness any testing.

    b. In advance of the scheduled date to energize the new equipment an inspection shall be held to identify any possible safety concerns, if at the discretion of the High Tension System Operator an operational test or demonstration is deemed necessary one will be conducted at this time.

    c. The Lessee shall provide copies of the manufactures Operating and Maintenance manuals for each piece of high tension and associated low voltage equipment being installed, prior to the scheduled date of energizing the equipment for the first time.

    d. The Lessee shall provide a complete set of design drawings and shop drawings for review and future use, prior to scheduling the inspection.

    e. Future equipment installations shall be equipped with a means to install pad locks on all High Voltage equipment. In the event no such devices exist, they will be field installed at the direction of the High Tension System Operator.

6. Locks on High Tension Equipment:

    a. All high tension equipment of the Lessee Electrical System Components will remain Locked by the High Tension Office and access will remain under the High

Tension System Operator's control, in accordance with the High Tension Safety Rules.

b. High tension areas that contain exposed high voltage cables, or splice boxes, and serve no other usage will remain under the control of the High Tension System Operator.

c. Only "Qualified" personnel as defined in OSHA 1926.32(m), who by extensive knowledge, training, and experience, has successfully demonstrated their ability to identify and resolve problems relating all aspects of high tension electrical system inspection, maintenance, repair, testing, and distribution shall be permitted to assist the High Tension System Operator in the operation of the high tension system at the World Trade Center.

**THE PORT AUTHORITY** OF NY & NJ

# Port Authority High Tension Administrative & Safety Rules

## FOREWARD

The High Tension Administrative and Safety Rules establish the minimum operating and safety requirements to be followed at all Port Authority facilities when construction, maintenance, repair, and test work is to be performed on high tension electrical equipment. High tension electrical equipment is considered to be any equipment which is energized by a line to line voltage in excess of 600 volts A.C. These rules do not apply to the PATH D.C. traction power and signal power systems or Airport Runway and Taxiway Systems. These systems are to be covered by separate bulletins. For the purpose of these instructions, switching by means of dead front, metal clad switchgear is not considered to be work on high tension electrical equipment.

These rules are intended primarily to serve as a basis for safe practice in high tension areas. It should be noted that other rules and regulations may be applicable in addition to these rules and that where this occurs, the more stringent rules shall apply. All facilities requiring specific procedures for implementation of these rules for operating purposes, or interpretation of any specific rule should communicate with the Manager, Risk Management Division.

Compliance with these rules by all personnel working in high tension areas is mandatory. Supervisors are required to file formal charges against all employees observed to be violating any of these rules. Compliance will provide for the attainment of the following objectives:

1. Safety of personnel.
2. Continuity of service to the public.
3. Prevention of damage to Port Authority property.

## HIGH TENSION ADMINSTRATIVE RULES

1. The High Tension System Operator (see Appendix)is responsible for making all areas safe in which work is to be performed on or in close proximity of, high tension electrical equipment and for checking that all applicable administrative and safety rules are followed. Qualified alternates may be assigned to perform these duties in the absence of the above designee. The facility manager with the counsel of the High Tension System Operator sets up an Operating Procedure to be followed in case of emergencies involving high tension areas. Under no condition shall this Operating Procedure provide for any deviation from these High Tension Administrative Rules or the High Tension Safety Rules.

2. No work is to be performed in any high tension area without the specific approval of the High Tension System Operator.

3. Under the control of the High Tension System Operator, numbered keys, tags and grounds shall be used. Number of same shall be recorded on the Electrical Work Permit, and all removed tags pertaining to any particular job shall be retained by the High-Tension System Operator until the feeder is back in service.

4. In case of his absence from the facility, the High Tension System operator may authorize by telephone switching of loads in the high tension area, providing this work does not in any way conflict with the High Tension Rules and Regulations.

5. When work is required in a high tension area, part #2 of the Electrical Work Permit (PA *2497)* shall be completed by the Requesting Agency, which is defined as the group directly responsible for performing the job. All necessary work to de-energize, isolate, tag (PA 2365) and ground the feeders and equipment, the erection of approved protective barriers, and the demarcation of the work area shall be performed under the direction/supervision of the High Tension System Operator. This work shall be recorded on part #3 of the Electrical Work Permit. The High Tension System Operator shall make certain that the appropriate protective equipment is used or worn by personnel engaged in the de-energizing, isolating and grounding of such feeders and equipment.

6. An original and three copies of each Electrical Work Permit shall be filled out for the following distribution: the original for the High Tension Notification Bulletin Board*; and one copy each for the High Tension System Operator, the Requesting Agency , and the Inspecting Agency (an authorized representative of the Resident Engineer). The detached portion (PA 2365A) of all tags used shall be retained by the High Tension System Operator together with his copy of the Electrical Work Permit.

**The High Tension Notification Bulletin Board shall be either a separate board or a portion of the electric shop bulletin board designated for posting copies of all active work permits.*

7. The Requesting Agency (the group directly responsible for performing the Job) prior to starting work and permitting any workmen within area (area covered by Electrical Work Permit) shall assure itself by physical inspection that the following conditions have been met:
    a. All equipment has been isolated by opening, locking, and tagging all disconnecting devices through which the equipment could be energized. The possibility of a backfeed through transformers and control, and sensing circuits must be avoided. The disconnecting device contacts are visible and all contacts are visually checked open.

b. The feeder cable has been identified, properly grounded and cut, if the feeder is to be worked upon.
c. All electrical equipment which has exposed conductors within the work area, or which may present a shock hazard, is grounded if de-energized, or is provided with a protective barrier approved by the High Tension Systems Operator if energized.
d. The work area has been identified with approved markers.
e. Parts #1, #2 and #3 of all copies of the Electrical Work Permit have been completed. The original copy of the Electrical Work Permit is posted on the High Tension Notification Bulletin Board.
f. All men working within the work area have "signed on" (initialed) part #4A of the Requesting Agency copy of the Electrical Work Permit. The only men permitted in the work area are those who have "signed on" (initialed) the Electrical Work Permit.
g. The work area shall be suitably protected against access by unauthorized persons.

8. After work has started, no further additions or alterations shall be made to Parts #I, #2 and #3 of the Electrical Work Permit. No work other than that detailed in Part #2 of the Electrical Work Permit shall be performed within the work area unless covered by another Electrical Work Permit.

9. After all work pertaining to the Electrical Work Permit has been completed, the Requesting Agency shall have all the men sign off at the end of each work day, part #4A of its copy of the Electrical Work Permit and return this copy to the High Tension System Operator. The Requesting Agency shall then complete part #4B of the original copy of the Electrical Work Permit (the High Tension Notification Bulletin Board Copy) which is the final file copy kept by the facility.

10. After completion of part #4B of the permit, preparation for re-energizing the equipment under the direct supervision of the High Tension System Operator may begin. No switching shall take place on any part of any feeder or equipment, however, until the High Tension Notification Bulletin Board is checked to assure that no uncompleted work permits (Parts # 1 to #4) pertaining to work on this feeder or equipment or other feeders in the area of work, are on file. Prior to re-energizing the feeder, a physical determination, shall be made by the High Tension System Operator, together with the Requesting Agency, to assure that all areas associated with the feeder or equipment covered in these Electrical Work Permits are safe for reenergizing. All new construction performed on the Electrical Work Permit must be covered during this physical determination.

## HIGH TENSION SAFETY RULES

1. No work is to be performed in any high tension area without the specific approval of the High Tension System Operator.

2. Before any work commences, a detailed written plan of action (Electrical Work Permit, PA *2497)* and appropriate diagrams shall be prepared by the High Tension System Operator to assure the safe execution of the operation. This plan shall be reviewed with other qualified and interested personnel*** to assure thorough consideration of the effect of each step of the procedure, taking full regard of other work that may be in progress within the system at the time.

*** *Interested Persons:*
*Facility Elec. Foreman*
*SEMAC Foreman*
*Contractor*
*Resident Engineer*

3. In all instances, the person who is to work on any high tension equipment or cable must be personally satisfied that all safety precautions have been taken.

4. When work is to be done in any high tension area, at least two persons must be present. At the discretion of the High Tension System Operator, when no work of any kind is to be performed on high tension equipment, unaccompanied personnel may enter high tension areas which are completely equipped with dead front grounded enclosures.

5. Key interlocks shall be operated as designed.

6. All safety and test equipment must either be approved by the Manager, Risk Management Division prior to acquisition and use by a facility, or already appear on a list of such approved equipment compiled by the Risk Management Division and periodically distributed for general Port Authority reference. The facility is responsible to assure that such equipment shall be properly kept, maintained, and periodically tested as prescribed by Port Authority Instructions or manufacturer's specifications.

7. All electrical equipment which has exposed conductors within the work area, or which may present a shock hazard, must either be grounded if de-energized, or provided with a protective barrier approved by the High Tension Systems Operator if energized. The barrier shall be so constructed and installed that no inadvertent contact with the live conductors is possible. The following minimum clearances are required between barriers and energized parts:

| Line to Line Voltages | Minimum Clearances |
|---|---|
| 601 to 5,000 volts A.C. | 3 inches |
| 5,000 to 15,000 volts A.C. | 4 ½ inches |
| 15,000 to 35,000 volts A.C. | 15 inches |

The High Tension System Operator shall directly supervise the installation of these barriers.

8. All work areas (areas covered by scope of work as outlined in the Electrical Work Permit) must be marked off with approved markers to the satisfaction of the High Tension System Operator. The only men permitted in these areas are the High Tension System Operator, and those persons who have "signed on" (initialed) the Electrical Work Permit, except that casual inspection by authorized personnel when the area is properly supervised is permitted. The High Tension System Operator shall delineate and describe all work limitations and hazards to the Requesting Agency and other interested persons (resident engineer, inspector, etc. ); and shall provide these persons with copies of facility rules and regulations applicable to the work.

9. Protective equipment, such as rubber gloves, sleeves, safety goggles or protective face shields, etc., shall be used or worn by personnel working on high tension equipment (other than metal-clad equipment where all current-carrying components are fully enclosed by grounded metallic parts) until the system has been deenergized, isolated and grounded.

10. A circuit shall be visually checked by the High Tension System Operator to assure that it is isolated. The isolating device shall then be locked open and tagged by the High Tension System Operator. When disconnect potheads, fuse cutouts, or positects are to be used for isolating a load center, they shall not be operated until the feeder has been de-energized. At oil switch locations, the associated air break device shall be opened first. An approved testing device shall be used by the High Tension System Operator, and witnessed by the Requesting Agency, to assure that the circuit is not energized.

11. Cables and capacitors shall be treated as energized until discharged and energized.

12. When a grounded breaker is used to ground a circuit, it must be closed electrically from the normal control panel by the High Tension System Operator. Grounding breakers shall not be closed manually. The grounding breaker shall be applied under the direct supervision of the High Tension System Operator. It shall not be racked in until all possible electrical sources have been re-energized and the equipment voltmeter has been checked and reads zero on all three phases after de-energizing, to assure that the feeder is not energized. The primary disconnect stab barrier shall not be opened by anyone except under the direct supervision of the High Tension System Operator. Where a grounding breaker may be used to ground load side, particular care must be exercised.

13. The secondary side of an energized current transformer shall not be worked on until the immediate supervisor of the job has short circuited it between the current transformer and the work location; the short circuit shall be applied as close as possible to the current transformer and the information entered on the Work Permit. Unless equipped with approved shorting devices, jumpers shall not be used.

14. Grounds of the proper size shall be placed, under the direct supervision of the High Tension System Operator, on both sides and as close as practical to the work 1ocation.The size of the ground conductor shall be in accordance with Table *250-94* of the National Electrical Code.

15. Manholes shall be tested for presence of harmful gas prior to being pumped or entered. Ventilation shall continue to be used to maintain a safe atmosphere throughout the entire time that personnel are working within the manholes.

16. Open manholes shall be properly barricaded or properly guarded by railings to the satisfaction of the immediate supervisor of the job and shall not be left unattended.Personne1 shall be stationed at the openings to render help and to notify authorities in the event of an emergency. An approved breathing apparatus shall be made available at the facility.

17. Within the scope of the Work Permit, slight changes in the position of a cable may be made at the discretion of the High Tension System Operator provided they will not endanger the sheath or insulation. Rubber gloves, sleeves and face masks shall be worn during this operation. The immediate supervisor of the job shall be responsible for seeing to it that this equipment is worn.

18. Before any work is done on a feeder cable, the cable must be positively identified by the High Tension System Operator using cable tracing equipment or other suitable means. All cables in a manhole, vault, or other work location shall be checked for absence or presence of the tracing signal to positively identify the required cable. Upon verification all cables to be worked on shall be suitably tagged.

19. Cables shall be cut only after positive signal or other suitable identification is made under the direct supervision of the High Tension System Operator and cable identification tags are attached. The cable cutting jaws must be grounded during cutting operations.

20. Before restoring high tension equipment and/or feeders to service, the High Tension System Operator shall verify that all short circuits and grounds have been removed and that all personnel have been cleared from the work area. The work area shall include all manholes through which the high voltage feeder passes. He shall also conduct all appropriate tests to assure the proper functioning of the system.

## APPENDIX

The High Tension System Operator at a facility is appointed by the facility manager from a list of nominees selected by him and certified by the High Tension Electrical Board.

The detailed process of selecting a High Tension System Operator is as follows:

1. The facility manager nominates a candidate or candidates to perform the duties of the High Tension System Operator.

2. The names of these nominees and resumes of their backgrounds are submitted to the Manager, Management Personnel Division, Personnel Department.

3. The Manager, Management Personnel Division, then convenes the High Tension Electrical Board to review the qualifications of each nominee. This High Tension Electrical Board consists of the following members:
   Chief Electrical Engineer from Engineering Department
   Chairman Representative of the Personnel Department
   Secretary Supervising Engineer of Electrical Maintenance
   Maintenance Engineering Design Division Representative appointed by Manager
   Risk Management Division Representative appointed by Facility Manager or Director of Line Department concerned
   Field Expert in High Tension Systems to be appointed by the Chairman

4. The Board certifies the nominees to perform the duties of High Tension System Operator at the particular facility involved, and issue a certificate (a copy of which is placed in the nominee's permanent file) attesting to this certification.

5. Finally, the facility manager appoints the High Tension Systems Operator and/or alternate High Tension System Operators from the list of nominees so certified for his facility.

6. A nominee may be certified for more than one facility, but the High Tension System Operator can only function in this capacity at facilities where he is certified. All High Tension System Operators must possess, as a minimum, the following qualifications:
   a. Supervisory and/or Managerial Positions.
   b. Familiarity with the High Tension System at the particular facility involved.
   c. Familiarity with the Port Authority HighTension Administrative and Safety Rules and the use of high tension safety and test equipment.

## EXHIBIT A-1

### Legal Description of Grade Level of the Demised Space

**Parcel 3 (tower 3 above a plane):**

All that certain plot, piece or parcel of land, situate, and being in the Borough of Manhattan, City, County and State of New York, having a lower limiting plane lying 1.35 feet below top of curb grade as indicated on the City of New York President of the Borough of Manhattan Topographical Bureau Sectional Map Nos. 3 and 5 as it existed on November 16, 2006 being more particularly bounded and described as follows:

Commencing at the corner formed by the intersection of the southerly line of Dey Street with the easterly line of Church Street, as the streets were laid out on the Borough President of Manhattan Final Sectional Maps Nos. 3 and 5, said corner having the Borough President of Manhattan coordinates of North 4742.50 West 9245.78;

A. Running thence through the bed of Church Street, North 85 degrees 23 minutes 12 seconds West, a distance of 94.95 feet to the Place and Point of Beginning, said point having the Borough President of Manhattan coordinates of North 4750.14 West 9340.42;

1. Running thence, South 02 degrees 08 minutes 04 seconds East a distance of 217.86 feet to a point;

2. Running thence, North 88 degrees 57 minutes 10 seconds West a distance of 289.42 feet to a point;

3. Running thence, North 13 degrees 22 minutes 32 seconds West a distance of 187.98 feet to a point;

4. Running thence, North 84 degrees 48 minutes 10 seconds East a distance of 326.09 feet to the Place and Point of Beginning.

The coordinates and bearings set forth in the above description refer to the 10th Avenue Meridian as established by the Borough of Manhattan Topographical Bureau with Grid North being 28 degrees 59 minutes 13.5 seconds east of True North.

## EXHIBIT A-2

### Legal Description of Below-Grade Portions of the Demised Space

**Parcel 4 (tower 3 below a plane):**

All that certain plot, piece or parcel of land, situate, and being in the Borough of Manhattan, City, County and State of New York, having an upper limiting plane lying 1.35 feet below top of curb grade as indicated on the City of New York President of the Borough of Manhattan Topographical Bureau Sectional Map Nos. 3 and 5 as it existed on November 16, 2006 being more particularly bounded and described as follows:

Commencing at the corner formed by the intersection of the northerly line of Cortlandt Street with the easterly line of Church Street as the streets are laid out on the Borough President of Manhattan Final Sectional Maps Nos. 3 and 5, said corner having the Borough President of Manhattan coordinates of North 4528.42 West 9238.03;

A. Running thence South 88 degrees 47 minutes 42 seconds West a distance of 71.41 feet to the Place and Point of BEGINNING, said point having the coordinates of North 4526.92 West 9309.42;

1. Running thence, North 86 degrees 24 minutes 27 seconds West, a distance of 22.77 feet to a point;
2. Running thence, South 02 degrees 08 minutes 04 seconds East, a distance of 22.22 feet to a point;
3. Running thence, North 88 degrees 17 minutes 53 seconds West, a distance of 295.43 feet to a point;
4. Running thence, North 15 degrees 11 minutes 41 seconds West, a distance of 19.29 feet to a point;
5. Running thence, North 50 degrees 48 minutes 56 seconds East, a distance of 11.39 feet to a point;
6. Running thence, North 09 degrees 09 minutes 57 seconds West, a distance of 5.99 feet to a point;
7. Running thence, North 13 degrees 22 minutes 32 seconds West, a distance of 7.37 feet to a point;
8. Running thence, North 18 degrees 05 minutes 41 seconds West, a distance of 21.49 feet to a point;
9. Running thence, North 73 degrees 12 minutes 48 seconds East, a distance of 1.77 feet to a point;
10. Running thence, North 13 degrees 22 minutes 32 seconds West, a distance of 17.87 feet to a point;
11. Running thence, North 17 degrees 22 minutes 38 seconds West, a distance of 25.76 feet to a point;
12. Running thence, North 57 degrees 48 minutes 00 seconds West, a distance of 4.25 feet to a point;

13. Running thence, South 74 degrees 49 minutes 27 seconds West, a distance of 0.81 feet to a point;
14. Running thence, North 17 degrees 08 minutes 28 seconds West, a distance of 19.40 feet to a point;
15. Running thence, South 78 degrees 49 minutes 03 seconds West, a distance of 1.78 feet to a point;
16. Running thence, North 18 degrees 10 minutes 06 seconds West, a distance of 99.44 feet to a point;
17. Running thence, North 43 degrees 32 minutes 59 seconds East, a distance of 6.70 feet to a point;
18. Running thence, North 18 degrees 21 minutes 32 seconds West, a distance of 20.05 feet to a point;
19. Running thence, North 88 degrees 48 minutes 10 seconds West, a distance of 0.50 feet to a point;
20. Running thence, North 17 degrees 00 minutes 52 seconds West, a distance of 13.21 feet to a point;
21. Running thence, South 74 degrees 54 minutes 53 seconds West, a distance of 5.54 feet to a point;
22. Running thence, North 17 degrees 28 minutes 59 seconds West, a distance of 15.05 feet to a point;
23. Running thence, South 88 degrees 17 minutes 53 seconds East, a distance of 381.89 feet to a point;
24. Running thence, South 02 degrees 08 minutes 45 seconds East, a distance of 82.55 feet to a point;
25. Running thence, North 76 degrees 21 minutes 45 seconds East, a distance of 0.80 feet to a point;
26. Running thence, South 03 degrees 11 minutes 44 seconds East, a distance of 15.90 feet to a point;
27. Running thence, South 82 degrees 38 minutes 17 seconds East, a distance of 0.87 feet to a point;
28. Running thence, South 02 degrees 42 minutes 25 seconds East, a distance of 19.22 feet to a point;
29. Running thence, North 83 degrees 40 minutes 13 seconds West, a distance of 0.86 feet to a point;
30. Running thence, South 04 degrees 03 minutes 48 seconds East, a distance of 28.46 feet to a point;
31. Running thence, South 58 degrees 34 minutes 06 seconds East, a distance of 0.61 feet to a point;
32. Running thence, South 01 degrees 39 minutes 56 seconds East, a distance of 31.21 feet to a point;
33. Running thence, South 03 degrees 06 minutes 52 seconds East, a distance of 18.49 feet to a point;
34. Running thence, South 00 degrees 11 minutes 52 seconds West, a distance of 46.88 feet to the point and Place of BEGINNING.

The coordinates and bearings set forth in the above description refer to the 10th Avenue Meridian as established by the Borough of Manhattan Topographical Bureau with Grid north being 28 degrees 59 minutes 13.5 seconds east of true north.

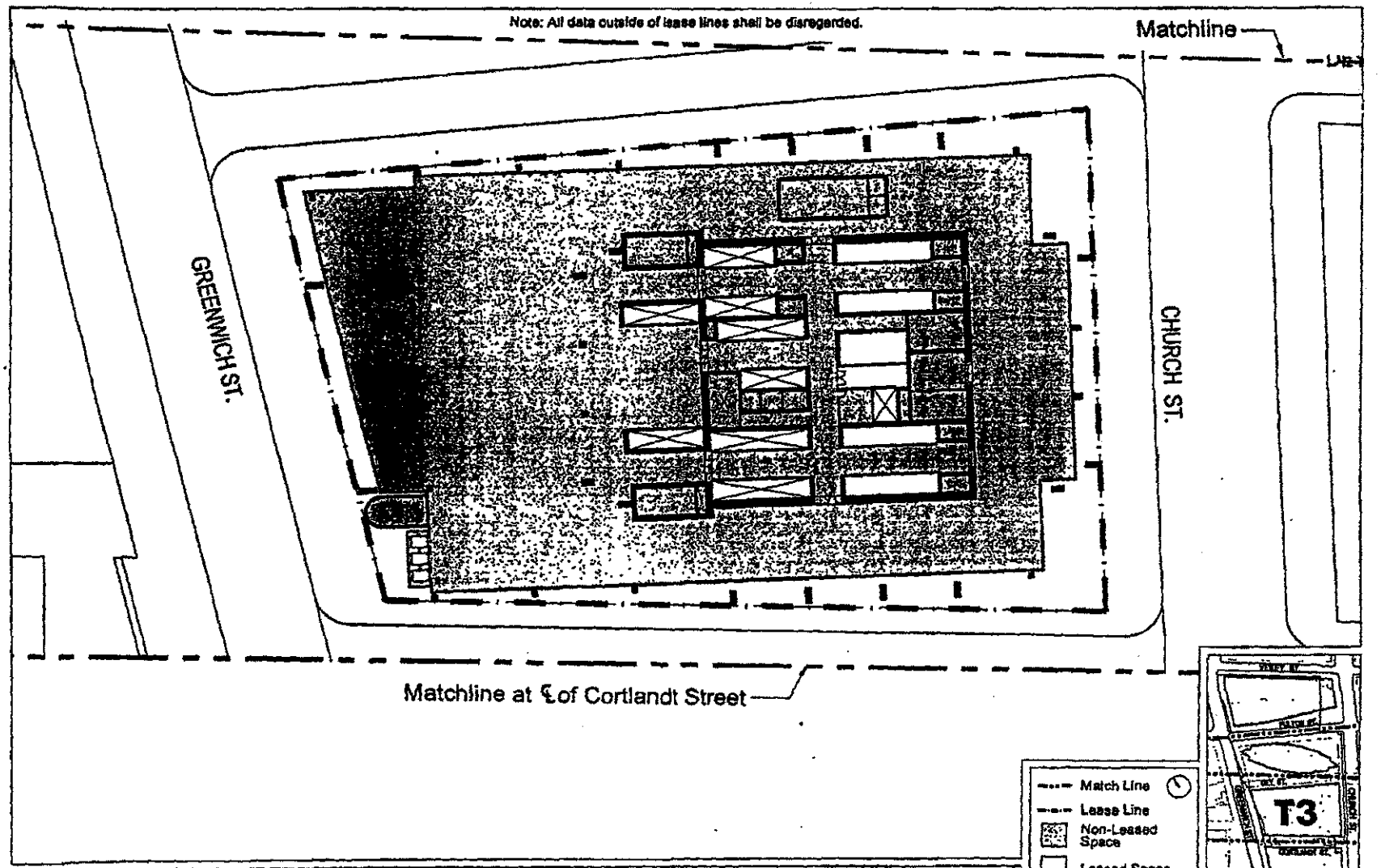
Excepting therefrom any portion of the above described premises designated as Non-Leased Space on the "World Trade Center Leasing diagram, Office Leased Space – East Bathtub" set forth in Exhibit A-3 herein.

## EXHIBIT A-3

**Drawings of Excluded Space**

[see attached]

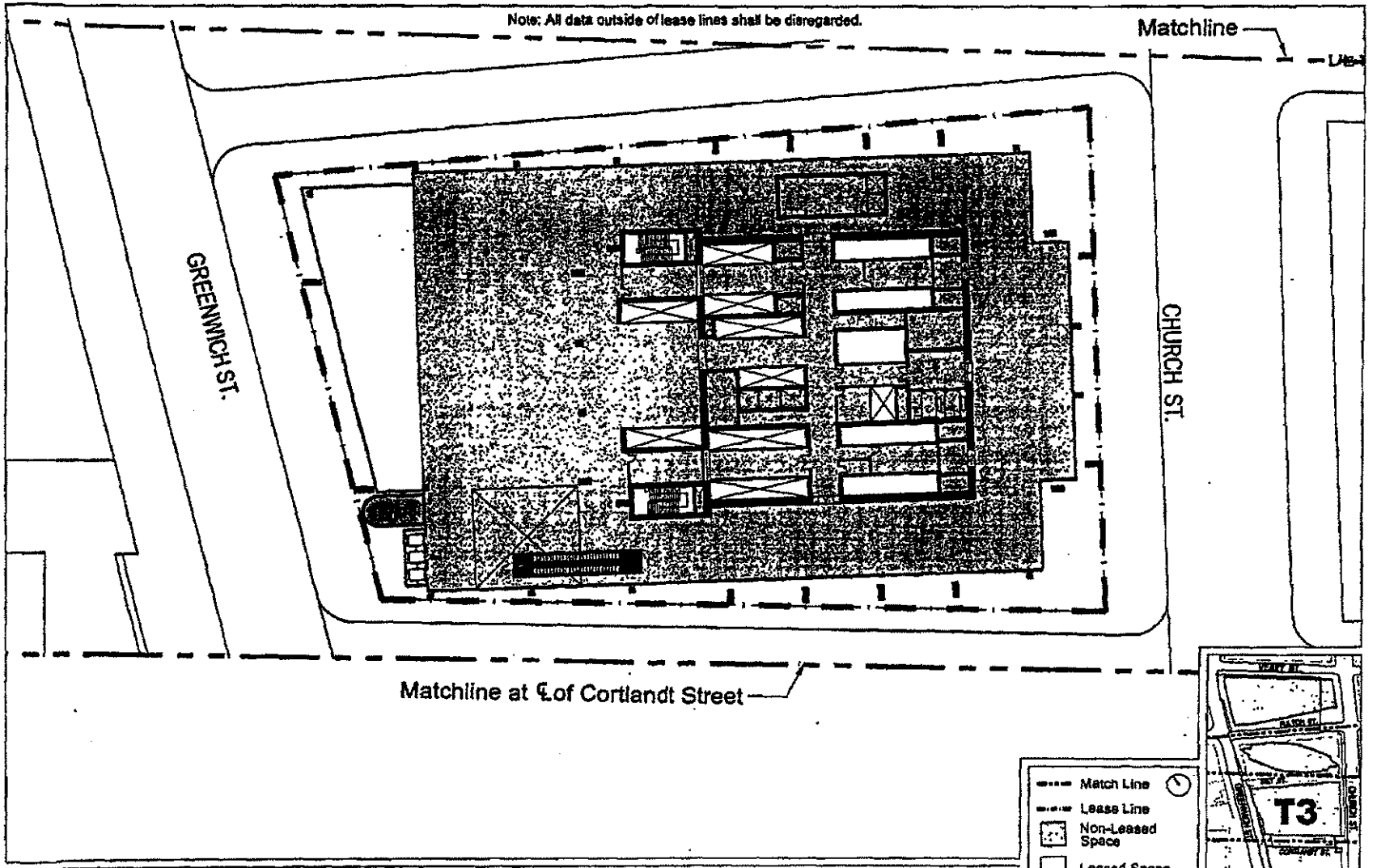
The Port Authority and the Lessee acknowledge that the attached drawings are intended to be replaced with Final Descriptions in accordance with Section 2.1.1 of this Agreement and, as of the Net Lessee Execution Date, it is anticipated that such Final Descriptions will be in substantial conformance with, inter alia, Exhibit K of the Development Agreement in effect on the Net Lessee Execution Date, as said Exhibit K may be hereafter amended, as well as the final approved design documents for the Tower Project.




WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*3rd LEVEL ABOVE GRADE - TOWER 3*

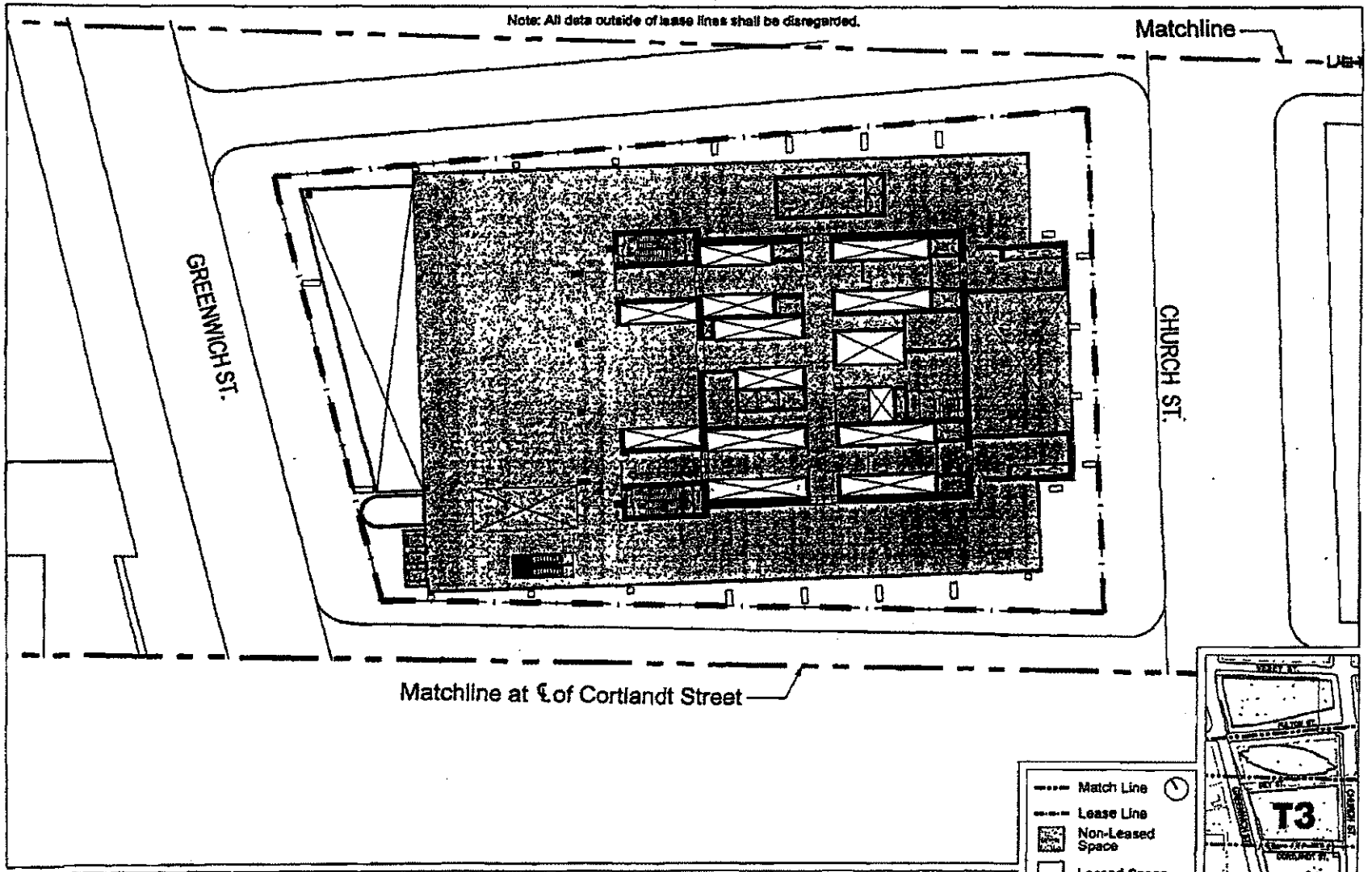
Based on WTC East Bathtub Program Concept
Design REOA Diagrams - Dated 8/9/06
Print Date: Nov. 7, 2006




WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*2nd LEVEL ABOVE GRADE - TOWER 3*

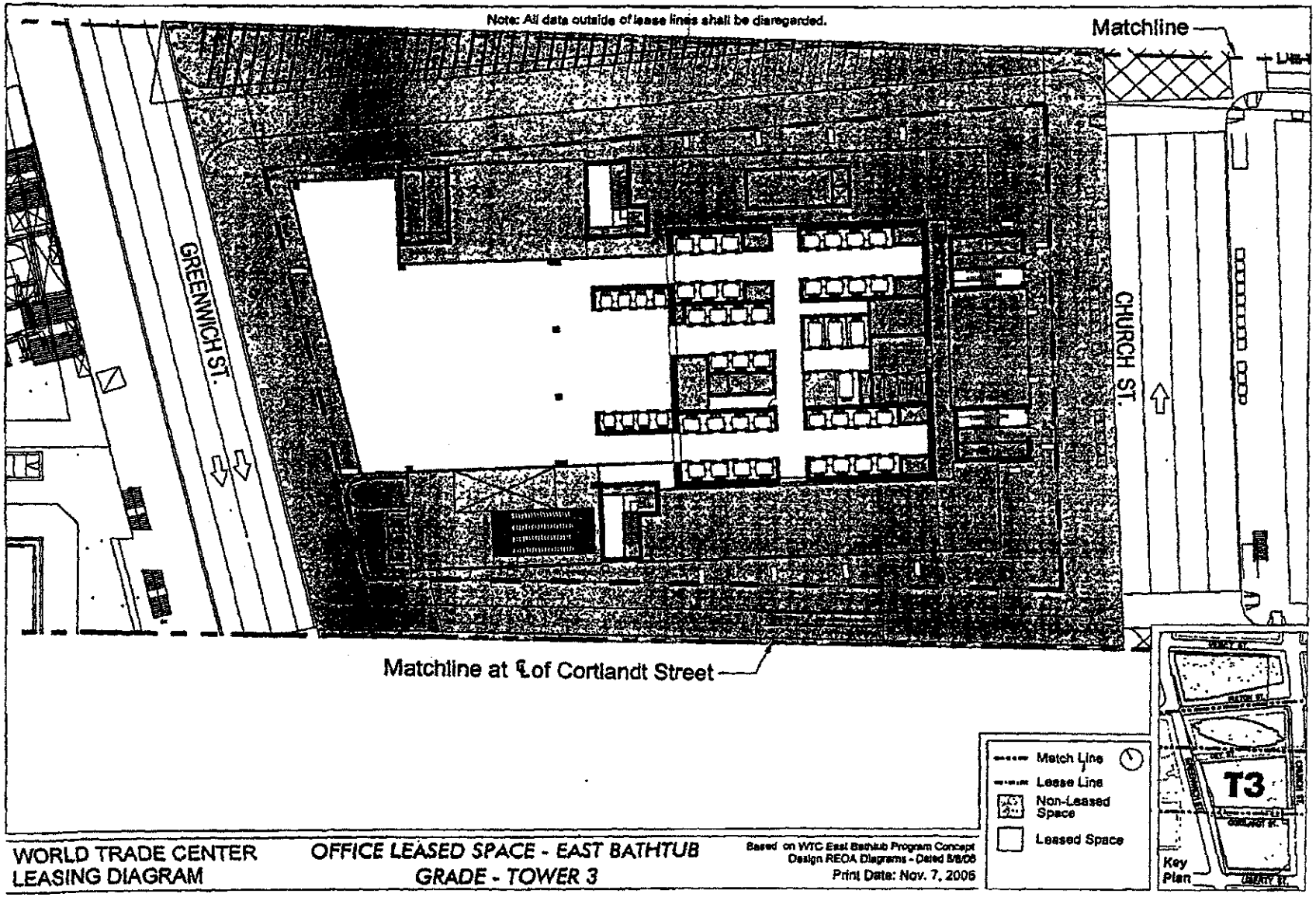
Based on WTC East Bathtub Program Concept Design REOA Diagrams - Dated 8/8/06
Print Date: Nov. 7, 2006




WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*1st LEVEL ABOVE GRADE - TOWER 3*

Based on WTC East Bathtub Program Concept
Design REOA Diagrams - Dated 8/8/06
Print Date: Nov. 7, 2006




WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*GRADE - TOWER 3*

Based on WTC East Bathtub Program Concept
Design REOA Diagrams - Dated 5/8/06
Print Date: Nov. 7, 2006

Note: All data outside of lease lines shall be disregarded.

Matchline

GREENWICH ST.

CHURCH ST.

Matchline at ℄ of Cortlandt Street

Match Line

Lease Line

Non-Leased Space

Leased Space

T3

Key Plan

WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*1st LEVEL BELOW GRADE - TOWER 3*

Based on WTC East Bathtub Program Concept Design REOA Diagrams - Dated 8/8/06
Print Date: Nov. 7, 2006

Note: All data outside of lease lines shall be disregarded.

Matchline

CHURCH ST.

Matchline at ℄ of Cortlandt Street

Match Line

Lease Line

Non-Leased Space

Leased Space

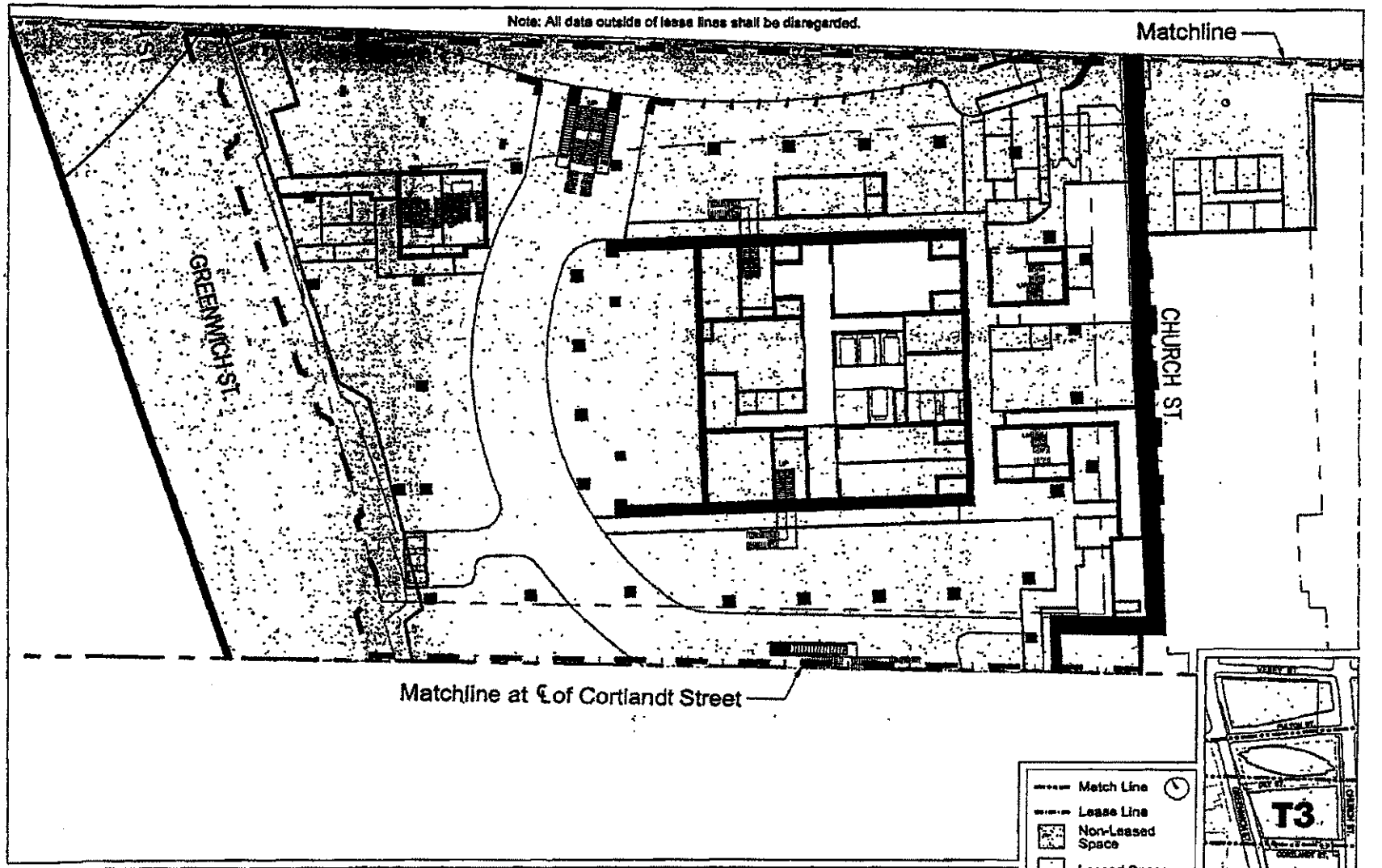
Key Plan

T3

WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*2nd LEVEL BELOW GRADE - TOWER 3*

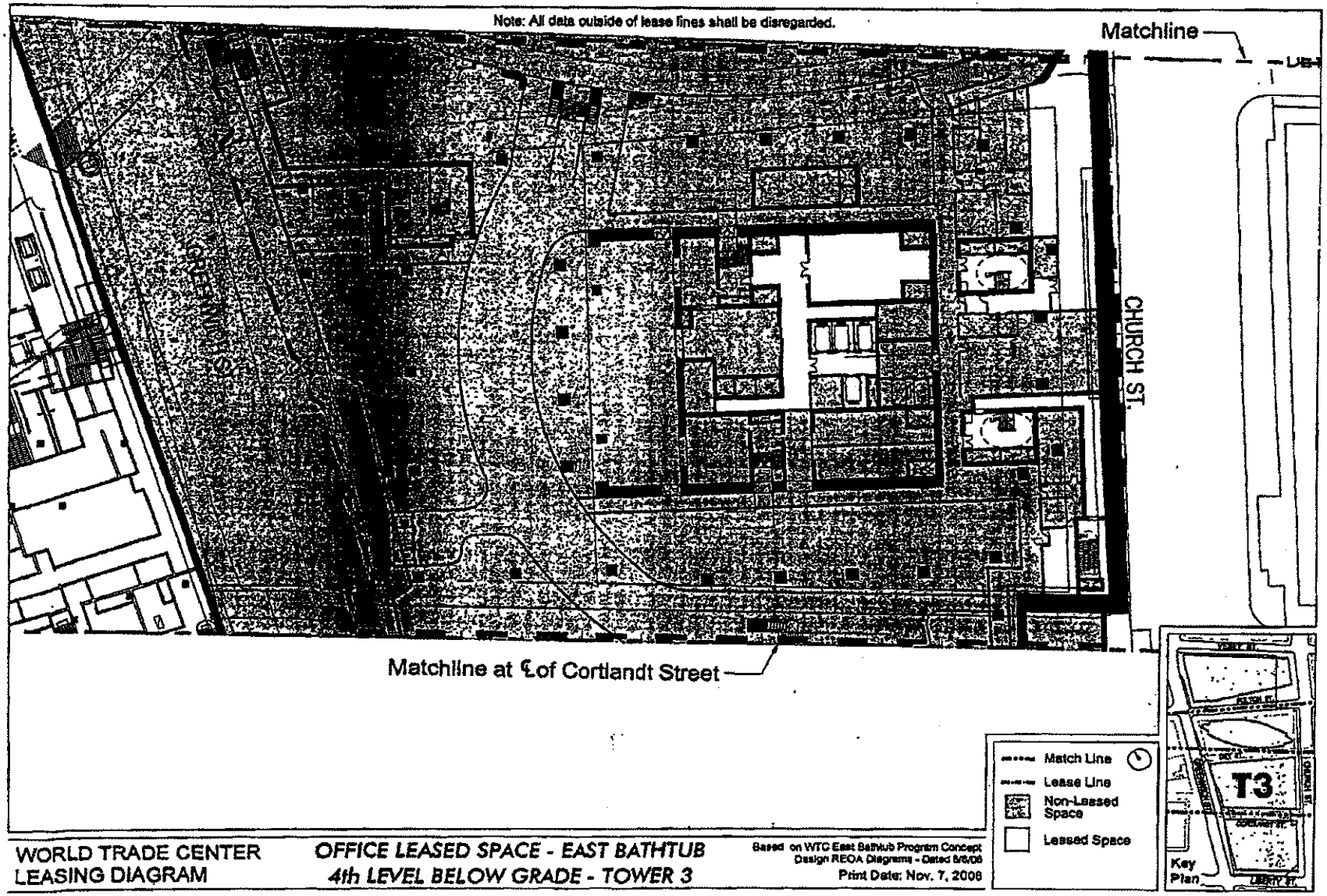
Based on WTC East Bathtub Program Concept Design RECA Diagrams - Dated 8/8/06
Print Date: Nov. 7, 2006




WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*3rd LEVEL BELOW GRADE - TOWER 3*

Based on WTC East Bathtub Program Concept Design REOA Diagrams - Dated 8/8/06
Print Date: Nov. 7, 2006




WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*4th LEVEL BELOW GRADE - TOWER 3*

Based on WTC East Bathtub Program Concept Design REOA Diagrams - Dated 8/6/06
Print Date: Nov. 7, 2006

Note: All data outside of lease lines shall be disregarded.

Matchline

CHURCH ST.

Matchline at ℄ of Cortlandt Street

Match Line

Lease Line

Non-Leased Space

Leased Space

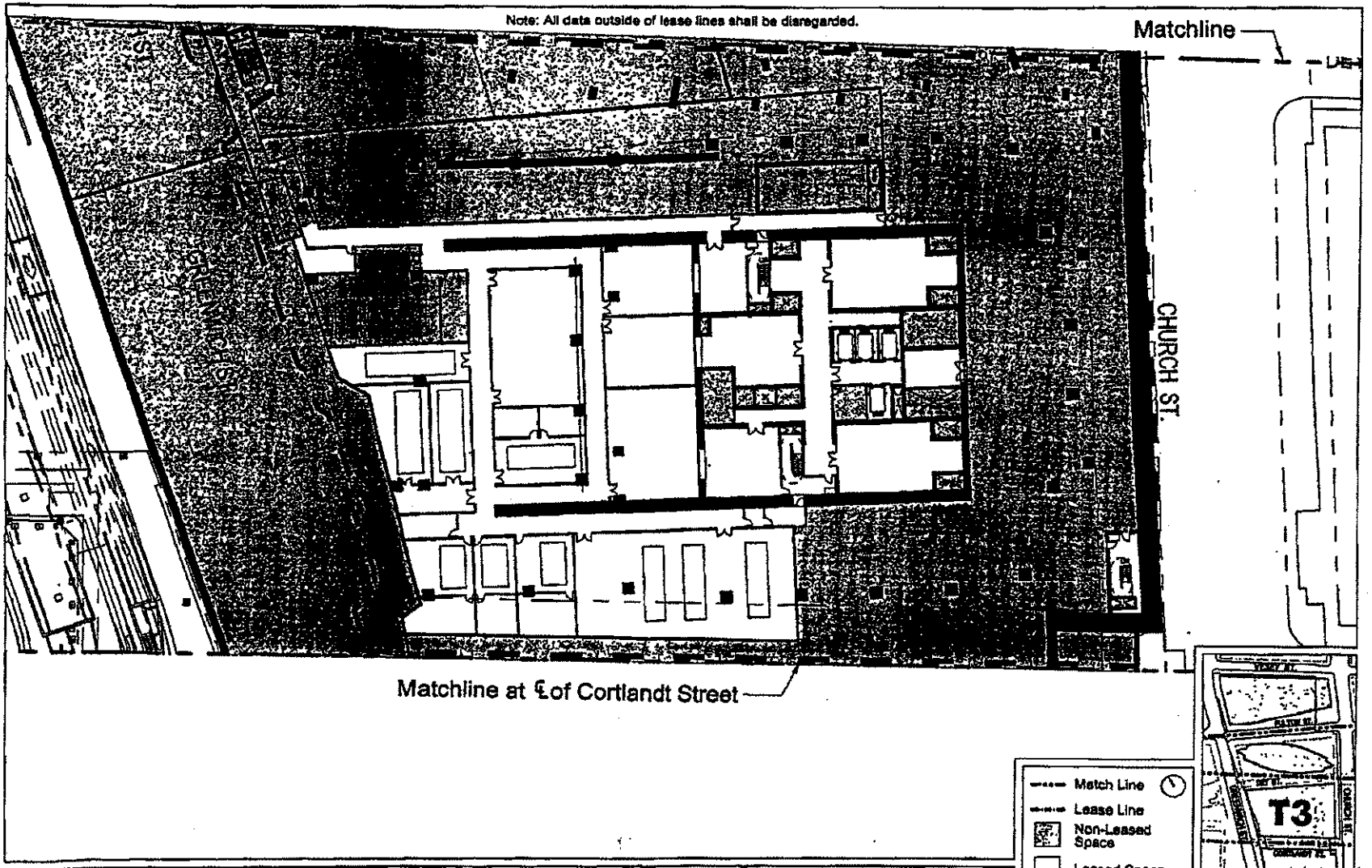
Key Plan

T3

WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*5th LEVEL BELOW GRADE - TOWER 3*

Based on WTC East Bathtub Program Concept
Design REQA Diagrams - Dated 8/8/06
Print Date: Nov. 7, 2006




WORLD TRADE CENTER
LEASING DIAGRAM

*OFFICE LEASED SPACE - EAST BATHTUB*
*6th LEVEL BELOW GRADE - TOWER 3*

Based on WTC East Bathtub Program Concept Design RECA Diagrams - Dated 8/8/06
Print Date: Nov. 7, 2006

**EXHIBIT F**

**Assignment and Assumption Agreement**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement"), made as of _____, by and among _____ (hereinafter called "Assignor"), a _____, having an office and place of business at _____, _____ _____ (hereinafter called "Assignee"), a _____ _____, having an office and place of business at _____ and THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (together with its successors and assigns, the "Port Authority"), a body corporate and politic created by compact between the States of New York and New Jersey with the consent of the Congress of the United States of America, having an office and place of business at 225 Park Avenue South, New York, New York 10003.

WITNESSETH, THAT:

WHEREAS, Assignor is the owner and holder of the leasehold estate described in Exhibit A annexed hereto and made a part hereof (referred to herein as the "Lease") which Lease demises and leases for the demised term and upon the terms, provisions, covenants, conditions and warranties therein set forth, the building and appurtenances thereto, commonly known as 3 World Trade Center, and situated in the Borough of Manhattan, City, County and State of New York, as more particularly described in the Lease and on Exhibit B, annexed hereto and made a part hereof (the "Premises");

WHEREAS, Assignor desires to assign and transfer to Assignee all of Assignor's right, title and interest in the Lease, and Assignee desires to assume the obligations of Assignor under the Lease all as hereinafter more particularly set forth; and

WHEREAS, the Port Authority is willing to consent to such assignment on certain terms, provisions, covenants and conditions as hereinafter more particularly set forth.

NOW THEREFORE, in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by all parties, the parties hereby agree as follows:

1. Assignment. Assignor hereby assigns, transfers and conveys to Assignee, and its successors and assigns, all of Assignor's right, title and interest in, to and under (a) the Lease; (b) the Premises, and (c) all incidental and appurtenant rights which Assignor may have or possess in connection with the Lease and the Premises, subject to the rental, terms, provisions, covenants and conditions of the Lease and all easements, agreements, restrictions, mortgages and encumbrances affecting the Premises.

2. Assumption. Assignee hereby accepts the aforesaid assignment of the Lease and expressly undertakes, assumes and agrees to be bound by all of the terms, provisions, covenants and conditions of the Lease and hereby undertakes the performance and observance of all the terms, provisions, covenants and conditions of the Lease, and all of Assignor's obligations thereunder, including, without limitation, the prompt payment of all the installments of rents required to be paid thereunder, to the extent arising and to be performed and observed by the lessee under the Lease from and after the date hereof, and agrees to perform and observe each and all of the same directly for the benefit of the Port Authority, its successors and assigns.

3. Consent. The Port Authority hereby consents to the foregoing assignment and assumption. The granting of such consent by the Port Authority shall not be, or be deemed to operate as, a waiver of the requirement for consent or consents to each and every subsequent assignment by Assignee or any subsequent assignee[.][IF ASSIGNMENT IS TO A RELATED

ENTITY, THE FOLLOWING APPLIES: , nor shall Assignor be relieved of liability under the terms, provisions, covenants and conditions of the Lease by reason of this consent of the Port Authority or of one or more assignments thereof to a related entity or related entities. [IF ASSIGNMENT IS NOT TO A RELATED ENTITY, THE FOLLOWING APPLIES: Except as otherwise set forth in the Lease, Assignor is hereby relieved of all liability and obligations under the terms, provisions, covenants and conditions of the Lease occurring from and after the date hereof.

4. [IF ASSIGNMENT IS TO A RELATED ENTITY, THE FOLLOWING APPLIES: Continuing Liability. Assignor agrees that this assignment of the Lease and this consent of the Port Authority hereto shall not in any way whatsoever affect or impair the liability of Assignor for the performance of all of the terms, provisions, covenants and conditions, including, without limitation thereto, the obligation to pay rent, of the Lease on the part of the lessee thereunder to be performed, and that Assignor shall continue to be fully liable for the performance of all the terms, provisions, covenants and conditions, including, without limitation thereto, the obligation to pay rent, on the part of the lessee thereunder to be performed. The liability of Assignor as set forth in this paragraph shall remain and continue in full force and effect as to each and every renewal, modification, or extension of the Lease, whether in accordance with the terms of the Lease or by separate or additional document, and notwithstanding any such renewal, modification, or extension, whether or not Assignor has specifically consented to such renewal, modification, or extension, provided, however, that no such renewal, modification, or extension which shall (i) extend the term of the Lease, (ii) increase the amount of any rentals payable by the Lessee thereunder or (iii) have a material adverse effect on Assignor's interest in the Lease or the Premises shall be binding upon Assignor

unless the prior written consent of Assignor to such renewal, modification or extension shall have been obtained. Nothing contained herein shall, or shall be deemed to, affect the validity or enforceability of any such renewal, modification, or extension as between Assignee and the Port Authority whether or not the approval of Assignor has been obtained. As to any renewal, modification, or extension which will not have a material adverse effect on Assignor's interest in the Lease or the Premises, the Port Authority shall have the right (but not the obligation) to seek to obtain Assignor's consent and if such consent is not requested, or if it is requested but is not granted, such modification shall nevertheless be effective as set forth in this paragraph. The liability of Assignor hereunder with respect to any modification which will not have a material adverse effect on Assignor's interest in the Lease or the Premises, shall not be affected by the failure of the Port Authority to obtain Assignor's consent to any such modification notwithstanding that the Port Authority had previously obtained such consent with respect to a prior modification which did not have a material adverse effect on Assignor's interest in the Lease or in the Premises.]

5. [IF ASSIGNMENT IS TO A RELATED ENTITY, THE FOLLOWING APPLIES: The liability of Assignor hereunder shall in no way be affected by:

(a) The release or discharge of Assignee in any creditors' receivership, bankruptcy or other similar proceeding; or

(b) The impairment, limitation or modification of the liability of Assignee or its estate in bankruptcy, or of any remedy for the enforcement of Assignee's said liability under the Lease, resulting from the operation of any present or future provision of the Bankruptcy Code or any other statute or from the decision of any court having jurisdiction over Assignee or its estate; or

(c) The rejection or disaffirmance of the Lease in any creditors, receivership, bankruptcy, or other similar proceeding; or

(d) Any disability or any defense of Assignee.]

6. Limitation on Liability. Neither the Commissioners of the Port Authority nor any of them, nor any officers, agent or employee thereof, shall be charged personally by Assignor or by Assignee with any liability or held liable to either of them under any term or provision of this Agreement, or because of its execution, or because of any breach or attempted or alleged breach thereof.

7. Notices. All notices and other communications to the lessee under the Lease shall hereinafter be provided as follows:

_____

_____

Attention:

Telephone:

Fax:

8. Miscellaneous. This Agreement shall be governed by the laws of the State of New York. This Agreement may not be amended except by a document signed by all parties hereto.

9. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original and all of which when taken together shall constitute but one and the same instrument.

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

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

Name:

Title:

[ASSIGNOR]

By: _____

Name:

Title:

[ASSIGNEE]

By: _____

Name:

Title:

(Corporate Seal)

STATE OF NEW YORK )

: ss.:

COUNTY OF NEW YORK )

On the _____ day of _____ in the year _____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 to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

(SEAL)

STATE OF NEW YORK )

: ss.:

COUNTY OF NEW YORK )

On the _____ day of _____ in the year _____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 to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

(SEAL)

STATE OF NEW YORK )

: ss.:

COUNTY OF NEW YORK )

On the _____ day of _____ in the year _____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 to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

(SEAL)

Exhibit A

The Lease

Exhibit B

The Premises

(Exhibit Begins on Following Page)

**EXHIBIT G**

**Non-Disturbance and Attornment Agreement**

THIS NON-DISTURBANCE ATTORNMENT AGREEMENT (this "Agreement"), dated as of _____ by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (together with its successors and assigns, 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 _____ (together with its successors and assigns, the "Lessee"), a _____, having an office at _____ and _____ (together with its successors and assigns, the "Space Tenant"), a _____, having an office at _____.

WHEREAS, the Port Authority and the Lessee have heretofore entered into an Agreement of Lease, dated as of July 16, 2001, between the Port Authority, as lessor, and the Lessee, as lessee, as amended by the First Amendment to Agreement of Lease, dated as of July 24, 2001 and as further amended by Amendment to Lease and Reciprocal Easement and Operating Agreement, dated as of December 15, 2003 (such lease as so amended being hereinafter referred to as the "Original Net Lease");

WHEREAS, the Port Authority and the Lessee have heretofore entered into an Amended and Restated Agreement of Lease, dated as of July 16, 2001 and executed on November 16, 2006, between the Port Authority, as lessor, and the Lessee, as lessee, which amended and restated in its entirety the Original Net Lease, and which was further amended by the First Amendment to Amended and Restated Lease, dated as of March 26, 2010 (such lease as so amended being hereinafter referred to as the "Amended Net Lease");

WHEREAS, the Port Authority and the Lessee executed on December 16, 2010 that certain Second Amended and Restated Agreement of Lease, dated as of July 16, 2001, which amended and restated in its entirety the Amended Net Lease (as the same may hereafter be supplemented, amended or modified from time to time, is hereinafter called the "Net Lease"), covering the Lessee's leasehold interest in and to the improvements and property of a portion of a certain facility commonly known as The World Trade Center, located in the Borough of Manhattan, City, County, and State of New York (hereinafter called the "Facility"); and

WHEREAS, pursuant to and in accordance with the terms of the Net Lease, the Lessee and the Space Tenant have heretofore entered into a use and occupancy agreement dated as of _____ (which agreement is hereinafter called the "Space Lease") covering the Space Tenant's occupancy of certain space in the Facility [describe space/store number] (said space being hereinafter referred to as the "Sublet Premises"); and

WHEREAS, the Space Tenant has requested that the Port Authority agree that, subject to the conditions hereinafter set forth, the Space Tenant will be assured of possession under the Space Lease of the Sublet Premises in the event the Port Authority succeeds to the interests of the Lessee by reason of a default by the Lessee under the Net Lease or otherwise (collectively, a "Succession") and elects to terminate the Net Lease pursuant to the Section thereof entitled "Events of Default and Termination", or otherwise by reason of the Lessee's default, and in fact obtains possession of the Sublet Premises;

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

10. Subordination. Subject to the provisions hereof, the Space Tenant agrees that the Space Lease, as it may hereafter be amended from time to time, shall in all respects be, and is

hereby expressly made, subject and subordinate at all times to the Net Lease and to all of the terms, conditions and provisions thereof, as the same may hereafter be amended from time to time.

11. Attornment.

(a) In the event that the Port Authority acquires or succeeds to the interests of the Lessee under the Space Lease by reason of a Succession by the Port Authority, the Space Tenant shall be bound to the Port Authority under all of the terms, covenants and conditions of the Space Lease, except as provided in this Agreement, for the balance of the term thereof remaining, with the same force and effect as if the Port Authority were the Lessee and the Space Lease shall continue in full force and effect as a direct lease between the Port Authority and the Space Tenant. The Space Tenant hereby agrees, upon the consummation of a Succession, to (i) attorn to the Port Authority as its landlord on such terms, (ii) affirm its obligations under the Space Lease, and (iii) make payments of all sums thereafter becoming due under the Space Lease to the Port Authority. Said attornment, affirmation and agreement is to be effective and self-operative, without the execution of any further instruments, upon the Port Authority succeeding to the interests of the Lessee under the Space Lease.

(b) The Space Tenant agrees to execute and deliver at any time and from time to time, upon the request of the Port Authority or the Lessee, any instrument or certificate deemed to be necessary or appropriate to evidence such attornment.

(c) From and after such attornment, the Port Authority shall be bound to the Space Tenant under all the terms, covenants and conditions of the Space Lease as amended or otherwise modified; provided, however, the Port Authority shall not be:

(1) obligated to cure any defaults under the Space Lease of any prior landlord (including, without limitation, the Lessee) which occurred prior to the date the Port Authority obtained legal possession or physical possession of the Facility, except for defaults which continue subsequent to the Port Authority obtaining such legal possession or physical possession;

(2) liable for any acts or omission of any prior landlord (including, without limitation, the Lessee) which occurred prior to the date the Port Authority obtained legal possession or physical possession of the Facility, except for acts or omissions which continue subsequent to the Port Authority obtaining such legal possession or physical possession,

(3) subject to any offsets or defenses which the Space Tenant may have against any prior landlord (including, without limitation, the Lessee),

(4) bound by any payment of rent which the Space Tenant might have made for more than one (1) month in advance to any prior landlord (including, without limitation, the Lessee), other than security deposits and rent payments, to the extent such security deposits and rent payments are received by the Port Authority,

(5) bound by any covenant to undertake or complete any construction of the Sublet Premises or any portion thereof demised by said Space Lease, except (i) repair and maintenance obligations thereafter arising, (ii) repair obligations due to a casualty, but only to the extent insurance proceeds are received by the Port Authority, and (iii) repair obligations due to a condemnation, to the extent such condemnation proceeds are made available to, and are received by, the Port Authority, or

(6) bound by any obligation to make any payment to Space Tenant, except for services, repairs, maintenance and restoration provided for under the Space Lease to be

performed after a Succession and which landlords of like properties ordinarily perform at the landlord's expense.

(d) Anything herein or in the Space Lease to the contrary notwithstanding, in the event of a Succession, the Port Authority shall have no obligation, nor incur any liability, beyond the Port Authority's then interest, if any, in the Facility (including any rent and casualty insurance proceeds and condemnation awards), and the Space Tenant shall look exclusively to such interest of the Port Authority in the Facility for the payment and discharge of any obligations which may be imposed upon the Port Authority hereunder or under the Space Lease.

12. Non-Disturbance. Provided the Space Tenant is not in default under the terms of the Space Lease (after notice and beyond any applicable grace period) and complies with this Agreement, the Port Authority agrees that in the event of a Succession, (i) the Space Tenant's possession and occupancy of the Sublet Premises and the Space Tenant's rights and privileges under the Space Lease during the term thereof (including any renewal term) shall not be disturbed, subject to limitations or conditions set forth in this Agreement, (ii) the Port Authority shall recognize the Space Lease and the Space Tenant's rights thereunder, (iii) the Space Tenant's leasehold estate under the Space Lease shall not be diminished, interfered with, disturbed or terminated, and (iv) the Port Authority shall not join the Space Tenant as a party defendant in any action or proceeding which may be instituted or taken by the Port Authority under the Net Lease, by reason of any default of the Lessee thereunder, to terminate the Net Lease, to remove or evict the Lessee or to recover possession of the Sublet Premises, unless required by law in order to make such action or proceeding effective. Subject to the limitations and conditions contained herein, the Port Authority upon Succession shall be deemed to be the

lessee under the Net Lease and shall assume the obligations of the Lessee under the Space Lease thereafter arising or accruing.

13. Notices.

(a) All notices, demands and requests (collectively the "Notices") required or permitted to be given under this Agreement must be in writing and shall be deemed to have been given if personally delivered or delivered by a nationally recognized overnight courier or mailed by certified mail, return receipt requested, postage prepaid or delivered by facsimile and shall be deemed delivered as of the date of such Notice if (i) delivered to the party intended; (ii) delivered to the then current address of the party intended; (iii) delivered by facsimile to the then current facsimile number of the party intended, with a confirmation of receipt (sender's confirmation of a successful transmission); or (iv) rejected at the then current address of the party intended, provided such Notice was sent prepaid. The addresses of the parties are:

| | |
|---|---|
| If to the Port Authority: | The Port Authority of New York and New Jersey<br>225 Park Avenue South<br>New York, New York 10003<br>Attention: Director of Real Estate<br>Fax: (212) 435-5146 |
| With a copy to: | The Port Authority of New York and New Jersey<br>225 Park Avenue South<br>New York, New York 10003<br>Attention: General Counsel<br>Fax: (212) 435-6610 |

If to Space Tenant: _____

_____

_____

Attention:

Fax:

If to Lessee: _____

_____

_____

Attention:

Fax:

(b) Upon at least ten (10) days prior written Notice, each party shall have the right to change its address to any other address within the United States of America.

14. Miscellaneous. This Agreement (i) contains the entire agreement with respect to the subject matter hereof; (ii) may not be modified or terminated, nor may any provision hereof be waived, orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors, administrators and assigns; and (iii) shall inure to the benefit of, and be binding upon, the parties hereto, and their successors and assigns (including, without limitation, (a) Space Tenant's permitted assignees and (b) any successor to the Port Authority).

15. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

16. Liability. Neither the Commissioners of the Port Authority, any officer, agent or employee of the Port Authority, shall be held personally liable to any of the parties hereto under

any term or provisions of this Agreement or because of its execution or because of any breach or alleged breach hereof.

17. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original and all of which when taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Port Authority, the Lessee and the Space Tenant have executed this Agreement effective as of the day and year first above written.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____

Name:

Title:

[LESSEE]

By: _____

Name:

Title:

[SPACE TENANT]

By: _____

Name:

Title:

STATE OF NEW YORK )

: ss.:

COUNTY OF NEW YORK )

On the _____ day of _____ in the year _____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 to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

(SEAL)

STATE OF NEW YORK )

: ss.:

COUNTY OF NEW YORK )

On the _____ day of _____ in the year _____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 to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

(SEAL)

STATE OF NEW YORK )

: ss.:

COUNTY OF NEW YORK )

On the _____ day of _____ in the year _____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 to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

(SEAL)

**EXHIBIT J**

**Waiver**

THIS WAIVER is executed as of the day of _____, _____, by _____, a _____, having an office at _____ ("Lessee").

WITNESSETH:

WHEREAS, The Port Authority of New York and New Jersey (the "Port Authority") and Lessee have heretofore entered into an Agreement of Lease, dated as of July 16, 2001, between the Port Authority, as lessor, and Lessee, as lessee, as amended by the First Amendment to Agreement of Lease, dated as of July 24, 2001 and as further amended by Amendment to Lease and Reciprocal Easement and Operating Agreement, dated as of December 15, 2003 (such lease as so amended being hereinafter referred to as the "Original Lease");

WHEREAS, the Port Authority and Lessee have heretofore entered into an Amended and Restated Agreement of Lease, dated as of July 16, 2001 and executed on November 16, 2006, between the Port Authority, as lessor, and Lessee, as lessee, as amended by the First Amendment to Amended and Restated Lease, dated as of March 26, 2010 (such lease as so amended being hereinafter referred to as the "Amended Lease");

WHEREAS, the Port Authority and Lessee executed on December 16, 2010 that certain Second Amended and Restated Agreement of Lease dated as of July 16, 2001 which amended and restated in its entirety the Amended Lease (as the same may hereafter be supplemented, amended or modified from time to time, the "Lease");

WHEREAS, pursuant to the terms of the Lease, Lessee has been granted a Right of First Offer to purchase the interest of the Port Authority in the Premises and the Lease (as such terms are defined in the Lease);

WHEREAS, the Lease sets forth certain circumstances whereby Lessee shall preliminarily waive its Right of First Offer; and

WHEREAS, such circumstances have occurred.

NOW, THEREFORE, in consideration of the premises, the undersigned expressly acknowledges and agrees that the Right of First Offer set forth in Section 61 of the Lease shall be deemed waived. This Waiver is pursuant to the provisions of Section 61 of the Lease and is given with the express understanding that it will be relied upon by any purchaser of the Port Authority's interest in the Premises and the Lease, any lender providing financing to such purchaser and any title insurance company providing title insurance in connection with such purchase. This Waiver may be recorded and is non-revocable.

All terms not defined herein shall have the meaning ascribed thereto in the Lease.

IN WITNESS WHEREOF, the undersigned has executed this Waiver as of the date and year first above written.

[LESSEE]:

By: _____

Name:

Title:

STATE OF NEW YORK )

: ss.:

COUNTY OF NEW YORK )

On the _____ day of _____ in the year _____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 to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

(SEAL)

# EXHIBIT V

**Tower Lessees' Parking Area**

[see attached]

**EXHIBIT W**

**EXCO-NYBOT Credit Amount**

[see attached]

**EXHIBIT W**

**WTC PILOT Credits Related to the Leases with:**
**Exco RMJ Securities Corporation &**
**New York Board of Trade**

| Tax Year Ending On June 30: | Annual "Exco Credit Amount" | Annual "NYBOT Credit Amount" |
|---|---|---|
| [redacted] | [redacted] | [redacted] |

EXECUTION COPY
Four World Trade Center

FOR PUBLIC RELEASE

# SECOND AMENDED AND RESTATED AGREEMENT OF LEASE

**DATED AS OF JULY 16, 2001**

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

**lessor**

**AND**

**4 WORLD TRADE CENTER LLC**

**lessee**

**PROPERTY: 4 WORLD TRADE CENTER**
**NEW YORK, NEW YORK**

## TABLE OF CONTENTS


| | | Page |
|---|---|---|
| Section 1. | Definitions | 7 |
| Section 2. | Letting. | 78 |
| Section 3. | Term. | 82 |
| Section 4. | Use of Premises. | 83 |
| Section 5. | Rental. | 83 |
| Section 6. | Law Compliance, Taxes and Excises. | 93 |
| Section 7. | Sale, Assignment or Transfer. | 134 |
| Section 8. | Mortgages. | 142 |
| Section 9. | Space Leases. | 156 |
| Section 10. | Permitted Manager. | 164 |
| Section 11. | Title to Personal Property and Fixtures. | 167 |
| Section 12. | Lessee's Operations. | 168 |
| Section 13. | Maintenance, Repair and Rebuilding. | 170 |
| Section 14. | Insurance. | 177 |
| Section 15. | Fire and Other Casualty. | 197 |
| Section 16. | Limitation on Liability. | 204 |
| Section 17. | Signs and Names. | 207 |
| Section 18. | Indemnity. | 208 |
| Section 19. | Alterations and Improvements by the Lessee. | 211 |
| Section 20. | Ingress and Egress. | 229 |
| Section 21. | Events of Default and Termination. | 229 |
| Section 22. | Intentionally Omitted. | 231 |
| Section 23. | Single Purpose Entity. | 231 |
| Section 24. | Transaction Payments. | 232 |
| Section 25. | Certificates by the Lessee and the Port Authority. | 260 |
| Section 26. | Right of Re-Entry. | 262 |
| Section 27. | Survival of the Obligation of the Lessee. | 263 |
| Section 28. | Reletting by the Port Authority. | 266 |
| Section 29. | Waiver of Redemption. | 267 |
| Section 30. | Surrender. | 267 |
| Section 31. | Rights of Entry Reserved. | 268 |
| Section 32. | Acceptance of Surrender of Lease. | 269 |
| Section 33. | Quiet Enjoyment. | 270 |
| Section 34. | Fee Mortgages. | 270 |
| Section 35. | Additional Rent and Charges. | 271 |
| Section 36. | Deposits for Impositions. | 273 |
| Section 37. | Compliance with REOA. | 275 |
| Section 38. | Remedies to be Non-Exclusive. | 275 |
| Section 39. | Notices. | 276 |
| Section 40. | Injury and Damage to Person or Property. | 278 |
| Section 41. | Rules and Regulations. | 278 |
| Section 42. | Condemnation. | 279 |
| Section 43. | Financial Reports. | 287 |

Section 44. Payments. ..... 289
Section 45. Arbitration. ..... 289
Section 46. Brokerage. ..... 293
Section 47. Separability. ..... 294
Section 48. Utilities. ..... 294
Section 49. Headings. ..... 301
Section 50. Construction and Application of Terms; Governing Law; Venue; Amendments; Counterparts. ..... 301
Section 51. Title, Use and Occupancy Rights. ..... 303
Section 52. Depository. ..... 305
Section 53. Joint and Several Liability. ..... 305
Section 54. Interest. ..... 306
Section 55. PATH. ..... 307
Section 56. Unavoidable Delay. ..... 307
Section 57. Partial Invalidity. ..... 308
Section 58. Binding Effect; Successors and Assigns. ..... 308
Section 59. Recordation. ..... 308
Section 60. Privatization. ..... 309
Section 61. Right of First Offer. ..... 314
Section 62. Chief Engineer Contests. ..... 321
Section 63. Port Authority Police. ..... 323
Section 64. Antenna Restriction. ..... 323
Section 65. Intentionally Omitted. ..... 325
Section 66. Construction Period Provisions. ..... 325
Section 67. Law Compliance (Construction Period). ..... 325
Section 68. Lessee's Operations (Construction Period). ..... 327
Section 69. Insurance Coverage During Construction. ..... 329
Section 70. Construction Events of Default. ..... 345
Section 71. Intentionally Omitted. ..... 345
Section 72. Fire and Other Casualty (Construction Period). ..... 345

## SCHEDULES & EXHIBITS:


| | |
|---|---|
| Schedule 4 | Comparable Buildings |
| Schedule 5.2 | Base Rent |
| Schedule 5.7.1 | Lease Year Applicable Percentage |
| Schedule 5.9.3 | Approved Accounting Firms |
| Schedule 6.10.1 | Calculation of Tax Equivalent Rental Due to the Port Authority (Base Amount) |
| Schedule 6.10.3 | Calculation of Tax Equivalent Rental Due to the Port Authority (Market Increase) |
| Schedule 13.4.1 | Code Compliance Office Inspection Schedule |
| Schedule 14.20 | Lessee Additional Insureds |
| Schedule 30 | Permitted Encumbrances |
| Schedule 48.2 | Port Authority High Tension Administrative and Safety Rules and Procedures |
| Exhibit A-1 | Legal Description of Grade Level of the Demised Space |
| Exhibit A-2 | Legal Description of Below-Grade Portions of the Demised Space |
| Exhibit A-3 | Drawings of Excluded Space |
| Exhibit F | Assignment and Assumption Agreement |
| Exhibit G | Non-Disturbance and Attornment Agreement |
| Exhibit J | Waiver |
| Exhibit V | Tower Lessees' Parking Area |
| Exhibit W | EXCO-NYBOT Credit Amount |

SECOND AMENDED AND RESTATED AGREEMENT OF LEASE

THIS SECOND AMENDED AND RESTATED AGREEMENT OF LEASE (this "Agreement"), made as of July 16, 2001, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), a body corporate and politic created by compact between the States of New York and New Jersey with the consent of the Congress of the United States of America, having an office and place of business at 225 Park Avenue South, New York, New York 10003 and 4 WORLD TRADE CENTER LLC, a Delaware limited liability company (hereinafter called the "Lessee"), having an address c/o Silverstein Properties, Inc., 7 World Trade Center, 250 Greenwich Street, New York, NY 10007, and executed on December 16, 2010.

WITNESSETH, THAT:

WHEREAS, pursuant to concurrent legislation of the State of New York and the State of New Jersey set forth at Chapter 209 of the Laws of New York of 1962, as amended by Chapter 1003 of the Laws of New York of 1972, by Chapter 318 of the Laws of New York of 1973 and by Chapter 993 of the Laws of New York of 1974 (McKinney's Unconsolidated Laws §§6601-6618) and Chapter 8 of the Laws of New Jersey of 1962, as amended by Chapter 208 of the Laws of New Jersey of 1972 and by Chapter 25 of the Laws of New Jersey of 1974 (N.J.S.A.32:1-35.50 to 35.68) (the "World Trade Center Legislation"), the Port Authority has undertaken the planning, construction, and operation of a facility of commerce commonly known as the "World Trade Center", as the same shall be constituted from time to time, located in the Borough of Manhattan, City, County and State of New York (the "World Trade Center");

WHEREAS, in furtherance of the purposes of the World Trade Center Legislation, the Port Authority entered into the following lease agreements each dated as of July 16, 2001, pertaining to certain components of the World Trade Center: (i) an Agreement of

Lease, between the Port Authority, as lessor, and 1 WORLD TRADE CENTER LLC, as lessee (together with its successors and assigns, the "Tower 1/Tower 5 Lessee"), encumbering the property formerly known as One World Trade Center, as more particularly described therein, as amended by the First Amendment to Agreement of Lease, dated as of July 24, 2001 and as further amended by Amendment to Lease and Reciprocal Easement and Operating Agreement, dated as of December 15, 2003 (such lease as so amended prior to November 16, 2006 being hereinafter referred to as the "Original One World Trade Center Lease"); (ii) an Agreement of Lease, between the Port Authority, as lessor, and 2 WORLD TRADE CENTER LLC, as lessee (together with its successors and assigns, the "Two World Trade Center Lessee"), encumbering the property formerly known as Two World Trade Center, as more particularly described therein, as amended by the First Amendment to Agreement of Lease, dated as of July 24, 2001 and as further amended by Amendment to Lease and Reciprocal Easement and Operating Agreement, dated as of December 15, 2003 (such lease as so amended prior to November 16, 2006 being hereinafter referred to as the "Original Two World Trade Center Lease"); (iii) an Agreement of Lease, between the Port Authority, as lessor, and the Lessee, as lessee, encumbering the property formerly known as Four World Trade Center, together with certain ancillary property, all as more particularly described therein, as amended by the First Amendment to Agreement of Lease, dated as of July 24, 2001 and as further amended by Amendment to Lease and Reciprocal Easement and Operating Agreement, dated as of December 15, 2003 (such lease as so amended prior to November 16, 2006 being hereinafter referred to as the "Original Four World Trade Center Lease"); (iv) an Agreement of Lease, between the Port Authority, as lessor, and 5 WORLD TRADE CENTER LLC (now known as 3 World Trade Center LLC), as lessee (together with its successors and assigns, the "Three World Trade Center Lessee"), encumbering

the property formerly known as Five World Trade Center, together with certain ancillary property, all as more particularly described therein, as amended by the First Amendment to Agreement of Lease, dated as of July 24, 2001 and as further amended by Amendment to Lease and Reciprocal Easement and Operating Agreement, dated as of December 15, 2003 (such lease as so amended prior to November 16, 2006 being hereinafter referred to as the "Original Five World Trade Center Lease"); and (v) an Agreement of Lease, between the Port Authority, as lessor, and WTC RETAIL LLC, formerly known as Westfield WTC LLC, as lessee (together with its successors and assigns, the "Retail Lessee") encumbering the property commonly known as the Mall at the World Trade Center, excluding certain ancillary space leased pursuant to the Original Four World Trade Center Lease and the Original Five World Trade Center Lease, all as more particularly described therein, as amended by the First Amendment to Agreement of Lease, dated as of July 24, 2001 and as further amended by Amendment to Lease and Reciprocal Easement and Operating Agreement, dated as of December 15, 2003 (such lease as so amended prior to November 16, 2006 being hereinafter referred to as the "Original Retail Lease");

WHEREAS, as a result of the terrorist attacks of September 11, 2001 all of the buildings, structures, and improvements then constituting the World Trade Center were destroyed;

WHEREAS, a master plan for the redevelopment of the World Trade Center site (the "Master Plan") has been developed which includes (a) the construction of buildings and improvements on the World Trade Center site, as well as (b) the development of certain properties located south of Liberty Street, being respectively identified as a parcel of land and a building known as 130 Liberty Street, owned by the Lower Manhattan Development Corporation, a parcel of land known as the site of the former St. Nicholas Greek Orthodox

Church, owned by the Hellenic Orthodox Church, and a parcel of land known as 140 Liberty Street, owned by the Lower Manhattan Development Corporation;

WHEREAS, the Lessee, the Tower 1/Tower 5 Lessee, the Two World Trade Center Lessee and the Three World Trade Center Lessee executed and delivered to the Port Authority a document entitled "Conceptual Framework," dated April 26, 2006, which document was adopted by the Port Authority and the Lessee, the Tower 1/Tower 5 Lessee, the Two World Trade Center Lessee and the Three World Trade Center Lessee, with respect to the redevelopment of the World Trade Center and the other matters set forth therein, in order to assure the prompt and complete redevelopment of the World Trade Center (the "Conceptual Framework");

WHEREAS, in furtherance of the purposes of the World Trade Center Legislation, and in order to effectuate the Master Plan and the Conceptual Framework, the Port Authority entered into an Amended and Restated Agreement of Lease between the Port Authority, as lessor, and the Lessee, as lessee, dated as of July 16, 2001 and executed on November 16, 2006 (as the same has been amended by that certain First Amendment to Amended and Restated Lease between the Port Authority and the Lessee dated as of March 26, 2010, the "Restated Four World Trade Center Lease"), which amended and restated in its entirety the Original Four World Trade Center Lease and which encumbers the property in the World Trade Center to be commonly known as Four World Trade Center, as more particularly described therein, on certain terms and conditions more specifically set forth therein;

WHEREAS, on November 16, 2006, the Port Authority entered into the following agreements: (i) the Amended and Restated Agreement of Lease, between the Port Authority, as lessor, and the Tower 1/Tower 5 Lessee, as lessee, which amended and restated in its entirety the

Original One World Trade Center Lease and which encumbers the property in the World Trade Center to be commonly known as One World Trade Center, as more particularly described therein (as the same has been and may hereafter be amended, modified, revised or supplemented from time to time, the "One World Trade Center Lease"); (ii) the Amended and Restated Agreement of Lease, between the Port Authority, as lessor, and the Two World Trade Center Lessee, as lessee, which amended and restated in its entirety the Original Two World Trade Center Lease and which encumbers the property in the World Trade Center to be commonly known as Two World Trade Center, as more particularly described therein (as the same has been amended by that certain First Amendment to Amended and Restated Lease between the Port Authority and the Two World Trade Center Lessee dated as of March 26, 2010, the "Restated Two World Trade Center Lease"); (iii) the Amended and Restated Agreement of Lease, between the Port Authority, as lessor, and the Three World Trade Center Lessee, as lessee, which amended and restated in its entirety the Original Five World Trade Center Lease and which encumbers the property in the World Trade Center to be commonly known as Three World Trade Center, as more particularly described therein (as the same has been amended by that certain First Amendment to Amended and Restated Lease between the Port Authority and the Three World Trade Center Lessee dated as of March 26, 2010, the "Restated Three World Trade Center Lease"); (iv) the Amended and Restated Agreement of Lease, between the Port Authority, as lessor, and the Retail Lessee, which amended and restated in its entirety the Original Retail Lease and which encumbers certain property in the World Trade Center to be used for retail uses, as more particularly described therein (as the same has been and may hereafter be amended, modified, revised or supplemented from time to time, the "Retail Lease") and (v) the Agreement of Lease, between the Port Authority, as lessor, and the Tower 1/Tower 5 Lessee, as lessee,

which encumbers the property in the World Trade Center to be commonly known as 5 World Trade Center, as more particularly described therein (as the same has been and may hereafter be amended, modified, revised or supplemented from time to time, the "Tower 5 Lease");

WHEREAS, the Lessee and the Port Authority desire to enter into this Agreement, which shall amend and restate in its entirety the Restated Four World Trade Center Lease and which shall cover the leasing to the Lessee of a portion of the World Trade Center consisting of the Premises (as hereinafter defined) on certain terms and conditions more specifically set forth herein;

WHEREAS, simultaneously with its execution of this Agreement, the Port Authority is entering into the following agreements: (i) the Second Amended and Restated Agreement of Lease, between the Port Authority, as lessor, and the Two World Trade Center Lessee, as lessee, which shall amend and restate in its entirety the Restated Two World Trade Center Lease and which shall encumber the property in the World Trade Center to be commonly known as Two World Trade Center, as more particularly described therein (as the same may be amended, modified, revised or supplemented form time to time, the "Two World Trade Center Lease"); and (ii) the Second Amended and Restated Agreement of Lease, between the Port Authority, as lessor, and the Three World Trade Center Lessee, as lessee, which shall amend and restate in its entirety the Restated Three World Trade Center Lease and which shall encumber the property in the World Trade Center to be commonly known as Three World Trade Center, as more particularly described therein (as the same may be amended, modified, revised or supplemented form time to time, the "Three World Trade Center Lease");

WHEREAS, pursuant to the terms of this Agreement, the Tower Leases (as hereinafter defined) and the Other Leases (as hereinafter defined) and any leases hereafter

entered into by the Port Authority with respect to the Non-Net Leased Portion (as hereinafter defined), the Port Authority will lease portions of the World Trade Center while continuing to own, control and operate the World Trade Center pursuant to the World Trade Center Legislation, and to review and enforce compliance with all codes, regulations, orders and rules set forth by the Port Authority from time to time in accordance herewith; and

NOW, THEREFORE, in consideration of the covenants and mutual agreements of the parties hereto, the Port Authority and the Lessee hereby covenant and agree as follows:

The Restated Four World Trade Center Lease is hereby continued in full force and effect and amended, restated and superseded in its entirety as follows:

Section 1. Definitions. The terms defined in this Section 1 shall, for all purposes of this Agreement, have the following meanings:

1.1 "AAA" shall mean the American Arbitration Association or any organization which is the successor thereto.

1.1.1 Intentionally Omitted.

1.1.2 "Acquisitions" shall have the meaning provided in Section 51.1.

1.2 Intentionally Omitted.

1.3 "Additional Information" shall have the meaning provided in Section 62.2.

1.3.1 "Additional Security Requirements" shall have the meaning provided in Section 6.18.1.

1.4 "A/E" shall have the meaning provided in Section 19.4.1(b).

1.5 "A/E Criteria" shall mean A/E's that (i) (A) are licensed to practice in the State of New York, (B) have no less than five (5) years of experience in the planning and design of office space and have completed at least ten (10) projects in the City of New York, (C) have a staff

appropriate to the size of the project then under consideration by the Lessee or Space Tenant, as the case may be, and shall have available a list of the sub-consultants with whom the firm regularly works, which list shall include the approximate number of licensed architects and engineers on staff either with the sub-consultants or the A/E, and a brief summary of the sub-consultants' and A/E's high-rise office alterations experience, (D) have then current errors and omissions insurance in amounts reasonably satisfactory, taking into account the size and the value of the project then under consideration by the Lessee or Space Tenant, as the case may be, to the Code Compliance Office, (E) have demonstrated satisfactory performance on work conducted at the World Trade Center or other real property owned by the Port Authority and (F) maintain an office in the New York Metropolitan Area, or (ii) are otherwise approved by the Code Compliance Office.

1.6 "A/E Non-Compliance Notice" shall have the meaning provided in Section 19.5.

1.7 "A/E's Statement of Compliance" shall mean a certification, executed by the Qualified A/E of record for a project, stating the following:

> "I certify, based upon my field inspection, the construction work has been satisfactorily completed for occupancy in accordance with the Approved Documents (as defined in the Second Amended and Restated Agreement of Lease, dated as of July 16, 2001, between the Port Authority and 4 WORLD TRADE CENTER LLC, a Delaware limited liability company, and executed on December 16, 2010, as the same may be amended, modified, revised or supplemented from time to time) and the Port Authority Manual and that all inspections conform to the applicable controlled inspection procedures. I further certify that all applicable fire protection systems and devices installed in

conjunction therewith have been satisfactorily installed and tested in accordance with the requirements of the Port Authority Manual." The term "controlled inspection" shall have the meaning set forth in the Port Authority Manual.

1.8 "Affiliate" and "Affiliates" shall mean, as applied to any Person, any other Person or other business entity which is and continues to be Controlled By, or which Controls, or which is Under Common Control With or which is Controlled By an entity which Controls, or into or with which the entity is merged or consolidated if an Assignment is required in connection with such merger or consolidation with, that Person.

1.9 "Agreement" shall have the meaning provided in the Preamble.

1.10 Intentionally Omitted.

1.11 "Alterations" shall have the meaning provided in Section 19.1.

1.12 "Alteration Application Form" shall mean Port Authority Alteration Application Form TCR-531 that is part of the TCA/TAA Guide.

1.13 Intentionally Omitted.

1.14 Intentionally Omitted.

1.15 "Annual Percentage Rent Statement" shall have the meaning provided in Section 5.9.2.

1.16 "Annual Period" shall mean the twelve (12) calendar month period commencing on the first January 1 following the Commencement Date and on each anniversary thereof, and in the case of the years in which the Term hereof shall commence and expire, so much of such years as shall fall within the Term hereof.

1.17 "Applicable Percentage" shall have the meaning provided in Subsection 5.7.1.

1.18 "Appointment Date" shall have the meaning provided in Section 45.1.

1.19 "Appraiser" shall have the meaning provided in Subsection 5.7.2(b).

1.20 "Approved Accounting Firms" shall have the meaning provided in Subsection 5.9.3.

1.21 "Approved Documents" shall have the meaning provided in Subsection 19.4.1(a).

1.22 "Appurtenances" shall have the meaning provided in Section 2.1.

1.23 "Arrangers" shall have the meaning provided in Section 46.1.

1.24 "Arbitration Notice" shall have the meaning provided in Section 45.1.

1.25 "Arbitrator" and "Arbitrators" shall have the meanings provided in Section 45.1.

1.26 Intentionally Omitted.

1.27 Intentionally Omitted.

1.28 Intentionally Omitted.

1.29 "As-Built Plans" shall mean one full set of drawings, which shall be the final set of marked-up construction drawings, or which may be shop drawings or marked prints, indicating in reasonable detail the project, as built (to the extent practicable), including, without limitation, structural, mechanical, electrical and other basic building systems. All utilities and related facilities of the project, to the extent the same were affected by the work in question, shall also be indicated, including final and actual sizes, as well as the location and elevation thereof by figures and offset distance in feet and inches, through permanent surface improvements such as buildings, retaining walls and curbs, to the extent practicable.

1.30 "As-Built Survey" shall mean a final survey, to the extent practicable, showing the exact location of the project, including utilities and all easements.

1.31 "Assignee" shall have the meaning provided in Section 7.1.

1.32 "Assignment" shall have the meaning provided in Section 7.1.

1.33 "Assignment and Assumption Agreement" shall have the meaning provided in Subsection 7.1.2.

1.33.1 "Audit Period" shall have the meaning provided in Section 24.5.

1.34 "Base Rent" shall have the meaning provided in Section 5.2.

1.35 "Base Tax Amount" shall mean the applicable Space Tenant's Share of the amount of Taxes that would be payable with respect to the Building, based upon an assumed assessed valuation for the Building (determined as provided below), to the City of New York for the Base Tax Year if the Port Authority were a private entity. Until such time as a separate tax lot is created for the Premises, for the purposes of this definition, the Building shall be deemed to represent a percentage of the World Trade Center, which percentage shall be obtained from a fraction, the numerator of which is the aggregate amount of square feet in the Building, and the denominator of which is the aggregate amount of square feet of the World Trade Center (other than the Seven World Trade Center Building), for the purposes of calculating the Taxable Assessment of the Building (inclusive of both the land and building component assessments relative thereto). For the purposes of this definition, the term "Taxable Assessment" shall mean the lesser of the actual or transitional assessment in any given Tax Year. The Port Authority and the Lessee shall each use reasonable efforts to agree upon the percentage of the World Trade Center represented by the Building, the buildings containing the premises demised under the Tower Leases, the Other Leases and the Non-Net Leased Portion, it being agreed that in making the determination as to the percentage of the World Trade Center represented by the Building and the buildings containing the premises demised under the Tower Leases and the Other Leases, such determination shall be made in accordance with the method of calculating such percentage, as set forth above, with respect to the Building, and with respect to the buildings containing the

premises demised under the Tower Leases and the Other Leases, such determination shall be made in accordance with method of such calculation set forth in the Tower Leases and the Other Leases. For purposes of this definition, the Lessee shall be permitted to modify the percentage of the World Trade Center represented by the Building and each of the buildings containing the premises demised under the Tower Leases so long as the percentage allocable to the Other Leases and the Non-Net Leased Portion shall not be affected.

1.36 "Base Tax Year" shall mean, with respect to each Space Tenant, (i) the Tax Year or the calendar year in which a Space Lease is executed, or (ii) at the Lessee's option, the Tax Year or calendar year in effect twelve (12) months after the rent commencement date under such Space Lease.

1.36.1 "Basis" shall have the meaning provided in Section 24.4.

1.37 "Beneficial Transfer" shall have the meaning provided in Section 7.1.1.

1.38 "BID" shall have the meaning provided in Subsection 6.8.2(a).

1.39 "BID Agreement" shall have the meaning provided in Subsection 6.8.2(b)

1.40 "BID Allocated Share" shall have the meaning provided in Section 6.8.2(c).

1.41 "BID Amendment" shall have the meaning provided in Subsection 6.8.6.

1.42 "BID Charge" shall have the meaning provided in Subsection 6.8.2(d).

1.43 "BID Percentage Increase" shall mean, for any calendar year, a percentage obtained from a fraction, the numerator of which is the amount payable to the BID by all of the owners of real property located within, and subject to and participants in, the BID (other than the World Trade Center) for the current calendar year, in excess of the amounts payable in the previous calendar year, and the denominator of which is the amount payable to the BID by all of

the owners of real property located within, and subject to and participants in, the BID (other than the World Trade Center), for the previous calendar year.

1.43.1 "Bond Support Agreement" shall mean that certain Tower 4 Bond Support Agreement dated as of the Net Lessee Execution Date between the Port Authority and the Lessee, as the same may be amended, modified, revised or supplemented from time to time.

1.43.2 "Bondholder Support Payments" shall have the meaning provided in the Bond Support Agreement.

1.44 "Building" shall have the meaning provided in Section 2.1(b).

1.45 "Building Department Code" shall mean the rules, regulations and codes established from time to time by the New York City Department of Buildings.

1.46 "Business Day" shall mean any day except a Saturday, Sunday, the first day of January, known as New Year's Day, the third Monday in January, known as Martin Luther King, Jr. Day, the twelfth day of February, known as Lincoln's birthday, the third Monday in February, known as President's Day, the last Monday in May, known as Memorial Day, the fourth day of July, known as Independence Day, the first Monday in September, known as Labor Day, the second Monday in October, known as Columbus Day, the eleventh day of November, known as Veteran's Day, the fourth Thursday in November, known as Thanksgiving, the Friday following Thanksgiving, the twenty-fifth day of December, known as Christmas; and if any of such days is a Saturday the calendar day preceding such day, and if a Sunday, the next calendar day thereafter, each general election day in the State of New York, and such other or different days or dates adopted or declared as "holidays" or "Port Authority Holidays" by the Port Authority for all employees of the Port Authority in the State of New York (provided the Port Authority

provides notice thereof to the Lessee), or as are declared "holidays" or "legal holidays" under the laws of the State of New York.

1.47 "Capital Costs" shall have the meaning provided in Subsection 24.13.1.

1.48 "Capital Improvement" shall mean any repair, alteration, addition, installation, replacement, removal, renewal and restoration on, at or affecting the Premises which is capital in nature.

1.49 Intentionally Omitted.

1.50 "Capital Transaction" shall mean (A) any Mortgage; (B) any mezzanine financing or other borrowing; (C) an Assignment; (D) any transaction described in Section 7.1.1 or Section 24; and (E) any other transaction the proceeds of which, as determined in accordance with standard real estate accounting practices, are considered to be capital in nature, excluding, however, any other transaction structured in a manner so as to avoid the payment of Percentage Rent hereunder.

1.51 "Casualty Period" shall have the meaning provided in Subsection 5.7.3.

1.52 "Change of Control" shall mean, with respect to any Person, a disposition of legal or beneficial ownership of an amount of the capital stock and voting rights (with power to exercise such voting rights), membership interests, partnership interests or other direct or indirect interests, resulting in a change of Control of such Person.

1.53 "Chief Engineer" shall mean the Chief Engineer of the Port Authority who, as of the date hereof, is Francis J. Lombardi.

1.54 "Chief Engineer Contest" shall have the meaning provided in Section 62.1.

1.55 "Chief Engineer Hearing" shall have the meaning provided in Section 62.2.

1.55.1 "City Affiliate" shall mean any agency, department, commission, board, bureau or instrumentality of the City of New York, including, without limitation, any governmental entity or quasi-governmental entity whose management and policies are directed and controlled by the City of New York (e.g., New York City Economic Development Corporation; New York City Health and Hospitals Corporation).

1.56 "City Agreement" shall mean the Existing City Agreement, as the same may be amended by the New City Agreement, and as the same may be further amended from time to time.

1.57 "Closing Date" shall have the meaning provided in Subsection 24.13.2.

1.58 "C/O" shall have the meaning provided in Section 60.1.

1.58.1 "Code Changes" shall mean changes to the Building Department Code, the Health Code, the Fire Department Code or other enactments, ordinances, resolutions and regulations of the City of New York and its departments, boards and bureaus with regard to construction, maintenance, health and fire protection which would be applicable to the Building or the operations thereof if the Port Authority were a private entity, at any time on or after November 16, 2006.

1.59 "Code Compliance Office" shall mean the Port Authority personnel responsible for interacting and coordinating with the Lessee in the Port Authority's role as "governmental entity" under this Agreement.

1.60 "Collateral Assignee" shall mean the assignee under a Collateral Assignment.

1.61 "Collateral Assignment" shall mean an assignment of a Mortgage or other collateral loan document which is given by the holder thereof as security for a loan to, or for other obligations of, such holder, provided, however, that such assignment provides in substance

that so long as such assignment is in effect, the assignee thereunder shall have the right to exercise the rights and remedies of the holder of such Mortgage or collateral loan documents, provided, further, such assignee is an Institutional Investor.

1.62 "Commencement Date" shall have the meaning provided in Section 3.

1.63 "Commencement Date Criteria" shall have the meaning provided in Subsection 9.2.1.

1.63.1 "Commercial Design Guidelines" shall have the meaning provided in the REOA.

1.64 Intentionally Omitted.

1.65 "Common Lessee Owner" shall have the meaning provided in the definition of "Single Purpose Entity".

1.66 "Common Owner" shall have the meaning provided in the definition of "Single Purpose Entity".

1.66.1 "Communications Equipment" shall have the meaning provided in Section 64.

1.67 "Comparable Buildings" shall have the meaning provided in Section 4.

1.67.1 "Completion Event of Default" shall mean a Tenant Support Agreement Event of Default on account of the Lessee's failure to Substantially Complete the Tower Project on or before December 31, 2014 subject to "Unavoidable Delay" as defined in the Development Agreement.

1.68 "Conceptual Framework" shall have the meaning provided in the Recitals.

1.69 "Conforming Modification" shall have the meaning provided in Subsection 6.3.7.

1.70 "Consent to Occupy" shall mean, a document delivered by the Code Compliance Office, in accordance with Subsection 19.4.1, consenting to the occupancy of a portion of the Premises, based upon the A/E's Statement of Compliance.

1.70.1 "Construction Commencement Date" shall have the meaning provided in Section 69.1.

1.70.2 "Construction Event of Default" shall have the meaning provided in Section 70.1.

1.70.3 "Construction Period Excess Insurance" shall have the meaning provided in Section 69.16.

1.70.4 "Construction Period Proceeds Deficiency Notice" shall have the meaning provided in Subsection 72.1.3.

1.70.5 "Construction Period Uninsured Casualty Amount" shall have the meaning provided in Subsection 72.1.3.

1.70.6 "Construction Period Uninsured Casualty Funding Notice" shall have the meaning provided in Subsection 72.1.3.

1.71 "Construction Permit" shall mean a construction permit, issued by the Code Compliance Office, permitting certain work to be performed in accordance with the Approved Documents and the Port Authority Manual.

1.72 "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York - Northern New Jersey Area - Long Island, NY-NJ-CT-PA area, All Items (1982-1984 =100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and there is no successor thereto, such other index as the Port

Authority and the Lessee reasonably approve, as appropriately adjusted, shall be substituted for the Consumer Price Index. If the Consumer Price Index ceases to use 1982-1984 = 100 as the basis of calculation, the Consumer Price Index shall be adjusted accordingly.

1.73 Intentionally Omitted.

1.74 "Contest Information" shall have the meaning provided in Section 62.4.

1.75 "Contest Notice" shall have the meaning provided in Section 62.2.

1.76 "Contractor's Space" shall have the meaning provided in Subsection 5.7.2(b).

1.77 "Contract to Lease" shall mean the Agreement to Enter Into Net Lease, dated as of April 26, 2001, between the Port Authority and the Lessee, as the same has been amended prior to November 16, 2006.

1.78 "Control" shall mean the power to direct or cause the direction of the business decisions of a Person, whether through the ownership of voting securities or by contract or otherwise (it being understood that the right of an owner of equity in a Person to make or veto major decisions shall not constitute such power to direct or cause the direction of the business decisions of such Person as would prevent another equity owner to have Control of such Person as contemplated by this definition); and the terms "Controlled By", "Controlling", "Controls", and "Under Common Control With" shall have the meanings correlative to the foregoing.

1.78.1 "Controlled Affiliate" shall mean, with respect to any specified Person, any other Person directly or indirectly Controlling or Controlled By or Under direct or indirect Common Control With, or any general partner or managing member in, such specified Person.

1.79 "Controlled Inspections" shall have the meaning provided in the Tenant Construction Review Manual.

1.79.1 "Corporate Transaction" shall mean:

(a) each of the following transactions set forth in clauses (i) and (ii):

(i) a transfer of (1) the Lessee's interest in this Agreement, (2) the interest of the managing member of the Lessee, or its direct or indirect equity owner, or (3) any other interest in the Lessee, in each case to a newly-formed limited partnership ("OP") of which the general partner will be a newly-formed corporation ("REIT") in connection with an initial public offering of interests in the REIT on a recognized stock exchange which results from a Qualifying IPO; or

(ii) a transfer of the interest of the managing member or general partner of the Lessee, or its direct or indirect equity owner, or the Lessee's interest under this Agreement, at any time to a Publicly Held Entity (or, in the case of a REIT, its OP);

(b) that meet both of the following conditions:

(i) as applicable, (1) the REIT and the OP collectively or (2) the Publicly Held Entity, must constitute an Institutional Investor; and

(ii) any transactions described in clause (a)(i) above shall be (1) sponsored by a Silverstein Party, (2) involve the contribution of (A) a majority of all of the real properties (other than any real properties on which the core and shell of any improvements have not been completed at the time of transfer, including vacant land) situated in the United States and owned and managed by Persons controlled by a Silverstein Party or (B) substantially all of the office properties situated in the United States and owned and managed by Persons controlled by a Silverstein Party, (3) shall provide that the executive management team that controls the day-to-day management and operation of the REIT and the real properties contributed to such entity after such

transaction shall be substantially the same executive management team that controlled the day-to-day management and operations of such real properties immediately prior to such transaction, and (4) the REIT shall be publicly traded, the majority of its board of directors shall be independent directors, and the REIT shall be the general partner of, and shall control, the OP. A transaction which satisfies the criteria in clauses (1) through (4) above is referred to as a "Qualifying IPO".

1.79.2 "Cost" shall have the meaning provided in Section 35.2.

1.80 "Court" shall mean the Appellate Division of the Supreme Court of the State of New York, First Department.

1.81 "C.P.A." shall have the meaning provided in Section 5.9.3.

1.82 "Customary Expenses" shall have the meaning provided in Subsection 24.13.3.

1.83 "Debt Obligation" shall have the meaning provided in Subsection 24.13.4.

1.84 Intentionally Omitted.

1.85 "Default Interest Charge" shall have the meaning provided in Section 54.

1.86 "Default Interest Rate" shall mean an interest rate per annum equivalent to the Prime Rate plus two percent (2%).

1.86.1 "Demised Space" shall have the meaning provided in Subsection 2.1(a).

1.87 "Depository" shall mean any trust company, savings bank, savings and loan association, or commercial bank having an office in the Borough of Manhattan, who is qualified to do business in the State of New York, and who is designated from time to time by the Lessee and approved by the Port Authority and the Mortgagee holding the most senior Mortgage, which

approval shall not be unreasonably withheld, delayed or conditioned, to serve as Depository pursuant to the terms of this Agreement.

1.87.1 "Design Drawings" shall have the meaning provided in Section 2.1.

1.88 "Determination" shall have the meaning provided in Subsection 45.2.2.

1.89 "Determination Period" shall have the meaning provided in Subsection 9.2.1.

1.89.1 "Development Agreement" shall mean that certain Amended and Restated Master Development Agreement for Towers 2/3/4 of the World Trade Center dated as of the Net Lessee Execution Date among the Port Authority, the Lessee, the Tower Lessees, the Retail Lessee, the Tower 1/Tower 5 Lessee and The Port Authority Trans-Hudson Corporation, as the same may be amended, modified, revised or supplemented from time to time.

1.90 "Direct Assignment" shall have the meaning provided in Section 7.1.

1.91 Intentionally Omitted.

1.92 "Discovery Materials" shall have the meaning provided in Section 62.2.

1.93 "Documents" shall have the meaning provided in Subsection 61.2.1.

1.93.1 "East Bathtub Common Areas" shall have the meaning provided in the REOA.

1.93.2 "East Bathtub Common Building Systems" shall have the meaning provided in the REOA.

1.93.3 "East Bathtub Subgrade Space" shall have the meaning provided in the REOA.

1.93.4 "Electricity Inclusion Charge" shall have the meaning provided in Section 48.3.

1.93.5 "Electrical R&M Standards" shall have the meaning provided in Section 48.2.

1.94 "Equipment Lease" shall have the meaning provided in Section 8.7.

1.94.1 "Equity Distributions" shall have the meaning provided in Section 24.13.5.

1.95 "Equity Interest" shall have the meaning provided in Subsection 24.13.6.

1.96 "Equity Interest Disposition" shall have the meaning provided in Subsection 24.9.2.

1.97 "Equity Interest Refinancing" shall have the meaning provided in Subsection 24.9.4.

1.98 "Escrowee" shall have the meaning provided in Subsection 61.4.2.

1.99 "Event of Default" shall mean the occurrence of one or more of the following events:

(a) the Lessee shall fail to pay Base Rent when due to the Port Authority, and such default shall continue for a period of five (5) Business Days; or

(b) the Lessee shall fail to pay the rentals, fees, charges or other monies payable hereunder, other than Base Rent, when due to the Port Authority, and such default shall continue for a period of fifteen (15) Business Days after notice thereof from the Port Authority to the Lessee. Notwithstanding the foregoing provisions of this Section 1.99(b), any failure to pay any fees, charges or other monies payable under the Development Agreement shall only constitute an Event of Default if such failure shall constitute a Completion Event of Default; or

(c) the Lessee shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition

in bankruptcy or a petition or answer seeking an arrangement or its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any State thereof, or, consent to the appointment of a receiver, trustee or liquidator of all or substantially all its property; or

(d) 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 or vacated within one hundred twenty (120) days after the filing thereof; or

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

(f) by or pursuant to any order or decree of any court or governmental board, agency or officer, a receiver, trustee or liquidator shall take possession or control of all or substantially all the property of the Lessee, or any execution or attachment shall be issued against the Lessee or any of its property whereupon possession of the Premises shall be taken by someone other than the Lessee, and any such possession or control shall continue in effect for a period of sixty (60) days; or

(g) a default under Section 7 or Section 8 shall occur, unless such default can be cured by action of the Lessee, and the Lessee shall initiate and diligently continue such action as may be necessary to cure such default within thirty (30) days after receipt of notice of default from the Port Authority, and if such default is not reasonably capable of being cured within such thirty (30) day period, no Event of Default shall be deemed to have occurred or exist, provided

the Lessee shall thereafter (1) diligently pursue such action until such default is cured, and (2) provide notice to the Port Authority no less often than once every thirty (30) Business Days thereafter, as to the status of such default, and what measures have been taken, or caused to have been taken, by the Lessee to effectuate a cure therefor;

(h) the Lessee, if a partnership, shall be dissolved as a result of any act or omission of its partners or any of them, or by operation of law or by order or decree of any court having jurisdiction or for any other reason whatsoever; or

(i) the Lessee shall fail to be a Single Purpose Entity, and such default shall continue for a period of thirty (30) days; or

(j) any Lien, other than a Mortgage or a Permitted Encumbrance, is filed against all or any portion of the Premises or against all or any portion of the remainder of the World Trade Center because of any act or omission of the Lessee and is not bonded, removed or discharged within sixty (60) days after written notice of the filing thereof is received by the Lessee, unless such sixty (60) day period is extended with the Port Authority's consent, provided, however, nothing contained herein shall be deemed or construed as a submission by the Port Authority to the application to itself of any such Lien; or

(k) the Lessee shall fail to keep, perform or observe one or more of the terms, conditions, covenants or agreements set forth in the REOA on its part to keep, perform, pay or observe, and such failure shall continue (i) beyond any notice or grace periods set forth therein, or (ii) if no notice or grace periods are provided therein, beyond a period of thirty (30) days from the date notice from the Port Authority to the Lessee of such failure is received, provided, however, no Event of Default shall be deemed to have occurred or exist with respect to defaults described in clause (ii) above, provided the Lessee shall thereafter (1) diligently pursue such

action until such default is cured, and (2) provide notice to the Port Authority no less often than once every thirty (30) days thereafter, as to the status of such default, and what measures have been taken, or caused to have been taken, by the Lessee to effectuate a cure therefor; or

(l) following the Substantial Completion Date, substantially all of the Premises are (A) voluntarily abandoned, (B) voluntarily deserted or (C) voluntarily vacated or operations therein are voluntarily discontinued, and the Lessee fails to retake possession of the Premises and resume operations therein within thirty (30) days after receipt of notice from the Port Authority so to do, unless the Lessee is required to vacate the Premises or discontinue operations in order to make any repairs or alterations which the Lessee is required or authorized to make pursuant to the provisions of this Agreement, and the Lessee diligently proceeds to make such repairs or alterations and thereafter resumes operations. Notwithstanding the provisions of the immediately preceding sentence, with respect to the period between the Substantial Completion Date and the Operations Commencement Date, the Lessee will not be deemed to have voluntarily abandoned, deserted or vacated the Premises or to have voluntarily discontinued operations therein so long as the Lessee makes the repairs and provides the services needed to keep the Premises in good condition and repair; or

(m) if, following the Substantial Completion Date, (i) the Lessee or any Space Tenant is required to, or elects to, perform construction work in any portion of the Premises (other than a Minor Alteration/Ordinary Repair) and (ii) the Lessee or such Space Tenant shall occupy such portion of the Premises, (other than for the performance of such construction work in accordance with its Space Lease (if applicable) and the Port Authority Manual) without a Permit to Occupy or Use or Consent to Occupy, or shall fail to obtain or duly and fully apply for the appropriate permits or consents from the Code Compliance Office, when such permits or

consents are required to be obtained pursuant to Section 19 hereof; provided, however, such failure shall not be deemed to be an Event of Default as long as (1) the Lessee is diligently prosecuting the cure of such default (and, with respect to a default caused by the Lessee, the Lessee shall cease all construction work in, and its occupancy of such portion of, the Premises, as applicable, until the appropriate permits or consents have been obtained) or, with respect to a default caused by a Space Tenant, the Lessee is using diligent efforts to cause the Space Tenant to cure such default, or the Lessee is taking action to prohibit continued occupancy by injunction, termination of the Space Lease, or other proceeding, and (2) the Lessee provides notice to the Port Authority no less often than once every thirty (30) Business Days thereafter as to the status of such default, and what measures have been taken, or caused to have been taken, by the Lessee and/or the Space Tenant to effectuate a cure thereof; or

(n) subject to Sections 6.2, 6.3 and 6.4, following the Substantial Completion Date, the Lessee shall fail to cure any violations of the Port Authority Manual, as set forth in a Violations Notice from the Code Compliance Office, which it is obligated to cure pursuant to the terms of this Agreement, within the time period specified therein, which violations may imminently result in peril to the life, safety or health of any Persons within the World Trade Center as reasonably determined by the Code Compliance Office, provided, however, such failure shall not be deemed to be an Event of Default as long as (1) the Lessee is diligently prosecuting the cure of such default or, with respect to a default caused by a Space Tenant, the Lessee is using diligent efforts to cause the Space Tenant to cure such default, or the Lessee is taking action to prohibit continued occupancy by injunction, termination of the Space Lease or other proceeding, and (2) the Lessee provides notice to the Port Authority no less often than once every thirty (30) Business Days thereafter as to the status of such default, and what measures

have been taken, or caused to have been taken, by the Lessee and/or the Space Tenant to effectuate a cure thereof; or

(o) the Lessee shall fail to keep, perform or observe one or more of the other terms conditions, covenants or agreements of this Agreement on its part to keep, perform or observe, and such failure shall continue for a period of thirty (30) days after written notice thereof by the Port Authority to the Lessee specifying such failure, unless such failure requires work to be performed, acts to be done, or conditions to be removed which is not reasonably susceptible to being cured within such thirty (30) day period, in which case no Event of Default shall be deemed to have occurred or exist as long as the Lessee (1) shall have commenced curing the same within such thirty (30) day period and shall prosecute the same to completion with reasonable diligence, subject to Unavoidable Delays, and (2) provides notice to the Port Authority no less often than once every thirty (30) Business Days thereafter as to the status of such default, and what measures have been taken, or caused to have been taken, by the Lessee to effectuate a cure thereof; or

(p) a Construction Event of Default shall occur; or

(q) a Tenant Support Agreement Event of Default shall have occurred.

Notwithstanding anything to the contrary contained in this Agreement, none of the foregoing shall constitute an Event of Default if and to the extent that same shall be the result of a violation by the Port Authority of any of the terms, covenants or provisions of the Tenant Support Agreement.

1.100 "Excess Electrical Costs" shall have the meaning provided in Subsection 60.2.4.

1.101 "Excess Improvement Costs" shall have the meaning provided in Subsection 6.3.8.

1.102 "Excess Improvement Period" shall have the meaning provided in Subsection 6.3.8.

1.103 "Excess Insurance" shall have the meaning provided in Section 14.14.

1.104 "Excess Port Authority Requirement" shall have the meaning provided in Subsection 6.3.3.

1.104.1 "Excluded Space" shall mean the retail space demised under the Retail Lease and the space retained by the Port Authority and/or PATH, all as more particularly described as the shaded areas on the drawings attached hereto as "Exhibit A-3", as the same may be revised pursuant to Section 2.1.1 of this Agreement.

1.105 "Excluded Space Lease" shall have the meaning provided in Subsection 5.7.2(b).

1.106 "Excluded Space Tenant" shall have the meaning provided in Subsection 5.7.2(b).

1.107 "Excluded Taxes" shall have the meaning provided in the definition of Impositions.

1.108 "Excluded Transactions" shall have the meaning provided in Section 24.10.

1.108.1 "EXCO Credit Amount" shall have the meaning provided in Subsection 6.10.1.

1.108.2 "EXCO Expiration Date" shall have the meaning provided in Subsection 6.10.1.

1.108.3 "Existing BID Charge" shall have the meaning provided in Section 6.8.2(d).

1.109 "Existing City Agreement" shall mean the Agreement between the Port Authority and the City of New York, dated 1967 (the "1967 Agreement"), as amended by an Agreement between the Port Authority and the City of New York, dated August 23, 1967, as further

amended by a letter agreement between Joseph Lhota, the Finance Commissioner of the City of New York and Barry Weintrob, the Chief Financial Officer of the Port Authority, dated October 30, 1995, together with a reply letter from Barry Weintrob, the Chief Financial Officer of the Port Authority to Joseph Lhota, the Finance Commissioner of the City of New York, dated November 9, 1995.

1.110 "Existing NYPA Agreement" shall mean the Application for Electric Service, dated as of September 22, 1976, between the Port Authority and NYPA, as modified by that certain Agreement, between the Port Authority and NYPA, as executed by the Port Authority on March 22, 2001 and as executed by NYPA on March 19, 2001 (the "2001 NYPA Supplement") and as further modified by that certain Agreement between the Port Authority and NYPA as executed by NYPA on April 6, 2005.

1.111 "Existing PILOT Base" shall have the meaning provided in Subsection 6.10.1.

1.112 "Existing PILOT Escalations" shall have the meaning provided in Subsection 6.10.1.

1.113 "Existing PILOT Payments" shall have the meaning provided in Subsection 6.10.1.

1.114 Intentionally Omitted.

1.115 Intentionally Omitted.

1.116 "Expiration Date" shall have the meaning provided in Section 3.

1.117 "Fair Market Rental Value" shall mean, with respect to any Excluded Space Lease, the rental which would be paid under a lease with a Person, other than a Related Entity, leasing a similar amount of space in the Premises, for the same term, for the same use and in the same location in the Premises, and shall include, if applicable, all fixed rent, percentage rent,

antenna income, parking income and amounts payable in connection with exterior signs, which would be included under such lease if such lease was entered into with a Person that was not a Related Entity; provided, however, in determining such Fair Market Rental Value, it shall be taken into account, if applicable, that the Lessee has no obligation to (i) pay any brokerage or leasing commissions, in connection with such Excluded Space Lease, (ii) provide to the Excluded Space Tenant any rent abatement, rent concession or so-called "free rent period", and/or (iii) perform any improvements to the premises demised under such Excluded Space Lease to prepare such premises for the Excluded Space Tenant's occupancy, or to provide any allowance or so-called "work letter" with respect to any such improvements.

1.117.1 "Final Descriptions" shall have the meaning provided in Section 2.1.

1.118 "Fire Department Code" shall mean the rules, regulations and codes established from time to time by the New York City Fire Department.

1.119 "Fiscal Year" shall have the meaning provided in Subsection 5.9.4.

1.120 "Foundations Completion Date" shall have the meaning provided in Section 69.1.

1.121 Intentionally Omitted.

1.122 Intentionally Omitted.

1.123 Intentionally Omitted.

1.124 "Full Insurable Value" shall have the meaning provided in Subsection 14.1.1.

1.124.1 "Full Replacement Cost" shall have the meaning provided in Subsection 69.1.1.

1.124.2 "Future EXCO Credit Amount" shall have the meaning provided in Subsection 6.10.1.

1.125 "Future MOU's" shall have the meaning provided in Subsection 6.3.3.

1.126 "Future NYBOT Credit Amount" shall have the meaning provided in Subsection 6.10.1.

1.127 Intentionally Omitted.

1.128 Intentionally Omitted.

1.129 Intentionally Omitted.

1.130 "GAAP" shall mean generally accepted accounting principles in the United States of America, as set forth in the opinions and pronouncements of the American Institute of Certified Public Accountants' Accounting Principles Board and Financial Accounting Standards Board or in such other statements by such other entity as may be in general use by significant segments of the accounting profession, to the extent such principles are applicable to the facts and circumstances on the date of determination.

1.131 "Governmental Authority" means any governmental, quasi-governmental, regulatory, administrative or judicial agency, body or entity, foreign or domestic, provided however, that "Governmental Authority" shall not mean the Port Authority.

1.132 "Governmental Requirement" shall mean any present or future governmental law, rule, regulation, ordinance, requirement, order or direction (including compliance with the enactments, ordinances, resolutions and regulations of the City of New York and its departments, boards and bureaus with regard to construction, maintenance, health and fire protection) which would be applicable to the Building if the Port Authority were a private entity.

1.133 "Gross Revenues" shall have the meaning provided in Subsection 5.7.2.

1.133.1 "Gross Square Feet" shall mean gross square feet of above-grade office floor area, including broadcasting facilities located in rentable space in the Building, but

excluding lobby, mechanical space, retail and restaurant uses, and antennae, roof and mechanical spaces associated with broadcast facilities.

1.133.2 "Hazardous Materials" shall mean any flammable, explosive or radioactive materials; hazardous wastes; hazardous and toxic substances or related materials; asbestos or any material containing asbestos; or any other such substance or material; as defined by any federal, state or local law, ordinance, rule or regulation, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, the Hazardous Materials Transportation Act, as amended, the Resource Conservation and Recovery Act, as amended, and in the regulations adopted and publications promulgated pursuant to each of the foregoing.

1.134 "Health Code" shall mean the rules, regulations and codes established from time to time by the New York City Department of Health.

1.134.1 "High Tension Rules" shall have the meaning provided in Section 48.2.

1.135 "Immediate Repairs" shall have the meaning provided in Subsection 13.4.2(a).

1.136 "Impositions" shall mean (i) all taxes which are ad valorem in character, or of a similar character, including fees, assessments, and charges that are validly levied by a governmental entity (other than the Port Authority, BID or similar entity) against the Premises or the interest of the Lessee therein, including special assessments, (ii) the BID Charge, and (iii) personal property and general intangibles taxes, gross receipts, sales, use and occupancy, water and sewer charges, rates and rents, transit taxes, charges for public utilities (exclusive of electrical power) assessed by a governmental entity (other than the Port Authority, BID or similar entity), excises, levies, vault and other license, rent (other than Rental) and permit fees

and other municipal and governmental impositions and charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which are during the Term assessed, levied, charged, confirmed or imposed upon or become payable out of or which, by law, become a Lien on (a) the Premises or any part thereof, the appurtenances thereto or the sidewalks, streets or vaults adjacent thereto, (b) any personal property owned by the Lessee and located on the Premises or any part thereof, (c) any rent and income received by the Lessee from any users or occupants of the Premises or any part thereof, (d) any franchises, easements or similar rights demised hereunder, licenses and permits as may be appurtenant to the use of the Premises, or the transactions contemplated hereunder, creating or transferring an interest or estate in the Premises, or (e) any occupancy, use or possession of the Premises or any part thereof, the appurtenances thereto or the sidewalks, streets, alleys or vaults adjacent thereto; but Impositions shall not include (x) any Taxes or PILOT assessed, exacted, levied, charged, confirmed, or imposed upon, or which may become payable out of, or become a Lien against, the Premises or any part thereof (or any other tax, levy or assessment which, at any time during the Term, may be assessed, exacted, levied, charged, confirmed, or imposed in substitution therefor, in whole or in part), (y) any municipal, state or federal income, profits, gross receipts, revenue, capital levy, estate, gift, succession, inheritance, transfer, corporate franchise, employment, withholding, unincorporated business or similar taxes which are assessed, exacted, levied, charged, confirmed, imposed upon, payable by or which become a Lien against the Lessee (or any Person holding an Equity Interest in the Lessee), the Port Authority or any owner of the Premises or any part thereof, and (z) any income, profits, revenues or similar tax, assessment or charge imposed upon the Rental received as such by the Port Authority under this Agreement (collectively, "Excluded Taxes").

1.136.1 "Imputed Mezzanine Debt" shall mean a direct or indirect preferred equity investment in the Lessee, the terms of which include, among other terms common to preferred equity, (a) a specified rate of return, (b) regular and/or guaranteed distributions to the holder thereof on specified dates or upon the occurrence of certain events, (c) a specified date upon which such investment shall mature, either through redemption by the holder thereof, a put to or call by the Lessee or a Controlled Affiliate, conversion to ownership of all the equity interests in the Lessee or a Controlled Affiliate, as the case may be, or otherwise, (d) voting rights over major decisions, (e) remedies available to the holder thereof upon the occurrence of certain events and (f) payment priority over any common equity investments.

1.137 "Income Tax Controversy" shall have the meaning provided in Section 18.5.

1.137.1 "Indemnitee" shall have the meaning provided in Section 18.4.

1.137.2 "Indemnitor" shall have the meaning provided in Section 18.4.

1.137.3 "Indemnity Period" shall have the meaning provided in Subsection 14.1.2.

1.137.4 "Indenture Trustee" shall have the meaning provided in the Tenant Support Agreement.

1.138 "Independent Director/Manager" shall mean an individual who (a) is (i) provided by a nationally recognized professional service company or (ii) approved in writing by the Port Authority (which consent shall not be unreasonably withheld), (b) is not at the time of initial appointment, or at any time while serving as a director or manager, as applicable, and has not been at any time during the preceding five (5) years: (i) a stockholder, director (with the exception of serving as the Independent Director/Manager), officer, employee, partner, member, attorney, or counsel of the Lessee or the Person required to be a Single Purpose Entity pursuant

to this Agreement, as applicable (the Lessee and such Persons "SPE Requirement Parties"), or their respective Affiliates; (ii) a customer, supplier or other Person who derives any of its purchases or revenues from its activities with the SPE Requirement Parties or their Affiliates; (iii) a Person who Controls or is Under Common Control With any such stockholder, director, officer, partner, member, customer, supplier or other Person; or (iv) a member of the immediate family of any such stockholder, director, officer, employee, partner, member, manager, customer, supplier or other Person, and (c) has (i) prior experience as an independent director or independent manager for a corporation, trust or limited liability company whose charter documents required the unanimous consent of all independent directors or independent managers thereof before such corporation, trust or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (ii) at least three years of employment and/or ownership experience with one or more nationally recognized companies that provides, inter alia, professional independent directors or independent managers in the ordinary course of their respective business to issuers of securitization or structured finance instruments, agreements or securities or lenders originating commercial real estate loans for inclusion in securitization or structured finance instruments, agreements or securities and is at all times during his or her service as an Independent Director/Manager of the applicable SPE Requirement Party an employee and/or owner of such a company or companies. A natural Person who satisfies the foregoing definition except for being (or having been) the independent director or independent manager of a "special purpose entity" affiliated with the SPE Requirement Party (provided such affiliate does not or did not own a direct or indirect equity interest in the SPE Requirement Party) shall not be disqualified from serving as an Independent

Director/Manager, provided that such natural Person satisfies all other criteria set forth above and that the fees such individual earns from serving as independent director or independent manager of Affiliates of the SPE Requirement Party in any given year constitute in the aggregate less than five percent (5%) of such individual's annual income for that year. A natural Person who satisfies the foregoing definition other than clause (a)(ii) shall not be disqualified from serving as an independent director/manager of the SPE Requirement Party if such individual is an Independent Director/Manager. For the purposes of this definition, "nationally recognized professional service Lessee" means CT Corporation, Corporation Services Company, National Registered Agents, Inc., Wilmington Trust Company, Stewart Management Company, Lord Securities Corporation or, if none of those companies is then providing Independent Director/Managers, another nationally recognized company reasonably approved by the Port Authority, in each case that is not an Affiliate of the SPE Requirement Party and that provides Independent Director/Managers and other corporate services in the ordinary course of its business. Notwithstanding the foregoing, the Lessee and any Tower Lessee and any Affiliate of any thereof may have the same Independent Director(s)/Manager(s).

1.139 "Initial Cost" shall have the meaning provided in Section 24.5.

1.140 "Initial Partners/Members" shall have the meaning provided in Subsection 24.10.4.

1.141 Intentionally Omitted.

1.142 "Initial Review Timetable" shall mean the time, as set forth below, for which the Code Compliance Office shall be required to deliver comments, with reasonable specificity, to the Lessee, if any, from the date the Alteration Application Form is received by the Code Compliance Office; provided, however, that nothing contained in this definition shall limit the

right of the Lessee to expedited review under the section of the TCA/TAA Guide entitling the Lessee to "Review by Appointment."

| **Estimated Construction Cost** | **Timing** |
|---|---|
| [redacted] | Ten (10) Business Days |
| [redacted] | Fifteen (15) Business Days |
| [redacted] | Twenty (20) Business Days |
| [redacted] | Thirty (30) Business Days |

For the purposes of this definition, the "Estimated Construction Cost" shall be an estimate of the cost of the work described in the Alteration Application Form, which estimate shall be determined by the Lessee in consultation with the A/E and/or contractor of record for such project. The Estimated Construction Costs set forth above shall be Subject to Adjustment by the Port Authority not more than once every five (5) calendar years. The times set forth above may be increased by the Port Authority in the event that such times are increased by other governmental entities in similar circumstances.

1.142.1 "Installment Sale Obligation" shall have the meaning provided in Subsection 24.13.7.

1.143 "Institutional Investor" shall mean a savings bank, a savings and loan association, a commercial bank or trust company (whether acting individually, as agent for others, as a trustee, as a servicing agent or in a fiduciary capacity), an insurance company, a trust company, a commercial credit corporation, a credit union or company, a private or state, federal or municipal employers' welfare, benefit, pension or retirement plan or fund, a religious, educational or eleemosynary institution, a mutual fund, investment bank, opportunity fund, merchant bank or

other investment company or Affiliate thereof, a governmental agency, entity or plan, or an entity insured by a governmental agency, a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, as amended, a public or private real estate investment trust, real estate fund, real estate mortgage investment conduit or similar investment vehicle, any Person regularly engaged in the business of making commercial loans, a loan conduit or other similar investment entity, a brokerage or investment banking organization (or an Affiliate thereof, whether acting in its own capacity or on behalf of its clients), any Person which has (or has direct or indirect partners or members which have collectively) a minimum net worth of Two Hundred Fifty Million Dollars ([redacted]) (based on present, not historical value)), Subject to Adjustment by the Port Authority no more often than once every five (5) calendar years, and any other Person that is commonly recognized as an "institutional investor" at the time such Person is required to qualify as an Institutional Investor hereunder, or any combination of the above entities or Affiliates of the same, provided, that each of the above entities shall qualify as an Institutional Investor only if (i) it shall be subject, or submit itself, to the jurisdiction of the courts of the State of New York in any actions arising out of this Agreement, (ii) as of the date such Person receives the Mortgage or as of the date of any Assignment, neither its chief executive officer, chief operating officer, chief financial officer, president, chairman of the board, nor any person or entity which Controls, is Controlled By, or is Under Common Control With it has been convicted of or is under indictment for any crime indicative of a lack of business integrity, or has been convicted or is under indictment in criminal anti-trust or criminal fraud litigation, and (iii) it shall not create any conflict of interest as defined under the Public Officers Law of the State of New York between any Commissioner of the Port Authority and itself or its chief executive officer, chief operating officer, chief financial officer, president,

chairman of the board, or any person or entity which Controls, is Controlled By, or is Under Common Control With it. For the purposes of this definition, any Person that is directly or indirectly Controlled By an Institutional Investor shall also be deemed to be an Institutional Investor.

1.144 "Insured Structure" shall have the meaning provided in Subsection 14.1.1.

1.145 Intentionally Omitted.

1.146 "Lease Memorandum" shall have the meaning provided in Section 2.1.

1.147 "Lease Year" shall mean the twelve (12) month period commencing on the Commencement Date (provided, however, that if (i) the Commencement Date shall not occur on the first day of a month, the first Lease Year shall be the period from the Commencement Date through the end of the month during which the first anniversary of the Commencement Date occurs, and (ii) the Expiration Date shall not occur on the last day of a Lease Year, the last Lease Year shall end on the Expiration Date), and each successive twelve (12) month period to occur thereafter through the Expiration Date.

1.148 "Lessee" shall have the meaning provided in the Preamble.

1.148.1 "Lessee Additional Insureds" shall have the meaning provided in Section 14.20.1.

1.148.2 "Lessee BID Agreement" shall have the meaning provided in Section 6.8.10(a).

1.148.3 "Lessee Electrical System Components" shall have the meaning provided in Section 48.2.

1.148.4 "Lessee's Allocated PILOT Share" shall mean the proportion which the total number of rentable square feet in the Premises for which PILOT is payable (such space

being hereinafter referred to in this definition as the "taxable space") bears from time to time to the total number of rentable square feet contained in all space in the World Trade Center as to which PILOT is payable, which shall be expressed as a fraction, the numerator of which shall be the total number of rentable square feet of taxable space in the Premises as to which PILOT is payable and the denominator of which shall be the total number of rentable square feet of taxable space in the World Trade Center as to which PILOT is payable. For the purposes of this definition, the term "total number of rentable square feet of taxable space in the Premises" shall mean the number of square feet allocated to the Premises (excluding the Appurtenances) by the Port Authority which shall be determined in accordance with the Existing City Agreement and reasonably approved by the Lessee, and shall be the total number of rentable square feet comprising the Premises, exclusive of (i) space utilized solely for storage and garage space, and (ii) space not occupied by Persons under leases (a) for store or hotel purposes, or (b) for office use by private persons engaged in carrying on, within the World Trade Center, a profession, or a trade or business for profit (for example, such space would not include space occupied by the City of New York or any City Affiliate or the Port Authority, or any department, board or bureau thereof). For the purposes of this definition, the term "total number of rentable square feet of taxable space in the World Trade Center" shall mean the number of square feet allocated to the World Trade Center by the Port Authority which shall be determined in accordance with the Existing City Agreement and reasonably approved by the Lessee, and shall be the total number of rentable square feet comprising the World Trade Center, exclusive of (i) space utilized solely for storage and garage space, and (ii) space not occupied by Persons under leases (a) for store or hotel purposes, or (b) for office use by private persons engaged in carrying on, within the World Trade Center, a profession, or a trade or business for profit (for example, such space would not

include space occupied by the City of New York or any City Affiliate or the Port Authority, or any department, board or bureau thereof). For purposes of this definition, "rentable square feet" shall be determined in accordance with the "Standard Method of Floor Measurement for Office Buildings" approved by the Real Estate Board of New York, Inc., in effect as of the 1967 Agreement, a copy of which is attached as "Schedule B" to the 1967 Agreement.

1.149 "Lessee's Allocated Share" shall mean seventeen and 16/100 percent (17.16%) which is derived by a fraction the numerator of which is the Gross Square Feet of the Building and the denominator of which is the gross square feet of the Building, and the buildings constructed pursuant to each of the Tower Leases and the Other Leases, which denominator may be increased or decreased prior to the Substantial Completion Date. Supplementing the provisions of this Section 1.149, the Port Authority and Lessee have agreed that the Lessee's Allocated Share percentage set forth in this Section 1.149 has been calculated as follows: a fraction, the numerator of which is One Million Eight Hundred Thousand (1,800,000) square feet, and the denominator of which is Ten Million Four Hundred Ninety Thousand (10,490,000) square feet, which is the sum of Ten Million (10,000,000) square feet of office space contained in the World Trade Center and Four Hundred Ninety Thousand (490,000) square feet of retail space contained in the World Trade Center. If as of the Substantial Completion Date the Gross Square Feet of the Building is not equal to One Million Eight Hundred Thousand (1,800,000) or the amount of retail space contained in the World Trade Center is not equal to Four Hundred Ninety Thousand (490,000), then the Lessee's Allocated Share shall be recalculated using the actual measurements, and the parties hereto shall enter into an agreement amending this Section 1.149 to memorialize such adjusted Lessee's Allocated Share, it being agreed, however, that (i) failure to execute such agreement shall not in any way reduce the Port Authority's or the

Lessee's obligations or rights under this Agreement, and (ii) Lessee's Allocated Share (as defined in the Tower Leases and the Other Leases) shall be similarly recalculated. Nothing contained in this Section 1.149 shall be deemed to modify any of the provisions of the Development Agreement pertaining to the Retail Development Project (as defined in the Development Agreement) or the rights or obligations of the parties thereto with respect to the Retail Development Project, including, without limitation, the size thereof.

1.150 "Lessee's Cost of Service" shall mean the Lessee's reasonable administrative costs directly related to the furnishing of electricity to Space Tenants for the relevant billing period, such costs not to exceed [redacted] of the Port Authority's Cost of Service for the relevant billing period.

1.150.1 "Lessee's Electricity" shall have the meaning provided in Section 48.3.

1.151 "Lessee's Premises Percentage" shall mean Lessee's Allocated Share.

1.151.1 "Liberty Bond Administrative Payments" shall have the meaning provided in the Bond Support Agreement.

1.152 "License" shall mean (i) that certain Amended and Restated Trademark License Agreement dated as of November 16, 2006 among the Lessee, the World Trade Centers Association, Inc., Silverstein WTC Mgmt. Co. LLC and Silverstein WTC Mgmt. Co. II LLC, as the same may be amended, modified, revised or supplemented from time to time, and (ii) that certain Amended and Restated Trademark License Agreement dated as of November 16, 2006 by and among the Port Authority, the Lessee, Silverstein WTC Mgmt. Co. LLC and Silverstein WTC Mgmt. Co. II LLC, as the same may be amended, modified, revised or supplemented from time to time.

1.153 "Lien" and "Liens" shall mean any mortgage, deed of trust, lien, pledge, hypothecation, assignment, or security interest affecting the Premises or any portion thereof or any interest therein, including, without limitation, any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, the filing of any financing statement, and mechanic's, materialmen's and other similar liens and encumbrances.

1.153.1 "LMCCC" shall have the meaning provided in Subsection 6.18.7.

1.154 "Major Tests" shall have the meaning provided in the Tenant Construction Review Manual.

1.155 "Management Agreement" shall have the meaning provided in Section 10.1.

1.155.1 "Master Plan" shall have the meaning provided in the Recitals.

1.156 Intentionally Omitted.

1.157 Intentionally Omitted.

1.158 Intentionally Omitted.

1.159 Intentionally Omitted.

1.160 Intentionally Omitted.

1.161 "Mezzanine/Junior Loan" shall mean such loans or financings (in addition to the Senior Mortgage and which may be in the nature of Imputed Mezzanine Debt) as the Lessee may enter into on or after the Net Lessee Execution Date, it being agreed that, prior to the Substantial Completion Date, the sole purpose of such financing shall be to obtain funds to complete construction and initial lease-up and to pay carry costs during the construction of the Tower Project, all in accordance with the terms of the Development Agreement and the Tenant Support Agreement.

1.161.1 "Minimum Terrorism Insurance Amount" shall have the meaning provided in Subsection 14.1.1.

1.162 "Minor Alteration/Ordinary Repair" shall have the meaning provided in the Building Department Code.

1.163 "Monthly Percentage Rent Statement" shall have the meaning provided in Subsection 5.9.1.

1.164 "Mortgage" shall mean a mortgage and other collateral documents which constitutes (i) a Lien on the Lessee's interest in this Agreement, the leasehold interest created hereby, the Space Leases, and the Lessee's interest under the REOA or (ii) a pledge or collateral assignment of direct or indirect interests in the Lessee, provided such mortgage or collateral documents are held by (A) an Institutional Investor, (B) a Person formerly constituting the Lessee or formerly owning a direct or indirect equity interest in the Lessee or such Person's assignee, if such mortgage is made to such Person in connection with (1) an assignment by it of its interest in this Agreement, or (2) a direct or indirect transfer of partnership interests in a partnership which is the Lessee, or in a Person owning a direct or indirect equity interest in the Lessee, or (3) a direct or indirect transfer of stock in a corporation which is the Lessee, or in a Person owning a direct or indirect equity interest in the Lessee, or (4) a direct or indirect transfer of membership interests in a limited liability company which is the Lessee or in a Person owning a direct or indirect equity interest in the Lessee, or (C) a Person otherwise consented to by the Port Authority. The rights of any holders of a Mortgage described in clause (ii) above shall at all times be subordinate to the right of the holders of a Mortgage described in clause (i) above.

1.165 "Mortgagee" shall mean the holder of a Mortgage in accordance with the criteria set forth in definition of "Mortgage", as approved or deemed approved by the Port Authority

pursuant to Section 8, provided, however, that if, and for so long as, the interest of the holder of such Mortgage in the Mortgage shall be assigned pursuant to a Collateral Assignment, then the Collateral Assignee shall be deemed a "Mortgagee" (in lieu of such holder) and be entitled to all of the rights and benefits of a Mortgagee hereunder.

1.166 "MOU's" shall mean (a) that certain Memorandum of Understanding Between the Fire Department of the City of New York and the Port Authority, dated as of December 30, 1993, as amended by First Amendment to Memorandum of Understanding Between the Fire Department of the City of New York and the Port Authority, dated as of December 30, 1993, as amended by that certain letter agreement, dated as of July 25, 1997, from the Port Authority to the Fire Department of the City of New York (and response letter dated August 5, 1997) and (b) that certain Memorandum of Understanding Between the New York City Department of Buildings and the Port Authority, agreed to by the Port Authority on November 3, 1993, as supplemented by Supplement to Memorandum of Understanding, agreed to by the Port Authority on June 7, 1995 and letter agreement, dated September 15, 1995 from William H. Goldstein to the Honorable Joel A. Miele, Sr.

1.166.1 "Mutual Release" shall mean that certain Mutual Release dated as of the Net Lessee Execution Date among the Port Authority, the Retail Lessee, the Tower 1/Tower 5 Lessee, the Two World Trade Center Lessee, the Three World Trade Center Lessee, the Lessee, The Port Authority Trans-Hudson Corporation, World Trade Center Properties LLC, 1 WTC Holdings LLC, 2 WTC Holdings LLC, 3 WTC Holdings LLC, formerly known as 5 WTC Holdings LLC, 4 WTC Holdings LLC, Silverstein Properties, Inc., Silverstein East WTC Facility Manager LLC, formerly known as Silverstein WTC Facility Manager LLC, WTC Redevelopment LLC, Silverstein WTC Mgmt. Co. LLC, Silverstein WTC Properties LLC,

formerly known as Silverstein WTC Manager LLC, which, in turn, is formerly known as Silverstein WTC Associates LLC, Silverstein WTC LLC, Silverstein Freedom Tower Development LLC, Silverstein 2/3/4 WTC Redevelopment LLC, formerly known as 2/3/4 WTC Redevelopment LLC, WTC Management and Development LLC, Silverstein WTC Management and Development LLC, Silverstein WTC Mgmt. Co. II LLC, Spring World, Inc., Spring WTC Holdings, Inc., WTC Investors LLC, WTC Investors Management and Development LLC and The Net Lessees' Association of the World Trade Center, as the same may be amended, modified, revised or supplemented from time to time.

1.167 "Negotiated Terms" shall have the meaning provided in Subsection 61.4.5.

1.168 "Net Broadcasting Profit" shall have the meaning provided in Section 64.2.

1.169 "Net Lessee Execution Date" means December 16, 2010.

1.170 "Net Lessees' Association" shall have the meaning provided in the REOA.

1.171 "Net Proceeds" shall have the meaning provided in Subsection 24.2.

1.172 Intentionally Omitted.

1.173 "New City Agreement" shall mean any amendment, modification or supplement to the Existing City Agreement.

1.174 "1967 Agreement" shall have the meaning provided in the definition of the Existing City Agreement.

1.175 "Non-Compliance Costs and Expenses" shall have the meaning provided in Subsection 6.4.6.

1.176 "Non-Compliance Rate" shall mean a rate of interest equal to ten percent (10%) per annum.

1.177 "Non-Conforming Repair Costs" shall have the meaning provided in Subsection 6.4.4.

1.178 "Non-Consolidation Opinion" shall mean an opinion, dated as of the then current date, of an independent outside counsel, selected by the Lessee and reasonably satisfactory to the Port Authority, which shall be addressed to the Port Authority to the effect that, subject to customary assumptions and qualifications, in a properly presented case, a United States bankruptcy court properly exercising jurisdiction over a case involving direct or indirect equity interests in the Parent of the Lessee, correctly applying the law to the facts, would not order the substantive consolidation of the assets and liabilities of the Lessee and any entity that itself is not a Single Purpose Entity that has a direct or indirect interest in the Lessee which is required to be a Single Purpose Entity hereunder, with any such direct equity owners of the Parent of the Lessee.

1.179 "Non-Disturbance and Attornment Agreement" shall have the meaning provided in Subsection 9.5.2.

1.180 "Non-Net Lease Privatization" shall have the meaning provided in Subsection 60.2.1.

1.180.1 "Non-Net Leased Portion" shall mean any portion of the World Trade Center not encumbered by this Agreement, the Tower Leases or the Other Leases.

1.181 "Non-Occupancy Lease" shall have the meaning provided in Subsection 24.9.5.

1.182 "Non-Restricted Period" shall have the meaning provided in Subsection 61.4.5.

1.182.1 "Non-Television Broadcasting" shall have the meaning provided in Section 64.2.1.

1.183 "Notice" shall have the meaning provided in Section 39.1.

1.184 "Notice Terms" shall have the meaning provided in Subsection 61.4.5.

1.185 "NYBOT Credit Amount" shall have the meaning provided in Subsection 61.10.1.

1.185.1 "NYBOT Expiration Date" shall have the meaning provided in Subsection 61.10.1.

1.186 "NYPA" shall mean the Power Authority of the State of New York.

1.187 "NYPA Agreement" shall mean the Existing NYPA Agreement, as the same may be further amended, modified, revised or supplemented from time to time.

1.187.1 "OP" shall have the meaning provided in the definition of "Corporate Transaction".

1.188 "OCIP" shall have the meaning provided in Subsection 69.1.5.

1.188.1 "One World Trade Center Development Agreement" shall mean that certain Freedom Tower Development Agreement dated as of November 16, 2006 among the Tower 1/Tower 5 Lessee and Silverstein Freedom Tower Development LLC, as the same may be amended, modified, revised or supplemented from time to time.

1.188.2 "One World Trade Center Lease" shall have the meaning provided in the Recitals.

1.188.3 "Operating Expenses" shall have the meaning provided in Subsection 24.13.8.

1.189 "Operating Income" shall have the meaning provided in Subsection 24.13.9.

1.189.1 "Operations Commencement" shall mean the first date that a Space Tenant shall occupy the Premises for the conduct of business under a Space Lease.

1.189.2 "Operations Commencement Date" shall mean the date on which Operations Commencement shall have occurred.

1.190 "Operations Space" shall have the meaning provided in Subsection 5.7.2(b).

1.190.1 "Original Mutual Release" shall mean that certain Mutual Release dated as of November 16, 2006 among the Port Authority, the Retail Lessee, the Tower 1/Tower 5 Lessee, the Two World Trade Center Lessee, the Three World Trade Center Lessee, the Lessee, The Port Authority Trans-Hudson Corporation, World Trade Center Properties LLC, 1 WTC Holdings LLC, 2 WTC Holdings LLC, 3 WTC Holdings LLC, formerly known as 5 WTC Holdings LLC, 4 WTC Holdings LLC, Silverstein Properties, Inc., Silverstein East WTC Facility Manager LLC, formerly known as Silverstein WTC Facility Manager LLC, WTC Redevelopment LLC, Silverstein WTC Mgmt. Co. LLC, Silverstein WTC Properties LLC, formerly known as Silverstein WTC Manager LLC, which, in turn, is formerly known as Silverstein WTC Associates LLC, Silverstein WTC LLC, Silverstein Freedom Tower Development LLC, Silverstein 2/3/4 WTC Redevelopment LLC, formerly known as 2/3/4 WTC Redevelopment LLC, WTC Management and Development LLC, Silverstein WTC Management and Development LLC, Silverstein WTC Mgmt. Co. II LLC, Spring World, Inc., Spring WTC Holdings, Inc., WTC Investors LLC, WTC Investors Management and Development LLC and The Net Lessees' Association of the World Trade Center, as the same may be amended, modified, revised or supplemented from time to time.

1.191 "Original One World Trade Center Lease" shall have the meaning provided in the Recitals.

1.191.1 "Original Five World Trade Center Lease" shall have the meaning provided in the Recitals.

1.191.2 "Original Four World Trade Center Lease" shall have the meaning provided in the Recitals.

1.191.3 "Original Port Authority Manual" shall mean, collectively, (i) the Tenant Construction Review Manual, (ii) the TCA/TAA Guide, (iii) the Rules and Regulations, and (iv) the Security Guidelines, consisting of the documents containing bate stamp numbers PAM 000 1 through PAM 00231 on the CD ROM delivered by the Port Authority to the Lessee on November 16, 2006 in connection with the execution of the Restated Four World Trade Center Lease.

1.191.4 "Original Retail Lease" shall have the meaning provided in the Recitals.

1.191.5 "Original Two World Trade Center Lease" shall have the meaning provided in the Recitals.

1.192 "Other Contract" shall have the meaning provided in Subsection 61.4.5.

1.193 "Other Leases" shall mean the One World Trade Center Lease, the Retail Lease and the Tower 5 Lease.

1.194 "Other Lessees" shall mean the Tower 1/Tower 5 Lessee and the Retail Lessee.

1.194.1 "PA Actual Final Site Completion Date" shall have the meaning provided in the Development Agreement.

1.194.2 "PA Electrical System Components" shall have the meaning provided in Section 48.2.

1.194.3 "PA Insured Entities" shall have the meaning provided in Section 14.3.

1.194.4 "PA Licensees" shall have the meaning provided in Section 14.20.9.

1.194.5 "PA Work" shall have the meaning provided in Section 14.20.1.

1.195 "Parent" shall mean any person, corporation, partnership, limited liability company, or other business entity which owns, directly or indirectly, the majority beneficial interest in and otherwise Controls the Lessee.

1.196 Intentionally Omitted.

1.197 "Partner's/Member's Loan" shall have the meaning provided in Subsection 24.13.10.

1.198 "PATH" shall mean the Port Authority Trans-Hudson Corporation, and any successor agency, office or department thereto.

1.199 "PATH Facilities" shall mean the facilities of PATH located within the World Trade Center, including rail facilities, platforms, tunnels, walkways, stairwells, escalators, elevators and other similar facilities for human transportation.

1.200 "Percentage Rent" shall have the meaning provided in Section 5.6.

1.201 "Percentage Rent Statement" shall have the meaning provided in Subsection 5.9.2.

1.202 "Permit Fees" shall mean those certain fees set forth in Rider A of the Alteration Application Form. Permit Fees shall only be increased by the Port Authority by a percentage which shall not be greater than the percentage by which other governmental entities in similar circumstances increase their permit fees.

1.202.1 "Permitted Controlling Interest Disposition" shall have the meaning provided in the Tenant Support Agreement.

1.203 "Permitted Encumbrances" shall have the meaning provided in Section 30.

1.204 "Permitted Manager" shall mean the Lessee itself, its Parent, a Related Entity or a third party manager retained by the Lessee to conduct, operate and manage the Premises,

provided that such entity shall qualify as a Permitted Manager only if (i) it shall be subject, or submit itself, to the jurisdiction of the courts of the State of New York in any actions arising out of this Agreement or the Management Agreement, if applicable, (ii) as of the date such Person executes the Management Agreement, neither its chief executive officer, chief operating officer, chief financial officer, president, chairman of the board, nor any person or entity which controls, is controlled by, or is under common control with it has been convicted of or is under indictment for any crime indicative of a lack of business integrity, or has been convicted or is under indictment in criminal anti-trust or criminal fraud litigation, (iii) it shall not create any conflict of interest as defined under the Public Officers Law of the State of New York between any Commissioner of the Port Authority and itself or its chief executive officer, chief operating officer, chief financial officer, president, chairman of the board, or any person or entity which controls, is controlled by, or is under common control with it, and (iv) one or more principals or executive officers of which have acted in a similar capacity for any entity which have operated, for at least five (5) years prior to the date such manager is retained, first-class office buildings of not less than 5,000,000 Rentable Square Feet, including a first-class office building located in the Borough of Manhattan comprising not less than 500,000 Rentable Square Feet. For the purposes of this definition, the terms "controlled by" and "under common control with", shall mean both (1) direct or indirect ownership, in the aggregate, of more than fifty percent (50%) of the outstanding voting capital stock of a corporation, if the Permitted Manager is a corporation, direct or indirect ownership, in the aggregate, of more than fifty percent (50%) of the partnership interests of a limited partnership, if the Permitted Manager is a limited partnership, or direct or indirect ownership, in the aggregate, of more than fifty percent (50%) of the membership interests of a limited liability company, if the Permitted Manager is a limited liability company,

and (2) the power to direct or cause the direction of the business decisions of the Permitted Manager, whether through the ownership of voting securities or by contract or otherwise, subject to the rights of other equity owners to make or veto major decisions.

1.204.1 "Permitted Sale" shall have the meaning provided in the Tenant Support Agreement.

1.205 "Permit to Occupy or Use" shall mean a document delivered by the Code Compliance Office in accordance with Subsection 19.4.2, permitting the occupancy of a portion of the Premises or use of equipment located therein, after inspection if, and to the extent such inspection is required hereunder or by the Port Authority Manual, and a certification by the Code Compliance Office that the subject premises complies with the Plans and Specifications and Alteration Application Form submitted to the Code Compliance Office and the Port Authority Manual.

1.206 "Person" shall mean and include an individual, corporation, partnership, limited liability company, joint venture, estate, trust, unincorporated association, any federal, state, county or municipal government or any bureau, department, authority or agency thereof.

1.207 "PILOT" shall mean the payments required to be made by the Port Authority pursuant to the City Agreement.

1.208 Intentionally Omitted.

1.209 "Plans and Specifications" shall mean the completed scaled drawings and plans and specifications prepared by the A/E of record, setting forth in detail all requirements for the construction of all aspects of the work to be performed.

1.210 Intentionally Omitted.

1.211 "Port Authority" shall have the meaning provided in the Preamble.

1.212 "Port Authority Allocated Costs" shall have the meaning provided in the REOA.

1.213 "Port Authority Certification Procedure" shall have the meaning provided in Subsection 9.2.1.

1.213.1 "Port Authority Legislation" shall mean the concurrent legislation of the State of New York and the State of New Jersey set forth at Chapter 301 of the Laws of New York of 1950, as amended by Chapter 938 of the Laws of New York of 1974 (McKinney's Unconsolidated Laws §§7101-7112), and Chapter 204 of the Laws of New Jersey of 1951 (N.J.S.A.32:1-157 to 32:1-168), as amended from time to time.

1.214 "Port Authority Manual" shall mean, collectively, subject to the provisions of Section 1.3(j) of the Development Agreement, (i) the Tenant Construction Review Manual (as same has been or will be revised to incorporate Exhibit J-3 to the Development Agreement), (ii) the TCA/TAA Guide, (iii) the Rules and Regulations (it being agreed that section 19 of Part A of the Rules and Regulations that are part of the Original Port Authority Manual (or the equivalent thereof in any then current Port Authority Manual) shall not be construed to limit the Lessee's ability to have in the Premises vending machines, newsstands and other activities ancillary to office use), and (iv) the Security Guidelines. The Port Authority Manual shall not be amended, modified or supplemented from time to time by the Port Authority to include any guidelines, regulations, rules, codes or criteria that are aesthetic in nature beyond those contained in the Original Port Authority Manual.

1.215 "Port Authority Manual Operating Expenses" shall have the meaning provided in Subsection 6.3.8(c).

1.215.1 "Port Authority Space Lease" shall mean the Lease, entered into as of November 16, 2006, between the Port Authority, as lessee, and the Lessee, as lessor, as amended

by First Amendment to Lease, entered into as of the Net Lessee Execution Date between the Port Authority, as lessee, and the Lessee, as lessor, as the same may be further amended, modified, revised or supplemented from time to time.

1.216 "Port Authority's Account" shall mean the account maintained by the Port Authority at Citibank, N.A., 399 Park Avenue, New York, NY 10043, ABA Number 021000089, and Account Number 40570569, or such other account as may be specified by written notice sent in accordance with Section 39 hereof.

1.217 "Port Authority's BID Charge" shall have the meaning provided in Subsection 6.8.2(e).

1.218 "Port Authority's Cost of Service" shall mean (i) the product of (x) the amount payable by the Port Authority to NYPA with respect to electricity consumed at the World Trade Center (including any rebates applicable thereto) for the relevant billing period (including all kilowatt hour usage charges, kilowatt demand charges, fuel charges, time of day charges, and taxes), and (y) a fraction, the numerator of which shall be the total number of kilowatt hours of electricity consumed in the Premises during such billing period (as shown on the Submeter), and the denominator of which shall be the total number of kilowatt hours of electricity consumed in the World Trade Center during such billing period (as shown on the invoice referred to in clause (x) above), plus (ii) an amount equal to [redacted] of the amount calculated pursuant to the foregoing clause (i) of this sentence. The amount described in clause (ii) of this definition shall represent the Port Authority's charge for administrative and maintenance services in connection with supplying, measuring and billing electricity to the Lessee, redistributing high tension power, and replacing (i) the central distribution facility (serving the World Trade Center) for the electrical power, (ii) the common feeders used in providing such electrical power and (iii)

the Submeter. In determining the Port Authority's Cost of Service, if more than one meter or submeter shall measure the Lessee's electrical usage, such calculation shall be made on the basis that the aggregate readings of all meters and submeters were registered as a single total on one meter or submeter.

1.219 Intentionally Omitted.

1.220 "Premises" shall have the meaning provided in Subsection 2.1.2.

1.221 "Present Value" shall have the meaning provided in Section 27.2(c).

1.221.1 "Pre-Substantial Completion Transaction Payments" shall have the meaning provided in Section 24.3.

1.221.2 "Previous Basis" shall have the meaning provided in Section 24.4.5.

1.221.3 "Previous Equity Interest Basis" shall have the meaning provided in Section 24.4.6.

1.222 "Prime Rate" shall mean an interest rate per annum equal to the prime rate (a/k/a base rate) established, from time to time, by Citibank N.A., for loans to its most credit-worthy borrowers, provided, however, if Citibank N.A. shall cease to establish and publish a prime rate, the rate shall be such prime rate established by the commercial bank having an office in the City of New York with the highest net worth, and which is a member of the New York Clearing House Association, then establishing and publishing a prime rate, and if no such commercial bank shall establish and publish a prime rate, the rate to be used for the purposes of this definition shall be a comparable rate for the purposes of establishing the cost of money as determined by the Port Authority, acting in a reasonable manner.

1.222.1 "Prior EXCO –NYBOT Credit Amount" shall have the meaning provided in Subsection 6.10.1.

1.223 "Priority Repairs" shall have the meaning provided in Subsection 13.4.2(b).

1.224 "Privatization" shall have the meaning provided in Section 60.1.

1.225 "Privatization Costs" shall have the meaning provided in Subsection 60.1.1.

1.226 "Privatization Notice" shall have the meaning provided in Section 61.1.

1.227 "Privatization Price" shall have the meaning provided in Section 61.2.

1.227.1 "Proceeds Deficiency Notice" shall have the meaning provided in Subsection 15.1.5.

1.228 "Professional Certification Alteration/Repair" shall mean any alteration or work to be performed at the Premises, other than the following: (i) major alterations for full floor and multi-floor office spaces involving structural integrity and life safety, (ii) restaurants with cooking facilities, (iii) spaces which contain either emergency generators or an uninterruptible power system, (iv) retail stores located at grade level in the premises demised under the Retail Lease which are connected, by a staircase or otherwise, to storage space in the East Bathtub Subgrade Space, (v) retail stores in the premises demised under the Retail Lease with floors or mezzanines located above grade level within the Building, if any, (vi) space providing a place of assembly, including, but not limited to, auditoriums and movie theaters, and (vii) base building alterations or repairs which may affect life safety.

1.229 "Professional Certification Procedure" shall have the meaning provided in Subsection 19.4.1.

1.230 "Project Refinancing" shall have the meaning provided in Subsection 24.9.3.

1.231 "Proposed Certificate" shall have the meaning provided in Section 25.2.

1.232 "Public Event" shall have the meaning provided in the REOA.

1.233 "Publicly Held Entity" shall mean an entity that has any class of securities (a) subject to the registration requirements of the Securities Exchange Act of 1934, or any successor or substitute therefor, or (b) that is traded on a U.S. or foreign securities exchange or over-the-counter market.

1.234 "Qualification Notice" shall have the meaning provided in Section 8.3.

1.235 "Qualified A/E" shall have the meaning provided in Subsection 19.4.1(b).

1.235.1 "Qualified Developer" shall mean a Person (i) who is Controlled by a reputable entity that has industry-recognized real estate development experience for projects of the size, nature and complexity comparable to the Tower Project; (ii) as of the effective date of the Assignment, none of whose chief executive officer, chief operating officer, chief financial officer, president, chairman of the board, nor any person or entity which controls, is controlled by, or is under common control with it has been convicted of or is under indictment for any crime indicative of a lack of business integrity, or has been convicted or is under indictment in criminal anti-trust or criminal fraud litigation, (iii) who can comply with all of the requirements of the Port Authority that the Lessee is required to comply with under the Transaction Documents; (iv) who has secured and can demonstrate committed and available financing to Substantially Complete the Tower Project and can demonstrate to the satisfaction of the lender providing such financing the ability to satisfy any equity requirement of such financing; and (v) is otherwise prepared to close such transfer and commence and/or continue (as the case may be) construction of the Tower Project in accordance with the Tenant Support Agreement and the Development Agreement, all as reasonably determined by the Port Authority.

1.236 "Rating Agency" shall mean Standard & Poor's Ratings Services, currently a Division of The McGraw-Hill Companies, Inc., Moody's Investors Service, Inc. or Fitch, Inc. or,

if any of such entities shall for any reason no longer perform the functions of a securities rating agency, any other nationally recognized statistical rating agency reasonably designated by the Lessee and reasonably approved by the Port Authority for the transaction in question.

1.236.1 "Recitals" shall mean the "WHEREAS" paragraphs of this Agreement commencing on Page 1 hereof.

1.237 "Reimbursable Port Authority Manual Operating Expenses" shall have the meaning provided in Subsection 6.3.8(B).

1.237.1 "REIT" shall have the meaning provided in the definition of "Corporate Transaction".

1.238 "Related Entity" and "Related Entities" shall mean any Person which is and continues to be Controlled by the Lessee, or which Controls the Lessee, or which is Under Common Control With the Lessee or which is Controlled By an entity which Controls the Lessee, or into or with which the Lessee is merged or consolidated if an Assignment is required in connection with such merger or consolidation.

1.239 "Reminder Notice" shall have the meaning provided in Subsection 6.3.2.

1.240 "Rentable Square Feet" shall be determined in accordance with the "Recommended Method of Floor Measurement for Office Buildings and Stores" approved by the Real Estate Board of New York, Inc., in effect as of January 1, 1987.

1.241 "Rental" shall have the meaning provided in Section 5.6.

1.241.1 "Rents Period" shall have the meaning provided in Subsection 14.1.2.

1.242 "REOA" shall mean that certain Second Amended and Restated Reciprocal Easement and Operating Agreement of the East Bathtub of the World Trade Center, executed on November 16, 2006, by and among the Port Authority, the Lessee, the Tower Lessees and the

Retail Lessee, as the same may be amended, modified, revised or supplemented from time to time.

1.243 "Repairs" shall have the meaning provided in Section 6.4.

1.243.1 "Repairs Report" shall have the meaning provided in Subsection 13.4.4.

1.243.2 "Representative" shall have the meaning provided in Section 51.1.

1.243.3 "Request Letter" shall mean that certain letter dated as of November 1, 2006 from the City of New York and the Port Authority to the Lower Manhattan Development Corporation, regarding the acquisition and disposition of various real property interests, as the same may be amended in accordance with the terms hereof.

1.243.4 "Required Construction Insurance" shall have the meaning provided in Section 69.1.

1.243.5 "Required Insurer Rating" shall have the meaning provided in Section 14.7.

1.244 Intentionally Omitted.

1.245 "Reserves" shall have the meaning provided in Subsection 24.13.8(m).

1.245.1 "Restated Four World Trade Center Lease" shall have the meaning provided in the Recitals.

1.245.2 "Restated Three World Trade Center Lease" shall have the meaning provided in the Recitals.

1.245.3 "Restated Two World Trade Center Lease" shall have the meaning provided in the Recitals.

1.246 "Restoration" shall have the meaning provided in Section 42.3.1.

1.247 "Restore" shall have the meaning provided in Section 42.3.1.

1.248 "Retail Lease" shall have the meaning provided in the Recitals.

1.249 "Retail Lessee" shall have the meaning provided in the Recitals.

1.250 "Retained Proceeds" shall have the meaning provided in Subsection 24.13.11.

1.251 "Right of First Offer" shall have the meaning provided in Section 61.1.

1.252 "Routine Repairs" shall have the meaning provided in Subsection 13.4.2(d).

1.253 "Rules and Regulations" shall mean the World Trade Center Site Rules and Regulations that are part of the Port Authority Manual.

1.254 "Safety Repairs" shall have the meaning provided in Subsection 13.4.2(c).

1.255 "Sale" shall have the meaning provided in Subsection 24.9.1.

1.256 "Sale and Purchase Agreement" shall have the meaning provided in Section 61.3.

1.257 Intentionally Omitted.

1.258 "Security Guidelines" shall have the meaning provided in Section 6.18.

1.258.1 "Security Release Date" shall have the meaning provided in Section 24.7.2.

1.259 "Self-Certification Procedure" shall have the meaning provided in Section 9.2.

1.260 "Self-Help" shall have the meaning provided in Subsection 6.4.6.

1.261 "Senior Mortgage" shall mean the most senior Mortgage granted in connection with a loan or financing as the Lessee may enter into on or after the Net Lessee Execution Date.

1.262 Intentionally Omitted.

1.263 "Signs" shall have the meaning provided in Section 17.2.

1.263.1 "Silverstein Party" shall mean Larry A. Silverstein, the estate of Larry A. Silverstein or any family member or trust that succeeds to the applicable interests of Larry A.

Silverstein, Silverstein Properties Inc. or any Controlled Affiliate of Larry A. Silverstein and Silverstein Properties Inc.

1.264 "Single Purpose Entity" shall mean a Person, other than an individual, which (i) is formed or organized solely for the purpose of holding, in the case of the Lessee, directly, or, in the case of a general partner, managing member or sole member of the Lessee, indirectly, an ownership interest in the leasehold estate created by this Agreement and related assets, (ii) does not engage in any business unrelated to its ownership of the leasehold estate created by this Agreement and its operation, improvement, financing, leasing and management of the Premises, (iii) has not and will not have (A) any assets other than those related to its business and its interests in this Agreement or the REOA and the Premises (it being agreed that the following are permitted: any credit enhancement instruments or agreements and any interest rate protection products related to indebtedness not prohibited to be incurred hereunder) and (B) any indebtedness other than (1) indebtedness which is not prohibited to be incurred by the terms of this Agreement, including Mortgage financing (including construction financing), mezzanine financing, Equipment Leases and promissory notes in favor of a Parent or indebtedness, to the extent related to the Tenant Support Agreement or Tower 3 Tenant Support Agreement, to the Three World Trade Center Lessee, (2) trade payables incurred in the ordinary course of business, partner or member loans (pursuant to which the lender thereunder has no enforcement rights whatsoever other than the right to convert into direct or indirect equity ownership in the Lessee and no rights to initiate any litigation or bankruptcy proceeding against the Lessee, its managing member or general partner, as applicable (other than litigation to enforce any such conversion right)), (3) obligations assumed on the Commencement Date from the Port Authority, (4) obligations incurred and related to its ownership, operation, improvement, financing, leasing and

management of its interest in the Premises, (5) obligations otherwise incurred in accordance with the terms of this Agreement, (6) obligations under the Tenant Support Agreement, and (7) obligations to the Three World Trade Center Lessee related to the Tenant Support Agreement and the Tower 3 Tenant Support Agreement, (iv) maintains its own separate books and records and its own accounts, in each case which are separate and apart from the books and records and accounts of any other Person, (v) holds itself out as being a Person, separate and apart from any other Person, (vi) does not and will not commingle its funds or assets with those of any other Person, other than pursuant to the terms of the Tenant Support Agreement or the Tower 3 Tenant Support Agreement, (vii) conducts its own business in its own name, (viii) maintains separate financial statements, (ix) pays its own liabilities out of its own funds, other than pursuant to the terms of the Tenant Support Agreement or the Tower 3 Tenant Support Agreement, (x) observes all partnership, corporate or limited liability company formalities, applicable to it, (xi) maintains an arm's-length relationship with its affiliates, other than pursuant to the terms of the Tenant Support Agreement or the Tower 3 Tenant Support Agreement, (xii) pays the salaries of its own employees and maintains a sufficient number of employees in light of its contemplated business operations, (xiii) does not guarantee or otherwise obligate itself with respect to the debts of any other Person or hold out its credit as being available to satisfy the obligations of any other Person, other than "take-over" or similar obligations, other than pursuant to the terms of the Tenant Support Agreement or the Tower 3 Tenant Support Agreement, (xiv) does not acquire obligations or securities of its partners, members or shareholders, (xv) allocates fairly and reasonably shared expenses, including, without limitation, any overhead for shared office space, if any, (xvi) uses separate stationery, invoices, and checks, (xvii) does not and will not pledge its assets for the benefit of any other Person or make any loans or advances to any other Person, in

each case other than as permitted pursuant to the terms of this Agreement or any agreement applicable to the ownership, operation, management, improvement or financing of its interest in the Premises, other than pursuant to the terms of the Tenant Support Agreement or the Tower 3 Tenant Support Agreement, (xviii) takes all reasonable steps and actions to correct any known misunderstanding regarding its separate identity, and (xix) maintains, or has reasonable access to, reasonably adequate capital in light of its contemplated business operations. In addition to the requirements set forth above, the following requirements shall be applicable to the Lessee and its general partner(s), managing member(s) or non-member manager(s) (if such general partner(s), managing member(s) or non-member manager(s) shall be required to be Single Purpose Entities pursuant to the terms of this Agreement):

(a) Intentionally Omitted;

(b) if such Person is a partnership and has more than one general partner, then the organizational documents of such Person shall provide that it shall continue (and not dissolve) for so long as a solvent general partner exists;

(c) if such Person is a corporation, then, at all times, such Person shall have at least one (1) Independent Director/Manager, and the board of directors of such Person may not take any action requiring the unanimous affirmative vote of 100% of the members of the board of directors unless all of the directors, including all Independent Directors/Managers, shall have participated in such vote;

(d) Intentionally Omitted;

(e) if such Person is a limited liability company, the articles of organization, certificate of formation and/or operating agreement, as applicable, of such Person shall provide that it shall not dissolve upon the bankruptcy of its managing member or sole member unless a

new managing member or new sole member shall not be appointed upon any such bankruptcy (or, if such Person is a Delaware limited liability company, as otherwise provided under Section 18-802 of the Delaware Limited Liability Company Act), and if such Person has more than one managing member, then the organizational documents shall provide that such Person shall continue (and not dissolve) for so long as a solvent managing member exists;

(f) such Person, without the unanimous consent of all of the partners, directors or members, as applicable, including the unanimous consent of all Independent Directors/Managers, has not and will not with respect to itself or to any other Person in which it has a direct or indirect legal or beneficial interest (i) seek or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator, custodian or other similar official for such Person or all or any portion of such Person's properties, or (ii) take any action that would cause such Person to become insolvent; and

(g) the Lessee and each such Person required to be a Single Purpose Entity under this Agreement shall obtain the consent of all its members or partners, as applicable, including, without limitation, each Independent Director/Manager, to (i) file a bankruptcy or insolvency petition or otherwise institute insolvency proceedings or to authorize it to do so, or (ii) consent to or acquiesce in the filing of an involuntary bankruptcy or insolvency proceeding, and the organizational documents of each of them shall expressly prohibit the taking of any action to (x) dissolve or liquidate, or (y) amend its organizational documents with respect to any Single Purpose Entity requirements as set forth in this definition.

Notwithstanding anything to the contrary contained in this definition,

(i) (X) The following provisions shall apply to the Lessee and any Tower Lessees Under Common Control With Lessee, and their respective direct and

indirect managing member(s) or general partner(s), and Parents (individually and collectively, the "Common Owner" or "Common Owners"): such Person may (A) maintain their own funds in joint accounts with each other at commercial banking institutions, provided that each Common Owner shall continue to maintain books and records which would permit such Common Owner and its creditors to determine the funds belonging to it, and (B) if part of a consolidated group for tax and/or accounting purposes, file consolidated tax returns and financial statements showing each as a separate member of such group, provided that (1) if the Lessee is disregarded for purposes of any tax so that no separate return is appropriate, the activities of the Lessee may be reflected on the return filed for another Common Owner or its managing member or general partner on which such activities are required to be reflected, and (2) any such consolidated financial statements shall expressly state that the assets of any entity required to be a Single Purpose Entity under this Agreement that are set forth on such consolidated financial statements shall not be available to the creditors of any entity set forth on such consolidated financial statements that is not required to be a Single Purpose Entity under this Agreement.

(Y) The following provisions shall apply to the Lessee and any Tower Lessees Under Common Control With Lessee (individually and collectively, "Common Lessee Owner" or "Common Lessee Owners"): such Person may (A) incur, create, assume or permit the incurrence, creation or assumption of, indebtedness, severally or jointly with one or more of the other Common Lessee Owners, and may collateralize such indebtedness by Mortgages and/or other security interests encumbering their respective properties or assets (including, without limitation, equity interests in the Lessee),

provided (1) such indebtedness is not prohibited by this Agreement and each Mortgage, (2) entries reflecting such indebtedness and/or liens and any repayment, release or satisfaction thereof are made in the books and records of such Common Lessee Owners, and (3) each such Common Lessee Owner is an obligor of such indebtedness, (B) make advances or make loans to any other Common Lessee Owner if not prohibited by each Mortgage and this Agreement so long as entries reflecting such loans and advances and any repayments thereof shall be made in the books and records of such Common Lessee Owner, and (C) enter into or assume service or construction contracts under which two (2) or more Common Lessee Owners are obligors.

(ii) The Lessee and any Tower Lessees which are Common Owners shall be permitted to have the same sole member, managing member(s), general partner(s) or non-member managers, as applicable.

(iii) Any Person (A) meeting the single purpose entity criteria required by a Rating Agency at the time such Person is required to qualify as a Single Purpose Entity under this Agreement, or (B) that complies with the then current policies of a Rating Agency shall be deemed to satisfy this definition, provided either (1) a written confirmation thereof is provided by such Rating Agency to the Port Authority or (2) such other evidence as is reasonably satisfactory to the Port Authority is provided to the Port Authority that such Person complies with the then current policies of such Rating Agency.

(iv) The existence and due implementation of the cash management systems pursuant to the Tenant Support Agreement and the Tower 3 Tenant Support

Agreement shall be deemed not to be a violation of any of the provisions of this definition.

1.264.2 "Site 4" shall have the meaning provided in the Development Agreement.

1.264.3 "Site 4 PA Actual Final Site Completion Date" shall mean the PA Actual Final Site Completion Date with respect to Site 4.

1.265 "Space Lease" shall mean a sublease (other than a sublease of all or substantially all of the Premises entered into pursuant to the provisions of Section 7 of this Agreement), license, permit, or concession agreement, or any other form of agreement, however denominated, including any renewal, modification or amendment thereof, creating the right to use or occupancy of portion of the Premises which complies with and was entered into in accordance with the provisions of Section 9 hereof.

1.266 "Space Tenant" shall mean any Person having the right to occupy a portion of the Premises under a Space Lease.

1.266.1 "Space Tenant Rent Commencement Date" shall mean the date, after the Net Lessee Execution Date, that the first Space Tenant shall be obligated to commence the payment of base rent under its Space Lease.

1.266.2 "Space Tenant Tax Increase" shall have the meaning provided in Subsection 6.10.3(a).

1.266.3 "Space Tenant's Share" shall mean the proportion which the total number of rentable square feet of space in the Building occupied by a Space Tenant bears from time to time to the total number of square feet of rentable space contained in the Building, which shall be expressed as a fraction, the numerator of which shall be the total number of rentable

square feet of space occupied by such Space Tenant and the denominator of which shall be the number of total rentable square feet of space in the Building. For the purposes of this definition, the term "rentable square feet" shall mean the amount of rentable square feet, as measured from time to time by the Lessee, which measurement shall be based upon the square footage set forth in each Space Lease for which taxes are payable, if such measurement is set forth in such Space Lease, and if not, the square footage used by Lessee for purposes of billing rent for such Space Lease, and in all events, the same rentable square foot measurement standard shall be used for the numerator and denominator of the fraction calculation set forth in this Section 1.266.3.

1.267 "Special Notice" shall have the meaning provided in Subsection 8.5.4.

1.268 "Sponsor" shall have the meaning provided in the REOA.

1.268.1 "SRA" shall have the meaning provided in Subsection 6.18.4.

1.269 "Standard Application Procedure" shall have the meaning provided in Subsection 19.4.2.

1.270 "Structural Integrity Program" shall have the meaning provided in Section 13.4.

1.271 Intentionally Omitted.

1.272 "Subject to Adjustment" shall mean, the amount in question, multiplied by a fraction, the numerator of which shall be the Consumer Price Index for the calendar month preceding the date through which such amount is to be adjusted and the denominator of which shall be the Consumer Price Index published as of the month during which the Commencement Date occurs.

1.272.1 "Submeter" shall have the meaning provided in Section 48.1.

1.273 "Submission Date" shall have the meaning provided in Subsection 45.2.3.

1.274 "Subsequent Review Timetable" shall mean the time, as set forth below, for which the Code Compliance Office shall be required to deliver comments, with reasonable specificity, to the Lessee, if any, from the date a revised Alteration Application Form is received by the Code Compliance Office; provided, however, that nothing contained in this definition shall limit the right of the Lessee to expedited review under the section of the TCA/TAA Guide entitling the Lessee to "Review by Appointment."

| **Estimated Construction Cost** | **Timing** |
|---|---|
| [redacted] | Ten (10) Business Days |
| [redacted] | Twelve (12) Business Days |
| [redacted] | Fourteen (14) Business Days |
| [redacted] | Fourteen (14) Business Days |

For the purposes of this definition, the "Estimated Construction Cost" shall be an estimate of the cost of the work described in the Alteration Application Form, which estimate shall be determined by the Lessee in consultation with the A/E and/or contractor of record for such project. The Estimated Construction Costs set forth above shall be Subject to Adjustment by the Port Authority not more than once every five (5) calendar years. The times set forth above may be increased by the Port Authority in the event that such times are increased by other governmental entities in similar circumstances.

1.274.1 "Substantial Completion or Substantially Complete(d)" shall mean substantial completion of the core and shell improvements (i.e. base building) of the Tower Project to the extent necessary (reasonably and objectively determined) to satisfy the conditions for issuance of a "Temporary Permit to Occupy and Use" for such core and shell improvements

under the terms of the Original Port Authority Manual, subject, however to Sections 1.3(c), 1.3(g) and 1.3(j) of the Development Agreement; provided, however, that in each case the following shall be excluded from the definition of Substantial Completion, and Substantial Completion shall be deemed to have been achieved even though: (A) the following shall not have been commenced: (i) customary punch-list work, including, without limitation, corrections, repairs, touch ups and replacements, final installation of finish and trim work, and installation of tenant improvement fit-out, (ii) work intentionally postponed to facilitate efficient completion of tenant and/or retail improvements, including, without limitation, removal of the hoists and work at hoist runs and corresponding at-grade delivery areas, and (iii) work at hoist runs and street loading areas that remain in service, which work is postponed due to the unavailability, or inadequate capacity, of construction delivery access through the Vehicle Security Center (as defined in the Development Agreement) to the loading docks for the Building; (B) commissioning for life safety, mechanical, electrical, plumbing, fire protection and security systems shall not have been conducted or completed (provided that such systems shall be functional, operational and in working order); and (C) final sign off and/or use permits shall not have been granted for passenger and service elevators (provided that, with respect to service elevators only, such elevators shall have been approved for construction use purposes only).

1.274.2 "Substantial Completion Date" shall mean the date on which Substantial Completion shall have occurred.

1.275 "Successor Landlord" shall have the meaning provided in Section 60.1.

1.276 "Successor Landlord's Tax Obligations" shall have the meaning provided in Subsection 60.2.2.

1.277 "Support Rights" shall have the meaning provided in Section 2.1.

1.278 "Tax" and "Taxes" shall mean any and all real estate taxes or any other tax, assessment, levy, fee or charge, general or special, ordinary or extraordinary, foreseen or unforeseen of whatever nature or kind (whether or not the same shall have been within the express contemplation of the parties hereto) which during the Term hereunder, may be levied, assessed, imposed or charged by the United States of America, the State of New York, the City of New York or any municipality or other governmental entity (excluding the Port Authority) upon the Premises or upon the leasehold estate hereby created, or with respect to the rental or the Lessee's income therefrom, in each case, in lieu of any tax, assessment, levy or charge which would otherwise be a real estate tax, assessment, levy or charge, together with penalties, interest and late charges thereon, excluding, however, Tax Equivalent Rental, any amounts otherwise due under PILOT, the City Agreement, BID, any other payments in lieu of taxes, capital gains, mortgage recording, transfer, succession, franchise, unincorporated business, income, inheritance, excise, gift, estate, payroll, or stamp taxes, tax on rent under this Agreement, and penalties or late charges thereon.

1.279 Intentionally Omitted.

1.280 "Tax Contest Proceeding" shall have the meaning provided in Subsection 6.11.3.

1.281 "Tax Equivalent Rental" shall have the meaning provided in Section 6.10.

1.282 "Tax Equivalent Rental Payment Date" shall have the meaning provided in Section 6.10.

1.283 "Tax Equivalent Rental Payment Period" shall have the meaning provided in Section 6.10.

1.284 "Tax Year" shall mean the twelve (12) month period established by the City of New York as its fiscal tax year for purposes of real estate tax assessment and calculation.

1.284.1 "TCA/TAA Guide" shall mean the Tenant Construction Application/Tenant Alteration Application Process and Procedures Guide (for WTC Properties).

1.285 "Temporary Measures" shall have the meaning provided in Subsection 13.4.3.

1.286 "Tenant Construction Review Manual" shall mean the Tenant Construction Review Manual that is part of the Port Authority Manual.

1.287 "Tenant Support Agreement" shall mean that certain Tower 4 Tenant Support Agreement dated as of the Net Lessee Execution Date between the Port Authority and the Lessee, as the same may be amended, modified, revised or supplemented from time to time.

1.287.1 "Tenant Support Agreement Event of Default" shall mean an Event of Default, as defined in the Tenant Support Agreement.

1.287.2 "Tenant Support Mortgage" shall mean that certain Leasehold Mortgage given by the Lessee to the Port Authority, as security for the Lessee's obligations under the Tenant Support Agreement.

1.288 "Term" shall have the meaning provided in Section 3.

1.289 "Termination Notice" shall have the meaning provided in Section 21.1.

1.289.1 "Terrorism Insurance" shall have the meaning provided in Section 14.1.1.

1.289.2 "Three Month Average" shall have the meaning provided in Section 48.3.

1.289.3 "Three World Trade Center Lease" shall have the meaning provided in the Recitals.

1.289.4 "Three World Trade Center Lessee" shall have the meaning provided in the Recitals.

1.290 "Total Receipts" shall have the meaning provided in Section 24.13.12.

1.290.1 "Total Substantial Completion Date Principal" shall mean, as of the Substantial Completion Date, the sum of (i) the outstanding principal balance of the Senior Mortgage and (ii) the outstanding principal balance of the Mezzanine/Junior Loan, it being agreed that, for purposes of this definition, the Liberty Bonds financing transaction contemplated under the Tenant Support Agreement shall be deemed to constitute a Senior Mortgage.

1.290.2 "Tower 1/Tower 5 Lessee" shall have the meaning provided in the Recitals.

1.290.3 "Tower 3 Tenant Support Agreement" shall mean that certain Tower 3 Tenant Support Agreement dated as of the Net Lessee Execution Date between the Port Authority and the Three World Trade Center Lessee, as the same may be amended, modified, revised or supplemented from time to time.

1.290.4 "Tower 5 Lease" shall have the meaning provided in the Recitals.

1.290.5 "Tower Financing" shall have the meaning provided in Section 8.13.

1.290.6 "Tower Leases" shall mean the Two World Trade Center Lease and the Three World Trade Center Lease.

1.290.7 "Tower Lessees" shall mean the Two World Trade Center Lessee and the Three World Trade Center Lessee.

1.290.8 "Tower Lessees' Parking Area" shall have the meaning provided in Subsection 6.2.12.

1.290.9 "Tower PDC" shall have the meaning provided in Section 48.2.

1.290.10 "Tower Project" shall mean the "Tower 4 Project" as such term is defined in the Development Agreement.

1.291 "Transaction" shall have the meaning provided in Section 24.9.

1.292 "Transaction Certificate" shall have the meaning provided in Section 24.6.

1.292.1 "Transaction Documents" shall mean the REOA, the Development Agreement, the One World Trade Center Development Agreement, the Original Mutual Release, the Mutual Release, the Tenant Support Agreement and any other documents to which the Port Authority and the Lessee are parties that (i) were entered into contemporaneously with the execution of the Restated Four World Trade Center Lease and are still in effect as of the Net Lessee Execution Date or (ii) are being entered into contemporaneously with the execution of this Agreement.

1.293 "Transaction Payment" shall have the meaning provided in Section 24.2.

1.294 "Transferee" shall have the meaning provided in Subsection 24.13.13.

1.295 "Transferor" shall have the meaning provided in Subsection 24.13.14.

1.296 "Treasury Rate" shall have the meaning provided in Section 6.13(b).

1.297 Intentionally Omitted.

1.298 "Trustee" shall have the meaning provided in Subsection 24.12.1.

1.299 "Two World Trade Center Lease" shall have the meaning provided in the Recitals.

1.300 "Two World Trade Center Lessee" shall have the meaning provided in the Recitals.

1.300.1 "2001 NYPA Supplement" shall have the meaning provided in Section 1.110.

1.300.2 "2006 PILOT Agreements" shall mean (i) that certain letter agreement entered into between the Port Authority and the City of New York and dated November 16, 2006

relating to a credit under the City Agreement in connection with certain matters with respect to the development of Cortlandt Way and (ii) that certain letter agreement entered into between the Port Authority and the City of New York and dated November 16, 2006 relating, inter alia, to certain terms applicable to leases regarding space within the World Trade Center to be occupied by the City of New York.

1.300.3 "2010 BID Amendment" shall have the meaning provided in Section 6.8.2(b).

1.301 "Unavoidable Delay" shall mean, for the purposes of this Agreement other than for the purposes of the Development Agreement (in respect of which Development Agreement, 'Unavoidable Delay' is therein separately defined), actual delays (after taking into account all reasonable measures that are taken or could reasonably have been taken by the Lessee to mitigate the effect of the following) caused by (a) acts of God, war, sabotage, hostilities, invasion, insurrection, riot, mob violence, malicious mischief, embargo, enemy action, civil commotion, earthquake, flood, fire or other casualty, strikes, labor troubles, unusual weather conditions, and inability to procure labor, equipment, materials or supplies (exclusive of delays inherent in the ordering of long-lead items, unless the need for any such long-lead item could not reasonably be anticipated), to the extent not attributable to the acts or omissions of the Lessee, and (b) any other matter beyond the reasonable control of the Lessee. Inability to pay a sum of money or to obtain or to timely obtain any permits or certificates from applicable governmental entities shall not constitute Unavoidable Delay and delay caused by any dispute between the Lessee and Mortgagee or other lender shall not constitute an Unavoidable Delay, unless the inability to timely obtain a permit or certificate is not due to any delay, failure or refusal to apply for, or comply with applicable rules, laws or regulations relating to, such permit or certificate (unless

such failure to so apply or comply is expressly permitted pursuant to the provisions of this Agreement). The Lessee shall advise the Port Authority by notice as to the measures taken or proposed to be taken by the Lessee to mitigate the delay caused by such occurrence of Unavoidable Delay and thereafter shall keep the Port Authority reasonably informed as to the status of such measures, and notify the Port Authority as to the termination of the occurrence of Unavoidable Delay within five (5) Business Days thereafter.

1.301.1 "Uninsured Casualty Amount" shall have the meaning provided in Subsection 15.1.5.

1.301.2 "Uninsured Casualty Funding Notice" shall have the meaning provided in Subsection 15.1.5.

1.302 "Unknown Pre-Existing Conditions" shall have the meaning provided in Subsection 6.4.1.

1.303 "Unrecovered Capital Investment" shall have the meaning provided in Section 24.13.15.

1.304 Intentionally Omitted.

1.305 "Variance" shall have the meaning provided in Subsection 19.1.1.

1.305.1 "Vertical Gore Letter" shall mean that certain letter agreement between the Port Authority and the City of New York, dated as of November 16, 2006, pursuant to which, among other things, the parties thereto agree to cooperate to resolve any strips or gores created by land transfers among such parties.

1.306 "Violations Notice" shall mean a notice, issued by the Code Compliance Office to the Lessee, in connection with a violation of the rules and/or regulations set forth in the Port Authority Manual, which notice shall set forth, in reasonable detail, the particular rule and/or

regulation which was violated and the period of time within which the repair, modification, addition, improvement and/or alteration described in such notice shall be completed, which period shall be consistent with the cure periods granted to the Lessee in Subsection 6.4.6 or Section 67.3 (as applicable) for the performance of work and curing violations.

1.307 "Voluntary Increase" shall have the meaning provided in Subsection 6.8.6.

1.308 "Waiver" shall have the meaning provided in Subsection 61.4.1.

1.309 "World Trade Center" shall have the meaning provided in the Recitals.

1.310 "World Trade Center Legislation" shall have the meaning provided in the Recitals.

1.311 "World Trade Center Tenants" shall mean any Person having a leasehold interest in the World Trade Center, other than Space Tenants or their subtenants.

1.312 "WTC Electric Rates" shall have the meaning provided in Section 48.9.

1.313 "WTC Site" shall have the meaning provided in Section 14.20.1.

Section 2. Letting.

2.1 The Port Authority hereby lets to the Lessee and the Lessee hereby hires and takes from the Port Authority at the World Trade Center:

(a) subject to modification pursuant to the terms of Section 2.1.1 below, all that certain volume of space, lying and being in the Borough of Manhattan, County, City and State of New York, (i) the exterior horizontal limits of the grade and above-grade portion of said volume of space being more particularly bounded and described on "Exhibit A-1" attached hereto (with no upper vertical limit), and (ii) the exterior horizontal limits of the below-grade portions of said volume of space being more

particularly bounded and described on "Exhibit A-2" attached hereto (with no lower vertical limit), excluding the Excluded Space (collectively, the "Demised Space");

(b) together with all buildings now or hereafter occupying the Demised Space and all other improvements, fixtures, machinery, apparatus, and fittings now or hereafter affixed thereto (including antennas and satellite dishes), whether or not the same are considered real property by operation of law, and any additions thereto, or replacements thereof (individually and collectively, the "Building"), subject to the non-exclusive right of support of PATH, the Tower Lessees and the Retail Lessee; and

(c) together with the right of support of the Building, including, without limitation, the right to use the foundation and column construction work, structural steel, supports, footings and other structural elements which presently or hereafter attach to the land described on Exhibits A-1 and A-2 attached hereto (the "Support Rights").

2.1.1 The Port Authority and the Lessee acknowledge that (i) Exhibits A-1, A-2 and A-3 are attached to this Agreement as an interim measure pending the preparation of final legal descriptions and drawings of the Demised Space and the Excluded Space (collectively, the "Final Descriptions") which will be substituted for the aforesaid interim legal descriptions and drawings in accordance with this Section 2.1.1. The Port Authority and the Lessee agree to cooperate in obtaining the Final Descriptions of the entirety of the Demised Space and the Excluded Space as soon as possible after the completion of final As-Built Plans for the Demised Space and further agree that, upon obtaining the Final Descriptions, the Port Authority and the Lessee shall execute an amendment to this Agreement and the memorandum of this Agreement recorded contemporaneously with the execution of this Agreement (the "Lease Memorandum"), amending the interim definitions of the Demised Space and the Excluded Space

to substitute the Final Descriptions for such interim descriptions. In addition, at the request of either the Port Authority or the Lessee, the Port Authority and the Lessee shall cooperate in obtaining modified interim descriptions of the entirety of the Demised Space and the Excluded Space as soon as possible after the completion of each of the final schematic design drawings, final design development documents and final construction documents for the Demised Space and Excluded Space (each of the foregoing, "Design Drawings") and further agree that, upon obtaining each of the Design Drawings, at the request of either the Port Authority or the Lessee, the Port Authority and the Lessee shall execute an amendment to this Agreement and the Lease Memorandum, amending the then current interim definitions of the Demised Space and the Excluded Space to reflect the contents of the Design Drawings. In particular, but without limiting the generality of the foregoing, the parties agree that the Demised Space, as replaced by the Final Descriptions, is intended to be, and shall be, that volume of space to be occupied by the Tower Project, as constructed and installed pursuant to the Development Agreement and the Tenant Support Agreement, and any replacements thereof, which Tower Project shall be known and designated as Four World Trade Center or Tower T-4. If there is a dispute with respect to the accuracy of the Final Descriptions or the Design Drawings, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

As referenced in Section 2.1(a) hereof, the term "grade" shall mean, (a) for purposes of the interim legal descriptions and drawings, the horizontal plane lying 1.35 feet below top of legal curb grade as indicated on the City of New York President of the Borough of Manhattan Topographical Bureau Sectional Maps Nos. 3 and 5 (as such maps existed on the Net Lessee Execution Date), and (b) for purposes of the Final Descriptions, the horizontal plane lying 1.35 feet below top of legal curb grade as actually constructed at the World Trade Center site.

It is acknowledged that rights have been granted to the Lessee with respect to the easements and benefits of which the Port Authority is the grantee, the East Bathtub Common Areas, the East Bathtub Common Building Systems, the Site-Wide Common Areas, the Site-Wide Common Building Systems and the Site-Wide Facilities all as defined and described in the REOA (which areas and rights, together with the Support Rights, are hereinafter referred to as the "Appurtenances"), to be used by the Lessee in common with others in accordance with and subject to the terms and conditions set forth in the REOA.

2.1.2 The Demised Space, the Building and the Appurtenances, excluding in all cases the Excluded Space, are hereinafter referred to, individually and collectively, as the context requires, as the "Premises".

2.1.3 Notwithstanding anything to the contrary set forth elsewhere in this Agreement, or the granting to the Lessee of the rights described in this Section with respect to the Premises, it is understood and agreed that this Agreement is expressly subject to the REOA, as the same may apply to the rights of the Lessee hereunder.

2.2 The Lessee acknowledges that, pursuant to the REOA, it has granted certain non-exclusive easement rights to the Tower Lessees and the Retail Lessee with respect to the portion of the Loading Docks (as such term is defined in the REOA) appurtenant to the Building that is included within the Premises, subject to the terms and conditions set forth in the REOA relating thereto.

2.3 Prior to the execution of this Agreement, the Lessee has thoroughly examined the Premises and the Lessee agrees, subject to the Port Authority's obligations and the provisions expressly contained in the Transaction Documents, to accept the Premises, as is, in the condition existing on the Net Lessee Execution Date. The Port Authority makes no representations or

warranties with respect to the condition of the Premises or the suitability thereof for the Lessee's operations therein under this Agreement.

2.4 Upon the request of the Lessee and any Tower Lessee, the Port Authority shall consider permitting any portion of the Premises demised under this Agreement to be released herefrom and thereafter demised to such Tower Lessee. Any such arrangement shall be subject to such terms and conditions as the Port Authority may require, in its sole and absolute discretion.

2.5 The Port Authority and the Lessee hereby acknowledge and agree that (i) no ownership interest in the Premises or any part thereof is being transferred or conveyed to the Lessee under this Agreement, (ii) the Port Authority is the owner and lessor of the Premises, (iii) the Lessee is the lessee of the Premises pursuant to the terms of this Agreement, and (iv) except as set forth on Schedule 5.2, Rental payments are rents paid pursuant to the letting of the Premises for which Lessee becomes liable on account of the use of the Premises. Neither the Lessee nor the Port Authority shall take or publish any position which is inconsistent with the immediately preceding sentence.

Section 3. Term.

The term of the letting under this Agreement (the "Term") commenced on July 16, 2001 (hereinafter called the "Commencement Date") and, unless sooner terminated, shall expire at 11:59 o'clock P.M. on the Business Day preceding the ninety-ninth (99th) anniversary of the Commencement Date (such date, or the effective date of any earlier termination of the Term, being hereinafter called the "Expiration Date").

Section 4. Use of Premises.

Following the Substantial Completion Date, the Lessee shall use, operate and maintain the Premises, subject to all the provisions of this Agreement, as an office building, together with ancillary uses that are commonly found in office buildings, such ancillary uses to include the use by Space Tenants of Communications Equipment on the roof of the Premises for the exclusive non-revenue producing private communications needs of such Space Tenants for their business operations as specifically set forth in Section 64 below, in a manner generally consistent with other office buildings located within the Borough of Manhattan, which building to be built pursuant to the Development Agreement shall be comparable in quality to the buildings more particularly set forth on Schedule 4 attached hereto and made a part hereof (collectively, "Comparable Buildings").

Section 5. Rental.

5.1 The Port Authority and the Lessee acknowledge that the Lessee has paid in full all rents and other amounts owing under this Agreement up to and including the day immediately preceding the Net Lessee Execution Date.

5.2 The Lessee shall pay, as rent for the letting of the Premises, to the Port Authority, without notice or demand, the amounts for the months set forth on Schedule 5.2 (collectively, "Base Rent"), to be paid each month in advance, commencing on the Net Lessee Execution Date and continuing thereafter on the first day of each calendar month throughout the Term, which amounts shall be prorated for any partial calendar months.

5.3 Intentionally Omitted.

5.4 Intentionally Omitted.

5.5 The Lessee and the Port Authority agree that, except as set forth on Schedule 5.2, all amounts payable as Base Rent pursuant to Schedule 5.2 hereof are amounts for which the Lessee becomes liable on account of the use of the Premises during the monthly rental periods specified in the "Allocated Rent Payment Amount" column of Schedule 5.2. The Base Rent shall be paid solely in accordance with Section 5.2 hereof, without any offset, credit, refund or other adjustment of any amount payable pursuant to this Agreement.

5.6 For each full or partial calendar year during the portion of the Term commencing from the Space Tenant Rent Commencement Date, the Lessee shall pay, for the letting of the Premises during such period, in arrears, an amount ("Percentage Rent"; (collectively, Base Rent and Percentage Rent are hereinafter referred to as "Rental")) equal to the Applicable Percentage of the amount of Gross Revenues for such full or partial calendar year, determined on a cash basis, for such full or partial calendar year. Percentage Rent shall be payable by the Lessee in monthly installments, in arrears, on the last day of the calendar month following the calendar month with respect to which such monthly installment is payable. The amount of the installment of Percentage Rent payable with respect to a calendar month shall be equal to the Applicable Percentage of the amount of Gross Revenues for such calendar month, prorated for any partial months.

5.7 Definitions.

5.7.1 As used herein, the term "Applicable Percentage" shall mean, with respect to each Lease Year, the percentage applicable to such Lease Year as set forth on Schedule 5.7.1 attached hereto.

5.7.2 As used herein, the term "Gross Revenues" shall mean, with respect to each applicable period:

(a) fixed rent, percentage rent, antenna income, parking income and amounts received in connection with exterior Signs, or the net proceeds of any rental and/or business interruption insurance paid in lieu thereof, received by the Lessee or for the account of the Lessee from, in connection with, or arising out of, the use and occupancy of all or any portion of the Premises or any right or interest therein or in respect thereof, excluding, however, any amounts received by, or for the account of, Lessee pursuant to an Excluded Space Lease; and

(b) the Fair Market Rental Value of the premises demised under a Space Lease executed with any Space Tenant which was a Related Entity of the Lessee as of the date such Space Tenant (an "Excluded Space Tenant") began to occupy such portion of the Premises covered by such Space Lease (an "Excluded Space Lease"), as shall be agreed upon by the Port Authority and the Lessee or, failing such agreement, as shall be determined by an independent appraiser selected by the Lessee and approved by the Port Authority, which approval shall not be unreasonably withheld, delayed or conditioned, who shall have at least five (5) years experience in appraising the rental value of New York City commercial space (an "Appraiser"). The Appraiser shall be selected by the Lessee in a reasonably expeditious manner, and approved by the Port Authority, which approval shall not be unreasonably withheld, delayed or conditioned. If the Port Authority fails to notify the Lessee within thirty (30) days following the Port Authority's receipt of a copy of an Excluded Space Lease that it has determined that the rent due under such Space Lease is neither equal to, nor greater than, fair market value, the rent payable under such Space Lease will be deemed to be at fair market value.

In no event, however, shall (1) the receipts and revenues received by any Space Tenant from the conduct of its business at the Premises be included within Gross Revenues, except to the extent that such receipts and revenues are reflected in percentage rental paid to the

Lessee by a Space Tenant, (2) amounts attributable to items that are customarily passed-through to space tenants, which shall include, but not be limited to, real estate taxes, payments-in-lieu-of taxes, porter's wage escalations, operating expense escalations, Consumer Price Index escalations, common area maintenance charges, marketing payments, electrical charges and other adjustment revenue, and utilities be included in Gross Revenues, (3) Gross Revenues be attributed to any portion of the Premises, (A) used exclusively by the Lessee or a Related Entity of the Lessee for the management and operation of the Premises, including, without limitation, as a security office, management office, operations office, storage area, work and staging areas, shops and similar areas of use, or otherwise in connection with the operation of the Premises or other portions of the World Trade Center (the "Operations Space"), which Operations Space, when taken with the Operations Space utilized by the Tower Lessees, shall not exceed 50,000 Rentable Square Feet of above-grade office space, or (B) used by service or construction contractors (the "Contractor's Space"), and (4) any amounts paid by the Port Authority to the Lessee, or by the Three World Trade Center Lessee to the Lessee, under the Tenant Support Agreement be included within Gross Revenues.

Any receipts and revenues once included within Gross Revenues for any period shall not again be included in Gross Revenues.

The Lessee may, at its option, and upon written notice to the Port Authority, calculate Percentage Rent either (i) on a "stand alone" basis with respect to the Premises or (ii) provided that the Lessee and the Tower Lessee(s) under such Tower Lease(s) are Common Owners, on an aggregate basis with the Percentage Rent to be calculated under any Tower Lease(s).

5.7.3 If, following the Substantial Completion Date, any casualty referred to in Section 15 occurs and, as a result of such casualty, more than twenty percent (20%) of the Premises is rendered untenantable, then for the period from such casualty through completion of the restoration with respect thereto (the "Casualty Period"), the Lessee shall be treated as having received Gross Revenues equal to the greater of (a) the actual Gross Revenues received by Lessee for such month during the Casualty Period, and (b) any rental or business interruption insurance proceeds received by the Lessee allocable for such month during the Casualty Period.

5.7.4 If there is a dispute as to the determination of Gross Revenues, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

5.8 Base Rent and Percentage Rent for any Lease Year which does not constitute a full twelve (12) month period shall be prorated and only such portion thereof as is allocable to the period concurrent with the Term and prior to the Expiration Date shall be payable by the Lessee.

5.9 In connection with the payment by the Lessee of Percentage Rent, the following provisions shall apply:

5.9.1 The Lessee shall deliver to the Port Authority, as soon as practicable after the end of each calendar month following the Space Tenant Rent Commencement Date (excluding the first calendar month of the Term following the Space Tenant Rent Commencement Date, unless the Space Tenant Rent Commencement Date is the first day of a calendar month), but in no event later than the last day of the following calendar month, a separate statement (the "Monthly Percentage Rent Statement") for the Premises showing the Gross Revenues for the preceding calendar month.

5.9.2 The Lessee shall deliver to the Port Authority as soon as practicable after the end of each Annual Period following the Space Tenant Rent Commencement Date, but in no event later than one hundred twenty (120) days thereafter, a separate statement (the "Annual Percentage Rent Statement"; individually and collectively, the Monthly Percentage Rent Statement and the Annual Percentage Rent Statement are hereinafter referred to as the "Percentage Rent Statement") for the Premises showing, in reasonable detail, Gross Revenues for such Annual Period. If the Annual Percentage Rent Statement shall show that the sums paid by the Lessee as Percentage Rent for such Annual Period were less than the Percentage Rate payable by the Lessee for such Annual Period, then the Lessee shall pay to the Port Authority, together with the delivery to the Port Authority of the Annual Percentage Rent Statement, the amount of such deficiency, together with interest on such unpaid amount for the period commencing at the end of such Annual Period and ending upon the payment of a deficiency, (i) at the Default Interest Rate, if such deficiency shall be in excess of [redacted] of the sums actually paid by the Lessee, or (ii) at the Prime Rate, if such deficiency shall be equal to or less than [redacted] of the sums actually paid by the Lessee; and if the Annual Percentage Rent Statement shall show that the sums paid by the Lessee as Percentage Rent for such Annual Period exceeded the Percentage Rent payable by the Lessee for such Annual Period, the Port Authority shall permit the Lessee and the Lessee shall have the right to offset the amount of such excess, with interest at the Prime Rate from the date such amounts were paid to the Port Authority to the date such amounts are offset, against subsequent payments of Percentage Rent and Base Rent next coming due and payable to the Port Authority, or, at the Lessee's option, the Port Authority shall pay the amount of such excess, with interest at the Prime Rate from the date

such amounts were paid to the Port Authority to the date such amounts are paid to the Lessee, to the Lessee promptly following the Lessee's request therefor.

5.9.3 Each Percentage Rent Statement required under this Agreement shall be (i) prepared on a cash basis, and (ii) certified by the chief financial officer, the managing partner or managing member of, and on behalf of, the Lessee, solely in its corporate capacity, or if the managing partner or managing member of the Lessee is not an individual, by the chief financial officer of, and on behalf of, such managing partner or managing member, as being true and correct to the best of his or her knowledge. Each Annual Percentage Rent Statement shall also be certified by an independent Certified Public Accountant affiliated with an accounting firm (a "C.P.A.") selected by the Lessee which is either (x) an accounting firm having at least ten (10) principals, or (y) a firm approved by the Port Authority, which approval shall not be unreasonably withheld, delayed or conditioned. The Port Authority hereby approves the firms set forth on Schedule 5.9.3 attached hereto and made a part hereof (the "Approved Accounting Firms"); provided, however, such schedule may be amended from time to time by (i) the Port Authority, in its reasonable discretion, upon not less than thirty (30) days prior notice to the Lessee, or (ii) the Lessee, upon the prior written consent of the Port Authority, which consent shall not be unreasonably withheld, conditioned or delayed. The "Big Four Accounting Firms" (as defined on Schedule 5.9.3 attached hereto), and their respective successors, shall at all times throughout the Term be deemed Approved Accounting Firms and may not be deleted therefrom without the approval of both the Port Authority and the Lessee, which approval may be withheld in each party's sole and absolute discretion, provided, however, that if a conflict is created for the Port Authority due to the use of an Approved Accounting Firm by the Lessee, such Approved

Accounting Firm shall not be deemed to be an "Approved Accounting Firm" for the period during which such conflict exists, as reasonably determined by the Port Authority.

5.9.4 Following the Space Tenant Rent Commencement Date, the Lessee shall at all times keep and maintain, in an office located within the New York Metropolitan Standard Statistical Area, books and records prepared on the basis required under this Section 5, showing in reasonable detail the amount of Gross Revenues. Unless consented to by the Port Authority, such books and records relating to any fiscal year of the Lessee ("Fiscal Year") shall not be destroyed or disposed of for a period of four (4) years after the end of such Fiscal Year. The Port Authority or its representatives shall have the right during regular business hours, on not less than ten (10) days' notice to the Lessee, to examine, audit and/or photocopy all such books and records, which right may be exercised by the Port Authority not more than one (1) time during each calendar year. The purpose of such examination or audit shall be limited to determining the amount of Gross Revenues and the amount of Transaction Payments that are required to be made to the Port Authority pursuant to the terms hereof. If an audit by the Port Authority with respect to a Fiscal Year is not commenced within the aforesaid four (4) year period, the computation of Gross Revenues and the Percentage Rent paid by the Lessee for such Fiscal Year shall not thereafter be subject to the Port Authority's audit and shall conclusively be deemed correct and accepted by the Port Authority. The Port Authority hereby agrees not to retain an auditor whose compensation for such audit is to be paid as a contingency fee. The Lessee may require any third-party auditor retained by the Port Authority to sign a confidentiality agreement in connection with such auditor's review of the books and records of the Lessee, which confidentiality agreement shall be in form and substance reasonably satisfactory to the Lessee and the Port Authority. If such audit or examination of the books and

records is performed by the Port Authority or its staff, such information shall be kept strictly confidential, subject to the Port Authority's Freedom of Information policies as set forth by the Commissioners of the Port Authority.

5.9.5 If the Port Authority shall elect to conduct an audit of the Lessee's books and records, within the time periods set forth in Subsection 5.9.4 above, and such audit discloses an underpayment of Percentage Rent, the Lessee shall pay to the Port Authority, within ten (10) Business Days after notice from the Port Authority, the amount of such deficiency, plus interest thereon (i) at the Default Interest Rate, if such deficiency shall be in excess of [redacted] of the sums actually paid by the Lessee, or (ii) at the Prime Rate, if such deficiency shall be equal to or less than [redacted] of the sums actually paid by the Lessee. If such deficiency shall be in excess of [redacted] of the amount alleged by the Lessee to be payable, the Lessee shall pay to the Port Authority, within ten (10) Business Days after notice from the Port Authority, all reasonable expenses, including the reasonable cost of inside and outside legal counsel, incurred by the Port Authority as a result of such audit. If such audit shall show that the sums paid by the Lessee as Percentage Rent for such Annual Period exceeded the Percentage Rent payable by the Lessee for such Annual Period, the Port Authority shall permit the Lessee and the Lessee shall have the right to offset the amount of such excess, with interest at the Prime Rate from the date such amounts were paid to the Port Authority to the date such amounts are offset, against subsequent payments of Percentage Rent and Base Rent next coming due and payable to the Port Authority, or, at the Lessee's option, the Port Authority shall pay the amount of such excess, with interest at the Prime Rate from the date such amounts were paid to the Port Authority to the date such amounts are paid to the Lessee, to the Lessee promptly following the Lessee's request therefor.

5.9.6 If, following the Substantial Completion Date, the Lessee shall use or occupy any portion of the Premises (other than Operations Space and Contractor's Space) there shall be imputed as income the Fair Market Rental Value of the portion of the Premises so occupied by the Lessee in the same manner as would be the case if such portion of the Premises were occupied by an Excluded Space Tenant.

5.9.7 The Lessee agrees that the rental under each Space Lease (other than Excluded Space Leases) shall in no event be less than the fair market rental value, taking into account all other conditions of the applicable Space Lease, for the sublet space determined as of the date of the execution of the Space Lease, as determined by the Lessee in the exercise of its reasonable business judgment and the Port Authority agrees that Lessee may take into account, in the exercise of such business judgment, as a condition of the applicable Space Lease and the rental thereunder, that such Space Lease is being entered into in consideration of, or in conjunction with, any other Space Lease(s) with the same Space Tenant or its Affiliate(s) in the Premises or at the premises demised under the Tower Leases. The Lessee agrees that, subject to the foregoing, each Space Lease shall be executed on an arms-length basis and the Lessee shall not condition the execution of a Space Lease or reduce the rent payable thereunder to induce the Space Tenants thereunder to enter into a lease at a separate location or property outside the World Trade Center owned by the Lessee, a Related Entity or a Parent.

5.10 The Port Authority and the Lessee agree that, except as otherwise expressly set forth herein, in the REOA and in the Contract to Lease, the Base Rent and the Percentage Rent shall be absolutely net to the Port Authority without any abatement, deduction, counterclaim, set-off or offset whatsoever, so that this Agreement shall yield, to the Port Authority, the Base Rent and the Percentage Rent payable in each year during the Term such that, except as otherwise

expressly provided in this Agreement, the Lessee shall pay all costs, expenses and charges of every kind and nature relating to the Premises, as herein required to be paid by the Lessee, expressly excluding, however, payments for Taxes and any and all amounts expressly excluded from the definition of Taxes, which may arise or become due or payable during or after (but attributable and limited to a period falling within) the Term, and that the Port Authority shall be indemnified by the Lessee against, and held harmless by the Lessee from, the same. Subject to Section 16 below, the Lessee's liability for the payment of Rental which shall become payable after the Term as aforesaid is hereby expressly provided to survive the Term.

Section 6. Law Compliance, Taxes and Excises.

6.1 Subject to the provisions of Sections 6.2, 6.3 and 6.4, following the Substantial Completion Date, the Lessee shall be responsible for procuring and maintaining, during the Term, all necessary permits, certificates, authorizations and licenses from all governmental entities having jurisdiction over the operations of the Lessee under this Agreement, including, without limitation, the Port Authority Manual, necessary for the use and occupation of the Building by the Lessee and its Space Tenants, subject to the provisions hereof.

6.2 Except as otherwise provided in this Section 6.2 and Sections 6.3 and 6.4, following the Substantial Completion Date, the Lessee shall promptly comply with the Port Authority Manual and all Governmental Requirements which pertain or apply to: (x) the Building, (y) the operations of the Lessee under this Agreement, or (z) the Lessee's occupancy of the Premises, and the Lessee shall promptly correct or cure, or cause to be corrected or cured, all violations or notices of non-compliance, including any matters set forth in any Violations Notice served on the Lessee or other notice of non-compliance. With respect to Governmental Requirements only, compliance therewith shall not be required unless either (i) a court of

competent jurisdiction makes a final, non-appealable, determination that the governmental or municipal entity requiring compliance with the provisions of such Governmental Requirement has jurisdiction over the Premises with respect to such matters (or the Port Authority enters into any settlement or agreement to such effect), or (ii) the Port Authority fails to challenge the validity of a Governmental Requirement within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination.

6.2.1 Intentionally Omitted.

6.2.2 Intentionally Omitted.

6.2.3 Intentionally Omitted.

6.2.4 Intentionally Omitted.

6.2.5 Intentionally Omitted.

6.2.6 Intentionally Omitted.

6.2.7 Intentionally Omitted.

6.2.8 The Lessee shall have the right, in good faith, to contest or challenge any violation or notice of non-compliance, from the Port Authority, of any provisions of the Port Authority Manual. To the extent such violation or notice of non-compliance, as the case may be, does not involve matters of imminent peril to safety, health or preservation of property, the Lessee may defer compliance with any demand that the Lessee comply with any such violation or notice of non-compliance. In the event the Lessee undertakes to so challenge or contest, it shall (i) indemnify the Port Authority against any claims, damages or losses that may arise or result therefrom, and (ii) provide the Port Authority with security in a form reasonably acceptable to it against any loss or penalty which may be imposed against the Port Authority as a result of the Lessee's action. In the event the Lessee contests or challenges any violation or

notice of non-compliance and defers compliance therewith, no Event of Default shall be deemed to have occurred unless the Lessee shall have failed to remedy the violation or non-compliant condition within a reasonable period following the final, non-appealable determination that such compliance is required (which shall be extended as long as the Lessee diligently and continuously pursues such contest or challenge, or the cure of such violation or non-compliance, and shall keep the Port Authority fully informed with respect thereto).

6.2.9 Intentionally Omitted.

6.2.10 Notwithstanding anything contained herein to the contrary, neither the Port Authority nor the Code Compliance Office shall be permitted to enforce a violation of, or compliance with, the Port Authority Manual, if such violation or non-compliance is caused by the Port Authority and/or its Affiliates or any party claiming by, through or under the Port Authority under the Port Authority Space Lease or is caused by the Port Authority and/or its Affiliates (in their capacities as the lessees or occupants of any of the Excluded Space) or any party claiming by, through or under the Port Authority and/or its Affiliates (in their capacities as the lessees or occupants of any of the Excluded Space).

6.2.11 The Port Authority acknowledges that, pursuant to the REOA, the Net Lessees' Association will be obligated to cause the Appurtenances, the East Bathtub Common Building Systems and the East Bathtub Common Areas to comply with the Port Authority Manual and the provisions of any and all Governmental Requirements. Anything herein to the contrary notwithstanding, the Lessee shall not have the obligation to effect such compliance and any failure by the Net Lessees' Association to perform its obligation to cause the Appurtenances, the East Bathtub Common Building Systems and the East Bathtub Common Areas, as applicable,

to comply with the Port Authority Manual and the provisions of any and all Governmental Requirements shall not result in an Event of Default under this Agreement.

6.2.12 The Port Authority hereby grants to the Lessee an irrevocable license to use, in common with each of the Tower Lessees, who are each being granted the same license under the Tower Leases, that portion of the parking facilities serving the World Trade Center depicted on "Exhibit V" annexed hereto (the "Tower Lessees' Parking Area"). Notwithstanding anything in this Agreement or the Development Agreement to the contrary, the location, size or boundaries of the area comprising the Tower Lessees' Parking Area shall not be changed, except to a de minimis extent, without the prior written consent of the Lessee and the Tower Lessees. Such license shall be without charge to the Lessee and the Tower Lessees. The Tower Lessees' Parking Area is solely for the passenger vehicular parking use of the Lessee, the Tower Lessees, each of their respective Space Tenants and undertenants, and such respective Space Tenants' and undertenants' employees; provided, however, that the Lessee may permit passenger vehicle parking (including valet services) for individuals (whether or not such individuals are Space Tenants, undertenants or employees of Space Tenants or undertenants of the Lessee or the Tower Lessees), subject, however, to any restrictions imposed with respect thereto under World Trade Center site-wide security procedures then in effect. The use of the Tower Lessees' Parking Area shall be subject to all laws, rules and regulations, requirements, orders and directions of the Port Authority, including the Port Authority Manual, and any Governmental Authority. The Lessee and the Tower Lessees shall be permitted, without the consent of the Port Authority, to allocate the use of the parking spaces within the Tower Lessees' Parking Area. The Lessee, severally and jointly with the Tower Lessees, shall be responsible for all of the costs and expenses to maintain and repair in good repair and condition, and operate the Tower Lessees' Parking Area, including

the cost of the installation of equipment that will be reasonably required to operate a first class parking facility in a Comparable Building for comparable use, including ingress and egress, gates, and striping, subject to and in accordance with the security requirements of the Port Authority.

6.3 Anything contained herein to the contrary notwithstanding, subject to Sections 6.2 and 6.4 and this Section 6.3, the Port Authority shall have the right to amend, restate, supplement or otherwise modify the Port Authority Manual and the Alteration Application Form from time to time in its sole and absolute discretion, provided (i) such modifications shall be applicable to all other similar facilities owned and/or operated by the Port Authority, and (ii) if such modifications are specific to the World Trade Center, or have the practical effect of affecting no other facilities owned and/or operated by the Port Authority, other than the World Trade Center, the Port Authority shall consult with the Lessee, and provide the Lessee, prior to the date the Port Authority intends to make such modifications, an opportunity to review and comment upon such proposed modifications. If approval of such proposed modifications by the Board of Commissioners of the Port Authority shall be required, or if the staff of the Port Authority shall present such modifications to the Board of Commissioners of the Port Authority for any other reasons, any formal comments made by the Lessee with respect to such proposed modifications shall be provided by the staff of the Port Authority to the Board of Commissioners of the Port Authority.

6.3.1 The Port Authority shall send to the Lessee a notice of any proposed modification to the Port Authority Manual at least thirty (30) days prior to the date the Port Authority intends to make such modification. Upon the Lessee's receipt of such notice describing in reasonable detail the modification, together with such additional information

regarding the proposed modification as the Lessee shall reasonably request, the Lessee shall, if so requested by the Port Authority in such notice, advise the Port Authority whether the Lessee anticipates that compliance with the proposed modification to the Port Authority Manual may result in Port Authority Manual Operating Expenses, and if any Port Authority Manual Operating Expenses are anticipated to occur, an estimate of the amount thereof, which estimate, together with an explanation of the basis therefor, shall be delivered to the Port Authority within thirty (30) days from the later of (i) the date that the Lessee receives a request therefor from the Port Authority or (ii) the date the Lessee receives such additional information regarding the proposed modification as the Lessee reasonably requests.

6.3.2 If the Lessee does not respond to a request from the Port Authority pursuant to Subsection 6.3.1 above within the thirty (30) day time period specified above, the Port Authority shall have the right to deliver a second written notice of such request (a "Reminder Notice") to the Lessee. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED NO INCREASE IN PORT AUTHORITY MANUAL OPERATING EXPENSES IF NOT ANSWERED WITHIN FIVE (5) BUSINESS DAYS"**. The Lessee's failure to respond to the Port Authority within five (5) Business Days after the Lessee's actual receipt of a Reminder Notice shall be deemed to constitute an agreement with the Port Authority that no Port Authority Manual Operating Expenses are anticipated due to such modification. The information provided in such notification shall not affect Lessee's entitlement to Port Authority Manual Operating Expenses in accordance with the terms of this Agreement, provided the Lessee has made a good faith effort to notify the Port Authority whether it anticipates that a proposed modification to the Port Authority Manual may result in Port Authority Manual Operating Expenses, and the amount thereof, if any.

6.3.3 In the event the Port Authority modifies (or has modified) the Port Authority Manual, modifies (or has modified) any MOU's or enters into (or has entered into) any other memoranda of understanding, in each instance, at any time on or after November 16, 2006 ("Future MOU's"), other than to cause the Port Authority Manual, MOU's or Future MOU's to conform to Code Changes (an "Excess Port Authority Requirement"), the Port Authority shall pay to the Lessee any Excess Improvement Costs and any Reimbursable Port Authority Manual Operating Expenses incurred by the Lessee in connection therewith. Reimbursable Port Authority Manual Operating Expenses shall be paid in accordance with Subsection 6.3.8(b) below. Excess Improvement Costs shall be paid in accordance with a budget approved by the Port Authority pursuant to Subsection 6.3.4 below or as otherwise approved by the Port Authority pursuant to Subsection 6.3.4 below, on written demand therefor accompanied by reasonable documentation supporting such demand for payment, which payment shall be made promptly, but no later than thirty (30) days from the date such notice and reasonable documentation are received by the Port Authority. The Port Authority shall, at the Lessee's option, either pay Excess Improvement Costs directly to the parties entitled to receive payment of the Excess Improvement Costs, or if the Lessee has paid any such amounts directly to any such party, upon receipt of an invoice marked "paid" or other documentation indicating the amounts due to such party have been paid, reimburse to the Lessee the amounts actually paid to such party. If the payments required to be made by the Port Authority pursuant to this Subsection 6.3.3 (or Subsection 6.3.4 below) are not made within the thirty (30) day time period set forth above, such amounts shall bear interest at the Prime Rate, accruing from the date of expiration of the thirty (30) day period until the date such amounts are paid.

6.3.4 Prior to commencing any action to comply with an Excess Port Authority Requirement, the Lessee shall submit a budget to the Port Authority detailing the action required to be taken to comply with the Excess Port Authority Requirement and the Excess Improvement Costs projected to be incurred in connection therewith, which budget shall be subject to the approval of the Port Authority, which approval shall not be unreasonably withheld, delayed or conditioned. Within ten (10) Business Days of the receipt of such budget, the Port Authority shall advise the Lessee as to whether such budget has been approved or disapproved, and in the event of a disapproval, provide reasonable detail as to the reasons for such disapproval.

(a) If the Lessee anticipates that the Excess Improvement Costs may exceed the amounts set forth in the budget approved by the Port Authority, the Lessee shall provide documentation, in reasonable detail, detailing the reasons for such increased amounts, and requesting the Port Authority's approval of such increase in the approved budget, which approval the Port Authority shall not unreasonably withhold, delay or condition. The Port Authority agrees that it shall be unreasonable to disapprove reasonable costs incurred with respect to matters which were not known by Lessee, or which the Lessee could not have reasonably anticipated, as of the initial budget request. Within ten (10) Business Days of the receipt of such documentation, the Port Authority will advise the Lessee as to whether such increases have been approved or disapproved, and in the event of (i) a disapproval, provide reasonable detail as to the reasons for such disapproval, or (ii) an approval, payments in connection with Excess Improvement Costs shall be made in accordance with the budget, as amended by the increases that have been approved by the Port Authority. If there is a dispute as to whether the determination by the Port Authority with respect to increases in the amounts set forth in an

approved budget was reasonable, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

(b) If the Port Authority does not respond to a request from the Lessee to approve or disapprove a proposed budget, or an increase to a proposed budget within the time periods specified above, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute an approval of such request.

(c) The Lessee shall have no obligation to effect compliance with an Excess Port Authority Requirement to the extent the Port Authority has not approved the Excess Improvement Costs to be incurred in connection therewith. The Lessee shall have a reasonable time period, taking into account the size of the project, subject to Unavoidable Delay, in which to make repairs or perform work at the Premises to conform with an Excess Port Authority Requirement.

6.3.5 If, within five (5) years of the effective date of any Excess Port Authority Requirement (or, if sooner, the Expiration Date), a Conforming Modification with respect to such Excess Port Authority Requirement becomes effective, the Lessee shall promptly, but no later than sixty (60) days after request from the Port Authority, reimburse to the Port Authority the portion of Excess Improvement Costs paid by the Port Authority in connection with such Excess Port Authority Requirement which the Port Authority would not have been required to pay had the Conforming Modification been made prior to the effectiveness of such

Excess Port Authority Requirement. The Lessee shall have no obligation to reimburse the Port Authority for any amounts under this Subsection 6.3.5 in connection with any Conforming Modification which becomes effective after the Expiration Date.

6.3.6 If the Port Authority fails to make the payments to the Lessee within the time period provided in Subsections 6.3.3 or 6.3.4 above, the Port Authority shall pay interest on the amounts so due to the Lessee at the Default Interest Rate, commencing on the date when such amounts are due to the Lessee, through the date on which such amounts are paid by the Port Authority.

6.3.7 As used herein, the term "Conforming Modification" shall mean a future change to the Building Department Code, the Health Code, the Fire Department Code or other enactments, ordinances, resolutions and regulations of the City of New York and its departments, boards and bureaus with regard to construction, maintenance, health and fire protection which (i) would be applicable to the Building if the Port Authority were a private entity, and (ii) impose requirements consistent in all material respects with the requirements imposed pursuant to an Excess Port Authority Requirement previously adopted by the Port Authority.

6.3.8 As used herein: (A) the term "Excess Improvement Costs" shall mean for each ten (10) year period during the Term ("Excess Improvement Period"), the portion of the cost, including, but not limited to, architectural, engineering, permitting, construction management, construction and general condition costs, in excess of the Lessee's Premises Percentage of [redacted], in the aggregate, incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, as a result of Capital Improvements required to be made in order to comply with any Excess Port Authority Requirements that shall be imposed or

adopted during such ten (10) year period; and (B) the term "Reimbursable Port Authority Manual Operating Expenses" shall mean, for each Annual Period, an amount, if any, in excess of the Lessee's Premises Percentage of the first [redacted] of the amount of Port Authority Manual Operating Expenses incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, in order to comply with all Excess Port Authority Requirements that shall be imposed or adopted by the Port Authority from and after November 16, 2006; provided, however, Excess Improvement Costs shall specifically exclude any costs incurred by Space Tenants. The amounts set forth in clauses (A) and (B) of the preceding sentence (1) shall be Subject to Adjustment by the Port Authority not more than one (1) time within the first six (6) months of each Excess Improvement Period, and (2) may, at the Lessee's option and upon written notice to the Port Authority, be calculated on an aggregate basis with the Excess Improvement Costs and Reimbursable Port Authority Manual Operating Expenses to be calculated under any Tower Lease(s).

(a) Excess Improvement Costs shall be attributable to the Excess Improvement Period during which such Excess Improvement Costs are actually incurred by the Lessee, provided, however, with respect to any Capital Improvement that is commenced during an Excess Improvement Period but not completed until the succeeding Excess Improvement Period, the Excess Improvement Cost incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association in connection therewith shall be attributable to the Excess Improvement Period during which such Capital Improvement is commenced.

(b) Reimbursable Port Authority Manual Operating Expenses shall be paid by the Port Authority to the Lessee monthly, and such amounts shall be paid to the Lessee within thirty (30) days after the Port Authority's receipt of a statement from the Lessee describing in

reasonable detail the Port Authority Manual Operating Expenses allocable to such calendar month. At the end of each Annual Period, the Lessee shall provide a statement to the Port Authority describing in reasonable detail the Port Authority Manual Operating Expenses allocable to the immediately preceding Annual Period. If such annual statement shall show that the sums paid by the Port Authority for such Annual Period were less than the Reimbursable Port Authority Manual Operating Expenses payable by the Port Authority for such Annual Period, then the Port Authority shall pay to the Lessee, within thirty (30) days after the Port Authority's receipt of such statement, such deficiency. If such annual statement shall show that the sums paid by the Port Authority as Reimbursable Port Authority Manual Operating Expenses for such Annual Period exceeded the Reimbursable Port Authority Manual Operating Expenses payable by the Port Authority for such Annual Period, the Lessee shall, together with such statement, pay the amount of such excess to the Port Authority.

(c) As used herein, the term "Port Authority Manual Operating Expenses" shall mean, for each Annual Period, the amount by which the Operating Expenses actually incurred by the Lessee or paid by the Lessee to the Net Lessees' Association during such Annual Period exceed an amount equal to the Operating Expenses which would have been incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, during such Annual Period, had there been no Excess Port Authority Requirements enacted at any time prior to the date such calculation is made. Port Authority Manual Operating Expenses shall not include operating expenses that, at the time, other Class A office buildings in Manhattan commonly incur.

6.3.9 In the event of any conflict between the provisions of this Agreement and the provisions of the Development Agreement as they pertain to which Port Authority

Manual governs construction of the Tower Project, the provisions of the Development Agreement shall control.

6.4 Except as otherwise provided in this Section 6.4 and Sections 6.2 and 6.3 above, following the Substantial Completion Date, the Lessee shall make any and all improvements, alterations, changes or repairs of or to the Premises, whether structural or non-structural, ordinary or extraordinary, that may be required at any time hereafter under any applicable Governmental Requirement (the "Repairs"). If, following the Substantial Completion Date, either the Port Authority or the Lessee receives any notices from any governmental entity, including, without limitation, the City of New York or any of its departments, boards and bureaus with regard to compliance of the Premises with any Governmental Requirement, it shall deliver a copy of such notice to the other party. The foregoing shall include any changes, replacements, alterations or substitutions in materials, furniture, furnishings or equipment that may be required at any time under any Governmental Requirements. Any such improvements, alterations or changes shall be performed by the Lessee in accordance with the provisions of Section 19 of this Agreement.

6.4.1 Except as otherwise provided in Sections 6.2 and 6.3 above and in this Section 6.4, any Repairs made to the Premises at the election of the Lessee, or as may be required in this Agreement, following the Substantial Completion Date, shall be made at the sole cost and expense of the Lessee. With respect to any condition relating to Hazardous Materials that existed with respect to Site 4 as of the Site 4 PA Actual Final Site Completion Date in violation of the Port Authority Manual or any Governmental Requirement, but specifically excluding such conditions relating to Hazardous Materials with respect to that portion of Site 4 that is below the level to which the Port Authority shall have excavated as part of the Port

Authority's work done on Site 4 in connection with and as part of the Port Authority's delivery of Site 4 to the Lessee on the Site 4 PA Actual Final Site Completion Date (individually and collectively, "Unknown Pre-Existing Conditions"), if the Lessee is obligated to cure or remedy any such conditions pursuant to the terms of this Agreement or any Governmental Requirement, provided, in the case of Governmental Requirements, either (x) a court of competent jurisdiction makes a final, non-appealable, determination that the governmental or municipal entity has jurisdiction over the Premises with respect to such matters (or the Port Authority enters into any settlement or agreement to such effect), or (y) the Port Authority fails to challenge the validity of a Governmental Requirement within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination, the Port Authority shall pay to the Lessee any Non-Conforming Repair Costs incurred by the Lessee in connection therewith (as set forth in the budget approved by the Port Authority pursuant to Subsection 6.4.2 below or otherwise deemed approved by the Port Authority pursuant to Subsection 6.4.2 below), on written demand therefor, accompanied by reasonable documentation supporting such demand for payment, which payment shall be made promptly to the Lessee, but no later than thirty (30) days from the date such notice and reasonable documentation are received by the Port Authority. The Port Authority shall, at the Lessee's option, either pay Non-Conforming Repair Costs directly to the parties entitled to receive payment of the Non-Conforming Repair Costs, or if the Lessee has paid any such amounts directly to such party, upon receipt of an invoice marked "paid" or other documentation indicating the amounts due to such party have been paid, reimburse to the Lessee the amounts actually paid to such party. If the payments to be made by the Port Authority pursuant to this Subsection 6.4.1 or Subsection 6.4.2 below, are not made within the thirty (30) day time period set forth above, such amounts shall bear interest at the

Prime Rate, accruing from the date of expiration of the thirty (30) day period until the date such amounts are paid.

6.4.2 Prior to commencing any Repairs required by the Port Authority or other governmental entity and necessary to correct any Unknown Pre-Existing Condition in accordance with the Port Authority Manual or any Governmental Requirement, the Lessee shall submit a budget to the Port Authority detailing the Repairs required to correct any Unknown Pre-Existing Condition in accordance with the Port Authority Manual or any Governmental Requirement and the Non-Conforming Repair Costs projected to be incurred in connection therewith, which budget shall be subject to the approval of the Port Authority, which approval shall not be unreasonably withheld, delayed or conditioned. Within ten (10) Business Days of the receipt of such budget, the Port Authority shall advise the Lessee as to whether such budget has been approved or disapproved, and in the event of a disapproval, reasonable detail as to the reasons for such disapproval.

(a) If the Lessee anticipates that the Non-Conforming Repair Costs may exceed the amounts set forth in the budget approved by the Port Authority for the Repairs, the Lessee shall provide documentation, in reasonable detail, detailing the reasons for such increased amounts, and requesting the Port Authority's approval of such increase in the approved budget, which approval the Port Authority shall not unreasonably withhold, delay or condition. It shall be unreasonable to disapprove reasonable costs incurred with respect to matters which were not known by the Lessee, or which the Lessee could not have reasonably anticipated, as of the initial budget request. Within ten (10) Business Days of the receipt of such documentation, the Port Authority will advise the Lessee as to whether such increases have been approved or disapproved, and in the event of (i) a disapproval, provide reasonable detail as to the reasons for

such disapproval, or (ii) an approval, payments in connection with Non-Conforming Repair Costs shall be made in accordance with the budget, as amended by the increases that have been approved by the Port Authority. If there is a dispute as to whether the determination by the Port Authority with respect to increases in the amounts set forth in an approved budget was reasonable, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

(b) If the Port Authority does not respond to a request from the Lessee to approve or disapprove a proposed budget, or an increase to a proposed budget within the time periods specified above, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute an approval of such request.

(c) The Lessee shall have no obligation to cure or remedy any Unknown Pre-Existing Condition to the extent the Port Authority has not approved the Non-Conforming Repair Costs to be incurred in connection therewith. The Lessee shall have a reasonable time period, taking into account the size of the project, subject to Unavoidable Delay, in which to make such repairs or perform such work at the Premises in connection with any Unknown Pre-Existing Conditions.

(d) The Lessee may commence an action necessary to (i) correct an Unknown Pre-Existing Condition prior to the date a budget detailing the actions required to be taken to correct such Unknown Pre-Existing Condition is submitted to, and approved by, the Port

Authority, if such earlier correction is required pursuant to the terms of the final, non-appealable judgment, and (ii) comply with any requirement by a governmental entity or municipal agency to make Repairs prior to the date a budget detailing the actions required to be taken by the Lessee to comply therewith is submitted to, and approved by, the Port Authority, provided that either (x) a court of competent jurisdiction makes a final, non-appealable, determination that the governmental or municipal entity has jurisdiction over the Premises with respect to such matters (or the Port Authority enters into any settlement or agreement to such effect), or (y) the Port Authority fails to challenge the validity of a requirement within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination. To the extent any portion of the budget, or revised budget, has been approved by the Port Authority, the Port Authority shall reimburse the Lessee for such approved budgeted amounts, regardless of whether the remainder of the budget has been, or will be, approved. Once the remainder of the budget, or revised budget, has been approved by the Port Authority, the balance of any payments shall be made to the Lessee.

6.4.3 If the Port Authority fails to make payments to the Lessee within the time period provided in Section 6.4.1 or 6.4.2 above, the Port Authority shall pay interest on the amounts so due to the Lessee at the Prime Rate, commencing on the date when such amounts are due to the Lessee, through the date on which such amounts are paid by the Port Authority.

6.4.4 As used herein, the term "Non-Conforming Repair Costs" shall mean the costs and expenses, including, without limitation, any fines and penalties assessed by any governmental entity, incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, in connection with those Repairs which are made at the direction of the Code Compliance Office or any governmental entity and are so requested to be made directly as a

result of any Unknown Pre-Existing Condition, to the extent that such Repairs are necessary to cause the Premises to be in compliance with the Port Authority Manual or any Governmental Requirement. Costs and expenses incurred by the Lessee, or paid by the Lessee to the Net Lessees' Association, in connection with Repairs made at the direction of a governmental entity, exclusive of the Port Authority, shall not be deemed to be Non-Conforming Repair Costs unless and until either (x) a court of competent jurisdiction makes a final, non-appealable determination that such Repairs shall be made (or the Port Authority enters into any settlement or agreement to such effect), or (y) the Port Authority fails to challenge the validity of a Governmental Requirement within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination. The Lessee shall have no obligation to comply with any such Governmental Requirement unless the conditions set forth in this Subsection 6.4.4 are satisfied.

6.4.5 The Lessee shall promptly obtain a Waste Generator Identification Number for the Premises from the Environmental Protection Agency, which Waste Generator Identification Number shall be posted on its manifest and maintained in accordance with the rules and regulations of the Environmental Protection Agency.

6.4.6 Subject to this Section 6.4 and Sections 6.2 and 6.3 above, following the Substantial Completion Date, the Port Authority may issue Violations Notices against any portion of the Premises. In the event the Port Authority issues a Violations Notice to a Space Tenant, the Port Authority shall provide a copy of such Violations Notice simultaneously to the Lessee. The Lessee shall use commercially reasonable efforts to cure, or cause the applicable Space Tenant to cure, if applicable, the matters set forth in any Violations Notice delivered to the Lessee within thirty (30) days from the date the Lessee is notified as to such non-compliance;

provided, however, that in the event that such non-compliance is not reasonably susceptible of cure within such thirty (30) day period, provided the Lessee or the Space Tenant, as the case may be, commences such cure and continues to diligently perform such cure, the Lessee or Space Tenant, as the case may be, shall have such additional time as is necessary to complete such cure. In the event that such non-compliance shall not be cured as aforesaid, unless the Lessee or Space Tenant, as the case may be, is diligently prosecuting the cure of such non-compliance and has notified the Port Authority of its intent to do so, and such non-compliance does not cause imminent peril to the life, safety or health of Persons at the Premises or the World Trade Center, the Port Authority shall have the right, upon reasonable notice to the Lessee, but not the obligation, to perform any acts necessary to cure such non-compliance. In the event that the Port Authority effects such cure ("Self-Help"), any cost and expense thereof, including reasonable attorneys' fees (collectively, "Non-Compliance Costs and Expenses"), shall be borne by the Lessee, and the Lessee shall reimburse same to the Port Authority within ten (10) days after demand, after receipt of supporting documentation evidencing the costs and expenses attributable thereto, together with (i) interest thereon accruing from the date of expenditure calculated at the Non-Compliance Rate, and (ii) a charge in an amount equal to [redacted] of the amount of Non-Compliance Costs and Expenses. Additionally, in the event that the Port Authority effects such cure, the Lessee shall provide, or enforce the Lessee's right to cause the Space Tenant to provide, access to the Port Authority to the Premises, and otherwise cooperate with the Port Authority in good faith, as the Port Authority deems reasonably necessary in order to effect all such work. The Port Authority, except as otherwise expressly provided herein, shall have no obligation to perform such acts. The Port Authority shall not engage in any rights of Self-Help while a Chief Engineer Contest is pending.

6.4.7 Any default under this Section 6.4 shall neither be deemed to be an Event of Default nor shall the Port Authority, in its role and capacity as "landlord", be permitted to exercise Self Help, if the actions necessary to cure such default are an obligation of a Space Tenant, other than a default in any payment obligation of the Space Tenant, and shall not be a default only for so long as the Lessee is diligently prosecuting to cure such default, or seeking to cause the applicable Space Tenant to cure such default by enforcing its rights under the Space Lease, and provides the Port Authority with information regarding the status thereof as more particularly described herein.

6.5 The provisions of this Section 6 are not to be construed as a submission by the Port Authority to the application to itself of such governmental laws, rules, regulations, requirements, ordinances, orders and directions, or any of them.

6.5.1 In the event the Port Authority fails to pay any Non-Conforming Repair Costs incurred by the Lessee or the Net Lessees' Association as a result of a Governmental Requirement of any governmental or municipal entity (other than the Port Authority), and if the Lessee or the Net Lessees' Association pays or has paid such Non-Conforming Repair Costs, then the Lessee shall be entitled to offset such amounts it has paid, or the Lessee's Premises Percentage of the amounts the Net Lessees' Association has paid, with interest at the Default Interest Rate, from the date such amounts were required to be paid by the Port Authority, to the date such amounts are offset, against the Rental next payable under this Agreement.

6.6 Subject to any rights which a Mortgagee may have, upon the expiration or earlier termination of the Term, the Lessee shall cause to be assigned and transferred to the Port Authority or its designee, all assignable or transferable licenses, permits or other authorizations

secured by the Lessee or on its behalf for or in connection with the operations and use of the Premises hereunder. The form of such assignment or transfer shall be without recourse or warranty, and as otherwise reasonably approved by the Port Authority and the Lessee, and the Lessee shall cooperate fully in executing such assignment or transfer including attending any hearings required therefor, including, without limitation, cooperation in the taking of any affirmative action as may be necessary or desirable for the issuance of any new license, permit or authorization to the Port Authority or its said designee such as the timely surrender or cancellation by or on behalf of the Lessee of the license, permit or authorization in question. No consideration or monies shall be payable to the Lessee on account of such assignments or transfers, provided, however, the Port Authority shall bear all of the Lessee's out-of-pocket costs in performance pursuant to this Section.

6.7 The Lessee shall pay all Impositions, and the Lessee shall make all applications, reports and returns required in connection therewith. If any bond or other undertaking shall be required by any governmental entity (other than the Port Authority) in connection with any of the operations of the Lessee or any property of the Lessee, the Lessee shall furnish the same and pay all expenses in connection therewith. No alleged or purported immunity or exemption from any Impositions available to the Port Authority shall be grounds for or excuse non-payment thereof by the Lessee.

6.8

6.8.1 The Lessee shall pay, in a timely manner, subject to the provisions of this Section 6.8, including Section 6.8.6 and Section 6.8.10 below, the BID Allocated Share, such charge being in lieu of an assessment that would otherwise be required from the Port Authority were it a private entity under the District Plan for the BID as approved by the New

York City Council, and if the same are paid directly by the Port Authority, the Lessee shall pay the Port Authority therefor as hereinafter set forth.

6.8.2 For purposes of this Section 6.8, the following terms shall have the following meanings:

(a) "BID" shall mean the Alliance for Downtown New York, Inc., the District Management Association for the Downtown Lower Manhattan Business Improvement District.

(b) "BID Agreement" shall mean that certain Agreement dated as of November 4, 2010 between the Port Authority and BID, as amended by (if and when entered into with the prior written consent of the Lessee) that certain Amendment to BID Agreement contemplated to be entered into between the Port Authority and BID with respect to calendar year 2010 (the "2010 BID Amendment").

(c) "BID Allocated Share" shall mean the portion of the Port Authority's BID Charge payable by the Lessee pursuant to this Section 6.8. In particular, the BID Allocated Share shall be (i) for the 2010 calendar year, Lessee's Allocated Share of the BID Charge pursuant to the BID Agreement in effect on the Net Lessee Execution Date, as the same may be amended by the 2010 BID Amendment, (ii) for calendar years 2011, 2012, 2013, 2014 and 2015, Lessee's Allocated Share of the BID Charge, as reduced by an amount equal to [redacted] of the Existing BID Charge [redacted] for each 6-month period during each such calendar year, and (iii) for calendar year 2016 and each subsequent calendar year during the Term, Lessee's Allocated Share of the BID Charge. Without limiting the generality of the foregoing, the parties agrees that (x) if the Existing BID Charge shall be [redacted] the reduction during each 6-month period referred to in the foregoing clause (ii) shall be [redacted] and (y) if the

Existing BID Charge shall be [redacted], the reduction during each 6-month period referred to in the foregoing clause (ii) shall be [redacted]

(d) "Existing BID Charge" shall mean the Port Authority's BID Charge for calendar year 2010 which is (i) as of the Net Lessee Execution Date, [redacted] and (ii) if the 2010 BID Amendment shall be entered into between the Port Authority and BID with the prior written consent of the Lessee, the amount set forth in the 2010 BID Amendment but in no event greater than [redacted].

(e) "Port Authority's BID Charge" or the "BID Charge" shall mean the charge attributable to the World Trade Center pursuant to the BID Agreement.

6.8.3 Intentionally Omitted.

6.8.4 Unless the provisions of Section 6.8.10 shall apply, the Lessee shall pay the BID Allocated Share, either to the Port Authority, or to the taxing or governmental body, as directed by the Port Authority. If such amounts are paid to the Port Authority, then the Port Authority shall promptly remit payment to the taxing or governmental body and shall be liable for all interest or late payment charges if (i) a payment has been timely made to the Port Authority by the Lessee, and (ii) the Port Authority does not timely remit such payment. The Port Authority acknowledges that, as of the Net Lessee Execution Date, the Lessee has paid the BID Allocated Share covering the 2010 calendar year.

6.8.5 The Lessee and the Port Authority shall each file all applications and furnish all information required of them in connection therewith and, unless the provisions of Section 6.8.10 shall apply, the Lessee shall pay any penalties or interest thereon, to the extent attributable to the Lessee's delay, other than on amounts directly payable by the Port Authority

as to which the Lessee has made prompt and timely payments to the Port Authority as required hereunder.

6.8.6 In the event the Port Authority shall, with the Lessee's consent, enter into a supplement or amendment to the BID Agreement (a "BID Amendment") under which the Port Authority's BID Charge shall be increased or decreased for any year, the "Port Authority's BID Charge" shall thereafter mean, for purposes of this Agreement, the Port Authority's BID Charge as so increased or decreased by such BID Amendment. In the event the Port Authority shall, without the Lessee's consent, enter into a BID Amendment under which the Port Authority's BID Charge shall be increased for any year (a "Voluntary Increase"), then, unless the provisions of Section 6.8.10 shall apply, (i) the Lessee shall continue to pay to the Port Authority for such year the BID Allocated Share which would have been payable for such year pursuant to the provisions of Section 6.8.1 for such year as if such Voluntary Increase had not occurred, and (ii) the Lessee shall pay to the Port Authority for such year an amount equivalent to the Lessee's Premises Percentage of the lesser of (A) the Voluntary Increase, and (B) the product of (x) the BID Charge that would have been payable had there not been a BID Amendment, and (y) the BID Percentage Increase for said year, assuming there had not been a BID Amendment. The amount determined pursuant to clause (ii) of the preceding sentence shall be added to the BID Charge for purposes of the calculation of the amount payable by the Lessee pursuant to this Section 6.8 in subsequent years. The time and manner of payment of any Voluntary Increase shall insofar as practical be in accordance with Section 6.8.4 above. Rights to appoint any World Trade Center representative to the BID shall be governed by the terms of the REOA.

6.8.7 The Port Authority shall not execute a BID Amendment that provides for a reduction of services being provided to the Premises as of the Substantial Completion Date,

unless such reduction would apply to all owners of real property located within, and subject to, the BID. In negotiating any BID Amendment, the Port Authority shall treat the World Trade Center in a non-discriminatory manner.

6.8.8 For purposes of the calculation of the amount payable by the Lessee pursuant to this Section 6.8, the BID Charge for the years in which the Commencement Date and the Expiration Date shall occur shall be prorated and only such portion thereof that is allocable to the Term shall be included.

6.8.9 The Port Authority shall carry out and fully discharge its obligations under the BID Agreement, or any supplement or amendment thereto, so as to avoid any default thereunder.

6.8.10

(a) Notwithstanding anything to the contrary contained in this Section 6.8, if the Port Authority and the BID shall elect to have the Lessee enter into a direct agreement with the BID pursuant to which the Lessee is required to make payments directly to the BID, the Lessee shall enter into such an agreement in form and substance reasonably acceptable to the Lessee, provided that said agreement contains economic terms no less favorable to the Lessee than the economic terms set forth in the remaining provisions of this Section 6.8 (such agreement satisfying the requirements of this Section 6.8.10(a), a "Lessee BID Agreement"):

(b) If the Lessee shall enter into a Lessee BID Agreement, then, in such case, from and after the date that the Lessee's payment obligations commence thereunder and during all period(s) that the Lessee is required to make payments pursuant to a Lessee BID Agreement, the Lessee shall have no obligations to the Port Authority under the remaining provisions of this Section 6.8. If the Lessee shall enter into a Lessee BID Agreement and shall have already paid

the BID Allocated Share covering all or a portion of the period during which the Lessee is required to make payments directly to the BID under such Lessee BID Agreement, then the BID Allocated Share shall be appropriately prorated, and the Port Authority shall refund to the Lessee any payment of the BID Allocated Share, appropriately prorated as necessary, covering the period during which the Lessee is required to make payments directly to the BID under such Lessee BID Agreement.

6.9 The term "governmental" as used in this Section with respect to the Lessee's obligation to comply with "laws, rules and regulations, requirements, ordinances, orders, and directions" or any similar phrase, shall include the Port Authority Manual and the words "governmental entity" as used in this Section with respect to the imposition of the charges, taxes, fees, excises, and duties described in this Section 6 shall not be deemed to include the Port Authority.

6.10 The Lessee shall pay to the Port Authority, without notice or demand, in semi-annual installments in arrears, on the first day of each January and July throughout the Term (each a "Tax Equivalent Rental Payment Date"), the following amounts ("Tax Equivalent Rental") allocable to the six (6) month period preceding each such Tax Equivalent Rental Payment Date (each such period being hereinafter referred to as a "Tax Equivalent Rental Payment Period"):

6.10.1 (a) The Lessee's Allocated PILOT Share of the amount that was payable by the Port Authority to the City of New York as of the Commencement Date in lieu of taxes with respect to the World Trade Center (the "Existing PILOT Base") pursuant to the Existing City Agreement, which amount shall be adjusted annually (the "Existing PILOT Escalations") in accordance with the provisions of the Existing City Agreement (the Existing

PILOT Base, as adjusted by the Existing PILOT Escalations, are hereinafter referred to as the "Existing PILOT Payments"), it being agreed that:

(i) the amounts payable pursuant to this Subsection 6.10.1 shall continue to be payable in accordance with the terms of the Existing City Agreement (pursuant to the methodology employed by the Port Authority through the Commencement Date) whether or not a New City Agreement is executed and whether or not the City of New York prevails on a claim to recalculate the amounts due pursuant to the Existing City Agreement; and

(ii) the amounts payable pursuant to this Subsection 6.10.1 shall be payable by the Lessee in accordance with the terms of the Existing City Agreement (pursuant to the methodology employed by the Port Authority through the Commencement Date), and except as specifically provided in clause (B) of this sentence, (A) without any credit, deduction or offset for credits or other allowances or abatements granted by the City of New York to the Port Authority pursuant to any New City Agreement or pursuant to any other agreement, including, without limitation, the 2006 PILOT Agreements, and (B) notwithstanding the provisions of clause (A) of this sentence, the Lessee shall be entitled to apply certain credits, as more particularly set forth below, against the payments required to be made by the Lessee pursuant to this Subsection 6.10.1 as follows:

(x) an amount equal to [redacted] (the "Prior EXCO – NYBOT Credit Amount"), representing the product of (A) the sum of (1) the aggregate EXCO Credit Amount for the period July 1, 2002 through June 30, 2006 and (2) the aggregate NYBOT Credit Amount for the period

July 1, 2002 through June 30, 2006, and (B) a fraction, the numerator of which is [redacted] (i.e., the anticipated number of Gross Square Feet of the Building, as set forth in the Development Agreement) and the denominator of which is [redacted] (i.e., the maximum number of Gross Square Feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement), which amount shall be applied against any payments required to be made by the Lessee pursuant to this Subsection 6.10.1, it being agreed that any unapplied portion of the Prior EXCO-NYBOT Credit Amount shall be carried forward each calendar year until the entire Prior EXCO-NYBOT Credit Amount shall have been applied against any payments required to be made by the Lessee pursuant to this Subsection 6.10.1; and

(y) subject to the provisions of clause (iii) below, an amount equal to [redacted] per Tax Year (the "Future EXCO Credit Amount"), for the period July 1, 2006 through the EXCO Expiration Date, which amount represents [redacted] of the product of (A) the EXCO Credit Amount for each such Tax Year, and (B) a fraction, the numerator of which is [redacted] (i.e., the anticipated number of Gross Square Feet of the Building, as set forth in the Development Agreement) and the denominator of which is [redacted] (i.e., the maximum number of Gross Square Feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement).

(z) subject to the provisions of clause (iii) below, an amount equal to [redacted] per Tax Year (the "Future NYBOT Credit Amount"), for the period July 1, 2006 through the NYBOT Expiration Date, which amount represents [redacted] of the product of (A) the NYBOT Credit Amount for each such Tax Year, and (B) a fraction, the numerator of which is [redacted] (i.e., the anticipated number of Gross Square Feet of the Building, as set forth in the Development Agreement) and the denominator of which is [redacted] (i.e., the maximum number of Gross Square Feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement).

(iii) In the event that the sum of the Future EXCO Credit Amount and the Future NYBOT Credit Amount attributable to any particular calendar year shall exceed the amount payable by the Lessee pursuant to this Subsection 6.10.1 for such calendar year, the Lessee shall be entitled to carry forward into the next succeeding calendar year and any subsequent calendar years any portion of the Future EXCO Credit Amount and the Future NYBOT Credit Amount attributable to such calendar year that is in excess of said payment pursuant to this Subsection 6.10.1 for such calendar year until the sum of (i) the aggregate Future EXCO Credit Amount payable through the EXCO Expiration Date pursuant to subparagraph (y) of this Subsection 6.10.1(b) and (ii) the aggregate Future NYBOT Credit Amount payable through the NYBOT Expiration Date pursuant to subparagraph (z) of this Subsection 6.10.1(b) shall have been applied against any payments required to be made by the Lessee pursuant to this Subsection 6.10.1.

(b) For purposes of this Subsection 6.10.1, the following terms shall have the following meanings:

(i) The term "EXCO Credit Amount" shall mean the amount of the credit that the Port Authority is entitled to receive from The City of New York in accordance with that certain agreement between the Port Authority and The City of New York dated August 14, 1997. A schedule setting forth the EXCO Credit Amount for each Tax Year from and after July 1, 2002 is attached hereto as "Exhibit W".

(ii) The term "EXCO Expiration Date" shall mean June 30, 2013.

(iii) The term "NYBOT Credit Amount" shall mean the amount of the credit that the Port Authority is entitled to receive from The City of New York in accordance with that certain agreement between the Port Authority and The City of New York dated March 31, 2000. A schedule setting forth the NYBOT Credit Amount for each Tax Year from and after July 1, 2002 is attached hereto as Exhibit W.

(iv) The term "NYBOT Expiration Date" shall mean June 30, 2015.

(c) An example of the calculation of Tax Equivalent Rental due to the Port Authority pursuant to this Subsection 6.10.1, assuming the Port Authority owes in excess of the minimum PILOT payment under the Existing City Agreement, and before application of any of the credits referred to in this Subsection 6.10.1, is attached hereto as Schedule 6.10.1.

6.10.2 Intentionally Omitted.

6.10.3 From and after the execution of any Space Lease, other than a Space Lease in which the City of New York, or any City Affiliate, or the Port Authority, or any department, board or bureau of the Port Authority, is the Space Tenant thereunder, the Lessee shall pay to the Port Authority, with respect to such Space Lease, the amount by which (i) the

Space Tenant Tax Increase allocable to the preceding Tax Equivalent Rental Payment Period, exceeds (ii) the Existing PILOT Escalations allocable to such Tax Equivalent Rental Payment Period.

(a) The term "Space Tenant Tax Increase" shall mean the following amounts calculated with respect to each Space Lease: the amount by which (1) the Space Tenant's Share of the amount of Taxes that would be payable to the City of New York for the relevant Tax Year if the Port Authority were a private entity, exceeds (2) the Base Tax Amount for such Tax Year.

(b) An example of the calculation of Tax Equivalent Rental due to the Port Authority pursuant to this Subsection 6.10.3 is attached hereto as Schedule 6.10.3.

6.10.4 The Lessee agrees that it shall not include in any Space Lease where the City of New York, or any City Affiliate, or the Port Authority, or any department, board or bureau of the Port Authority, is the Space Tenant thereunder, any provision that would require such Space Tenant to make payments in lieu of Taxes or any other payments of, or based on, Tax Equivalent Rental, Space Tenant Tax Increases, PILOT or Existing PILOT Payments to the Lessee.

6.11 The Port Authority will compute the annual rate of the Tax Equivalent Rental payable by the Lessee under Section 6.10 and will notify the Lessee of the annual amount thereof on or about July 1 of each calendar year and, at such time, the Port Authority shall provide the documentation utilized to calculate the Tax Equivalent Rental to the Lessee, and the Lessee shall have a reasonable opportunity to review and comment upon such documentation and the Port Authority's computation of the Tax Equivalent Rental. Nothing contained herein shall, or shall be deemed to, obligate the Lessee to pay any Tax Equivalent Rental which shall accrue either for a period prior to the Commencement Date or for a period subsequent to the Expiration Date. In

any year in which the Port Authority would owe the minimum PILOT payment under the Existing City Agreement, Lessee shall pay to the Port Authority [redacted] for such year, which amount is (i) the Port Authority's minimum PILOT payment under the Existing City Agreement (that is [redacted], multiplied by (ii) [redacted] which is derived from a fraction, the numerator of which is the number of anticipated Gross Square Feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement (that is, [redacted] square feet) and the denominator of which is the aggregate number of Gross Square Feet of the World Trade Center site [redacted]), and multiplied by (iii) a fraction, the numerator of which is the number of anticipated Gross Square Feet of the Building, as set forth in the Development Agreement (that is, [redacted]) and the denominator of which is the aggregate maximum amount of square feet of the Building and the buildings demised under the Tower Leases, as set forth in the Development Agreement (that is, [redacted]).

6.11.1 If the imposition or allocation of the Tax Equivalent Rental under Section 6.10 is delayed for any reason, the Lessee shall nevertheless continue to pay the amounts thereof at the rates then in effect subject to retroactive adjustment, with interest on such retroactive adjustment at the Prime Rate, at such time as the Tax Equivalent Rental is imposed or allocated. Notwithstanding notice from the Port Authority to the Lessee with respect to the amount of the Tax Equivalent Rental payable for any period, the amount of Tax Equivalent Rental shall be subject to adjustment in the event that for such period (i) for any Space Tenants,

additional real estate taxes upon which any payment of Tax Equivalent Rental was based is increased or reduced, (ii) the annual per rentable square foot factor is changed, or (iii) the allocation of square feet to the Premises (excluding the Appurtenances) is changed, in each case in accordance with the applicable provisions of this Agreement and the Existing City Agreement; and in such event the Tax Equivalent Rental payable for that period shall be recomputed if such recomputation results in an increase over the amounts theretofore actually paid, and the Lessee shall pay the increase within thirty (30) days of a demand therefor, with interest on such increase at the Prime Rate, and if such change or adjustment results in a decrease over the amounts theretofore actually paid, the Port Authority will credit the Lessee with the amount of such decrease, with interest thereon at the Prime Rate, such credit to be applied to the next installment of Tax Equivalent Rental payable by the Lessee, or, at the Lessee's option, the Port Authority shall pay the amount of such credit to the Lessee within thirty (30) days of a demand therefore.

6.11.2 If a New City Agreement is executed at any time after the Net Lessee Execution Date, other than the 2006 PILOT Agreements, the Lessee may thereafter petition the City of New York to create a separate tax lot or lots for the Premises, and the Port Authority will reasonably cooperate with the Lessee to obtain such designation.

6.11.3 The Lessee shall have the right to institute tax assessment reductions or other actions or proceedings to reduce the assessed valuation of the Premises (a "Tax Contest Proceeding"), upon prior written notice to the Port Authority, provided, however, the Lessee shall not be permitted to engage in a Tax Contest Proceeding if, within thirty (30) days from the date such prior written notice is received by the Port Authority, the Port Authority notifies the Lessee that it plans to institute a Tax Contest Proceeding and the Port Authority conducts such Tax Contest Proceeding with reasonable diligence. The Port Authority shall not settle any such

Tax Contest Proceeding in an intentionally discriminatory manner against the Premises and the premises demised under the Tower Leases vis-à-vis the Non-Net Leased Portion or any premises demised under the Other Leases. The Port Authority and the Lessee shall reasonably cooperate with the other party during a Tax Contest Proceeding, and permit the other to attend hearings, review and comment on applications and submissions, and file petitions protecting its interest, and shall not take a position that may be adverse to the position taken by the party initiating such Tax Contest Proceeding. The Lessee shall not settle any such Tax Contest Proceeding in an intentionally discriminatory manner against the Non-Net Leased Portion or any premises demised under the Other Leases vis-à-vis the Premises and the premises demised under the Tower Leases. If the Lessee is permitted to institute a Tax Contest Proceeding and does institute such action or proceeding, the Lessee shall nevertheless continue to pay, during the pendency of such action or proceeding, the Tax Equivalent Rental otherwise due to the Port Authority for the applicable period.

6.11.4 If the Lessee receives any notice from the City of New York regarding Taxes, PILOT or the imposition of any Governmental Requirement, the Lessee shall promptly, but no later than five (5) days after receipt of any such notice, deliver a copy of such notice to the Port Authority. If the Port Authority elects, in its sole discretion, to contest such notice, the Lessee shall reasonably cooperate with the Port Authority, provided, however, the Lessee shall not contest any Governmental Requirement or Taxes (other than pursuant to a Tax Contest Proceeding).

6.11.5 The Port Authority shall carry out and fully discharge all of its obligations under the City Agreement, or any supplement or amendment thereto, so as (i) to avoid any default thereunder, (ii) to the extent applicable, prevent any Lien on, or foreclosure or

forfeiture of the Lessee's leasehold estate or the Port Authority's fee interest in the Premises and the World Trade Center. In addition, the Port Authority shall not enter into any agreement with the City of New York that would permit the City of New York to file a Lien against the Premises, or would extinguish the Lien of this Agreement, in the event the Port Authority fails to carry out and fully discharge its obligations under the City Agreement or such other agreement.

6.11.6 The Lessee hereby acknowledges that the information provided by the Port Authority to the City of New York to calculate the amounts due under the City Agreement shall not be required to bear any relationship to the determination of Tax Equivalent Rental (including the determination of the "total number of rentable square feet in the Premises" and the "total number of rentable square feet in the World Trade Center").

6.11.7 Tax Equivalent Rental shall be prorated for the periods commencing immediately preceding the Commencement Date and the Expiration Date.

6.11.8 From and after the date on which a court of competent jurisdiction determines, by final, non-appealable judgment, that an Event of Default has occurred, notwithstanding anything contained in Section 6.10 to the contrary, Tax Equivalent Rental shall be payable in equal monthly installments, in arrears, for the balance of the Term.

6.12 If there shall be a dispute as to the arithmetic determination of Tax Equivalent Rental or BID Allocated Share, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45; provided, however, disputes involving the interpretation of the City Agreement, the BID Agreement or this Agreement shall not be subject to arbitration.

6.13 (a) In the event that either (x) there is a final, non-appealable determination (including, without limitation, pursuant to any settlement or agreement entered into by the Port Authority) that Taxes are payable with respect to the Premises, or (y) the Port Authority fails to

challenge an assertion by the City of New York that Taxes are due and payable with respect to the Premises within the time required for such challenge to be made by the Port Authority, effectively resulting in a final, non-appealable determination:

(i) the Port Authority, with the cooperation of the Lessee, shall obtain a separate tax lot designation for the Premises, and the Port Authority shall pay the costs of obtaining such designation;

(ii) the Port Authority shall timely pay all such Taxes in such a manner so as to avoid any imposition of penalties or interest or have a non-payment ripen to a default thereunder, and prevent any sale, foreclosure, forfeiture or other transfer or extinguishment of the Lessee's leasehold estate and/or the Port Authority's fee interest in the Premises and the World Trade Center; and

(iii) in the event the Port Authority fails to timely pay such Taxes (including all interest and penalties thereon) and the Lessee makes such payment, the Lessee shall be permitted to offset such amounts, with interest at the Default Interest Rate, from the date such amounts were required to be paid by the Port Authority, to the date such amounts are offset, against Rental thereafter payable by the Lessee.

(b) The Port Authority shall take any and all actions required to be taken in order to prevent a sale, foreclosure, forfeiture or other transfer or extinguishment of, the Lessee's leasehold estate and/or the Port Authority's fee interest in the Premises and the World Trade Center as a result of a purported "in rem" proceeding or other proceeding to foreclose any Lien for Taxes claimed to be due and owing. The Port Authority shall be liable for, and shall promptly pay, any and all actual losses, damages, liabilities, claims, costs and expenses, interest, penalties, judgments and settlements (including, without limitation, reasonable attorneys' fees

and disbursements), but excluding internal overhead and employee salary costs of the Lessee, incurred by the Lessee and arising from the Port Authority's failure to prevent the sale, foreclosure, forfeiture or other transfer or extinguishment of the Lessee's leasehold estate or the Port Authority's fee interest in the Premises and the World Trade Center in accordance with the provisions of this Section 6.13(b), which amounts payable by the Port Authority shall be no less than the sum of the then outstanding principal amounts of the Senior Mortgage and any Mezzanine/Junior Loan entered into by the Lessee or its Parent (which sum shall not exceed, from and after the Substantial Completion Date, the Total Substantial Completion Date Principal) together with (x) all accrued and unpaid interest thereon, and (y) an amount equal to the then net present value (determined by using a discount factor equal to the then average rate (the "Treasury Rate") on U.S. Treasury obligations, having a maturity the same as the maturity of the Senior Mortgage) of interest on the then outstanding balance of the Senior Mortgage for the balance of the term thereof, calculated at a rate equal to the weighted average interest rate on the Senior Mortgage, less the Treasury Rate plus [redacted]. The provisions of this Section 6.13(b) shall survive the termination of this Agreement if the same shall be as a result of the Port Authority's failure to comply with its obligations under this Section 6.13(b).

6.14 The parties acknowledge that by reason of the ownership by the Port Authority of the Premises, sales and compensating use taxes will not be payable in connection with the purchase or incorporation of materials, fixtures and equipment by the Lessee in connection with Capital Improvements made to the Premises. In furtherance thereof, the Port Authority shall execute and deliver, at no cost or liability to it, such documents or instruments as may then be required by the appropriate governmental entity as a condition for or to evidence entitlement to such exemption, provided, however, that nothing contained herein shall require the Port

Authority to make any application for a ruling with respect to such exemption. Notwithstanding the ownership by the Port Authority of the Premises, the Lessee, except in connection with Capital Improvements to the Premises, shall pay to the governmental entity or entities having jurisdiction over sales and compensating use taxes, amounts equal to the amounts of all sales and compensating use taxes which would be payable, but for such ownership, on the materials, fixtures and equipment purchased for incorporation into or work performed on the Premises in connection with the maintenance of and repairs, restorations, additions, alterations, improvements and replacements to the Premises. Such amounts shall be payable at the times such sales and use taxes would be payable but for such ownership.

6.15 The Lessee shall neither take nor publish any position which is inconsistent with the rights and jurisdiction of the Port Authority as set forth and established in the World Trade Center Legislation for the effectuation of the World Trade Center.

6.16 Notwithstanding anything to the contrary contained herein, the Lessee shall not, without the express written consent of the General Counsel of the Port Authority, raise or take any action in any matter or proceeding concerning any issues involving in any way the jurisdiction of any tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officer, agents or employees, the governmental nature of the Port Authority and the provisions of any statutes with respect to suits against the Port Authority, or the immunity from taxes of (x) the Port Authority or (y) the bonds, notes or other obligations of the Port Authority.

6.17 Notwithstanding anything contained to the contrary in this Section 6, performance of the obligations set forth in Sections 6.2, 6.3 and 6.4 by the Net Lessees' Association shall be deemed performance of such obligations by the Lessee.

6.18 The Port Authority shall have the right to adopt security guidelines for the World Trade Center (the "Security Guidelines"), subject however to the provisions of this Section 6.18.

6.18.1 In the event that the Security Guidelines shall contain security standards that are in excess of (i) the then prevailing first-class high-rise building construction security requirements, prior to Substantial Completion, or (ii) the then prevailing security standards in Comparable Buildings, from and after Substantial Completion, then, in such case, no such Security Guidelines shall be adopted unless same shall be recommended by a professional third-party security expert involved in the security planning of the World Trade Center (such standards in excess of the requirements and standards contained in clauses (i) or (ii) of this sentence, as applicable, are collectively called "Additional Security Requirements").

6.18.2 The Port Authority shall apply and enforce the Security Guidelines non-discriminatorily among all stakeholders and all buildings within the World Trade Center, provided, however, that the Lessee acknowledges that the Security Guidelines may specify that certain requirements thereof that are applicable to the Lessee and the Building are not applicable to non-office stakeholders and buildings at the World Trade Center, and the Lessee agrees that, provided that comparable mixed use projects contain similar differences in applicability of security requirements among office and non-office stakeholders, such differences in applicability at the World Trade Center shall not constitute discrimination by the Port Authority.

6.18.3 The Port Authority shall keep the Lessee apprised of any security requirements that the Port Authority shall desire to adopt as part of the Security Guidelines, and, if and to the extent practicable, the Port Authority shall provide the Lessee with at least thirty (30) days written notice describing said security requirements prior to adopting same; provided, however that the Port Authority shall be permitted to condition said advance delivery of

proposed security requirements on the execution by the Lessee of a confidentiality agreement in form and substance reasonably acceptable to the Lessee and the Port Authority.

6.18.4 The Tower Project has been designed to comply with the World Trade Center site-wide Security Risk Analysis and Security Design Criteria dated October 1, 2004 (the "SRA") that is referenced in the letter dated July 5, 2005 from the Senior Advisor to the Governor for Counter Terrorism to the Port Authority and World Trade Center Properties LLC. If and to the extent that standards or requirements in addition to or in excess of the standards and requirements set forth in the SRA shall be imposed on the design or construction of the Tower Project, such additional or excess standards or requirements shall constitute "Additional Security Requirements" and the cost thereof shall be borne by the Port Authority.

6.18.5 Without limiting the generality of the provisions of Subsections 6.18.1 through 6.18.4 above, prior to Substantial Completion:

(a) The Lessee shall be responsible at its entire cost for security within Site 4 in accordance with the then prevailing first-class building construction security requirements. In the event that the Port Authority shall adopt the Security Guidelines prior to Substantial Completion, (i) the Port Authority shall be responsible for the entire cost and expense of the purchase, installation and operation of any security features that then constitute Additional Security Requirements, and (ii) if and to the extent that the implementation of the Additional Security Requirements shall result in a delay in the Substantial Completion of the Tower Project, any such delay shall be deemed to be an Unavoidable Delay (as defined in the Development Agreement) under the Development Agreement, provided however, the Port Authority shall not be responsible for or reimburse Lessee for any increased project costs resulting or arising from any such delay or from compliance with the Additional Security Requirements.

(b) Subject to the provisions of Section 6.18.5(a), the Lessee shall not be responsible for the cost of any security outside of Site 4, including, without limitation, the World Trade Center site-wide perimeter fencing, badging, and security checking for access to the World Trade Center site.

6.18.6 Without limiting the generality of the provisions of Subsections 6.18.1 through 6.18.4 above, from and after Substantial Completion:

(a) The Lessee shall be responsible at its entire cost for security within the Building in accordance with the Security Guidelines. However, in the event that the Security Guidelines shall not have been adopted prior to Substantial Completion, then, in such case, until such time as the Security Guidelines are adopted, the Lessee shall be responsible at its entire cost for security within the Building consistent with the then prevailing security standards in Comparable Buildings.

(b) Subject to any reimbursement obligation of the Lessee to the Net Lessees' Association pursuant to the REOA with respect to security in the East Bathtub Common Areas, the Lessee shall not be responsible for the cost of security in any areas of the World Trade Center outside of the Building.

6.18.7 The Port Authority will exercise all reasonable efforts to cause Security Guidelines for the construction period with respect to vehicular access to the Tower Project, delivery of materials to the Tower Project, construction access to the Tower Project, and the like -- whether developed and/or implemented by the Port Authority itself, by the Lower Manhattan Construction Command Center ("LMCCC"), or by other governmental agencies -- to be imposed and enforced in a manner that (x) is non-discriminatory as among all World Trade Center stakeholders and as between reconstruction of the World Trade Center and other major

projects being built in the area of LMCCC jurisdiction , (y) causes as few delays and complexities as practicable and minimizes disruption of and interference with materials deliveries and construction activities, and (z) provides for vehicle checking as close as practicable to the Tower Project.

Section 7. Sale, Assignment or Transfer.

7.1 Except as otherwise provided in this Agreement (including, without limitation, the provisions of Subsections 7.1.1, 7.1.2 and 7.1.3, and the provisions of Section 8), the Lessee covenants and agrees that (i) it will not sell, assign, transfer, mortgage, pledge, hypothecate, encumber or in any way, convey or dispose of, whether by operation of law or otherwise, this Agreement, or all of the Lessee's right, title and interest in the Premises (a "Direct Assignment"), (ii) the issued or outstanding capital stock of any corporation which, directly or indirectly, is the general partner or managing member of the Lessee shall not be sold, assigned or transferred if the same shall result in a Change of Control, (iii) additional stock in any such corporation shall not be issued if the issuance of additional stock will result in a Change of Control of the stock ownership of such corporation, (iv) no general partner's interest in the Lessee shall be sold, assigned or transferred, (v) no managing member's interest in the Lessee shall be sold, assigned or transferred, and (vi) it shall not sublet the Premises, other than for occupancy, as an entirety or substantially as an entirety, other than to a Related Entity as herein permitted (such transactions being hereinafter collectively referred to as an "Assignment", and the party to such transaction which is not the Lessee being hereinafter referred to as an "Assignee") without the prior written consent of the Port Authority. The sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any limited partnership or non-managing member interest shall not be deemed an "Assignment" for the purposes of this Agreement. The Port

Authority shall not act in an arbitrary, capricious or unreasonable manner when determining whether or not to consent to a proposed Assignment by the Lessee, and it shall be arbitrary, capricious and unreasonable for the Port Authority to withhold its consent to any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any direct or indirect interest in the general partner or managing member of the Lessee to any entity that qualifies (or has equity holders, direct or indirect, which qualify) as an Institutional Investor. Any permitted Direct Assignment by the Lessee shall be deemed an assignment under the REOA. In each of clauses (iv) and (v) above, a partial interest may be sold assigned or transferred as long as there is no Change of Control.

7.1.1 Notwithstanding any of the provisions of this Section 7.1 or Section 7.13 to the contrary, each of the following events shall not be deemed an Assignment for the purposes hereof, even if such event would have otherwise constituted an Assignment for the purposes of this Section 7.1: (i) if the managing member or general partner of the Lessee, or its direct or indirect equity owner, is a Publicly Held Entity, the trading of the stock of such Publicly Held Entity or of the issuance or transfer of the operating partnership units of any operating partnership in which such Publicly Held Entity owns a majority of the operating partnership units, (ii) the sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any interest in the Lessee's Parent, or in any person or entity which directly or indirectly owns a beneficial interest in the Lessee's Parent, to (x) a Person or Persons in each of which the Lessee and/or one or more Related Entities of the Lessee have in the aggregate at least a [redacted] interest and in which the remaining interests are owned by the officers, directors and/or employees of the Lessee or of any such Affiliates of the Lessee (a "Beneficial Transfer"), or (y) a joint venture (which term shall include a partnership, limited

liability company or tenancy-in-common) in which the Lessee and/or one or more Related Entities have in the aggregate at least a [redacted] interest and are the managing joint venturers, (iii) any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any interest in the general partner or managing member of the Lessee to an immediate family member of a member, partner or shareholder of such general partner or managing member, to a trust (inter-vivos or testamentary) for the benefit of an immediate family member of a member, partner or shareholder of the general partner(s) or managing member(s), or to the estate of a member, partner or shareholder of the Lessee, or its direct or indirect equity owners, or to an entity established by the general partner(s) or managing member(s), or its direct or indirect equity owners (as used herein, the term "immediate family member" shall mean: spouse; parents and grandparents; siblings; children and grandchildren (including adopted children or grandchildren)), or to an employee of a member, partner or shareholder of the Lessee, provided such transfer to an employee does not exceed twenty percent (20%) of the interest in such general partner or managing member of the Lessee, (iv) any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any direct or indirect interest in the Lessee which does not result in a Change of Control; (v) any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any direct or indirect interest in the Parent to any Person that qualifies as an Institutional Investor; (vi) any sale, assignment, transfer, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any direct or indirect interest in the general partner or managing member of the Lessee or in the Parent to any Person, after a Privatization, (vii) the transfer of the Lessee's direct or indirect leasehold interest in the Premises to a Mortgagee by foreclosure, assignment-in-lieu of foreclosure or otherwise and the subsequent sale by such

Mortgagee of such interest in the Premises; provided, however, that in any event, the Lessee hereunder must continue to meet the criteria set forth in Section 7.3, (viii) the sale, assignment, transfer or conveyance of any interest in an entity (or an entity which has an interest in such entity) which has a direct or indirect interest in the Lessee, provided that the value of such entity's direct or indirect interest in the Premises constitutes less than [redacted] of the value of all assets owned, directly or indirectly, by such entity, (ix) a disposition or dilution of a direct interest in the Lessee, provided such disposition or dilution results from the exercise of remedies pursuant to the organizational documents of the holders of such direct interest in the Lessee following a default by the holder of such direct interest in the Lessee under such applicable organizational documents, and (x) a Corporate Transaction.

7.1.2 Notwithstanding any of the provisions of this Section 7.1 or Section 7.13 to the contrary, the Lessee shall have the right to enter into a Direct Assignment with a Related Entity, as an Assignee, provided, however, that such Direct Assignment shall not be effective until an agreement in the form annexed hereto as "Exhibit F" (an "Assignment and Assumption Agreement") has been executed by the Lessee, the proposed Assignee, and, except as hereinafter provided, the Port Authority. Subject to the provisions of this Section 7.1, the Port Authority's consent as herein stated shall be effective only as long as the proposed Assignee maintains the relationship to the Lessee as described in this Subsection 7.1.2.

7.1.3 Notwithstanding any of the provisions of this Section 7.1 to the contrary, the Lessee shall have the right to enter into a Direct Assignment with a Person which is not a Related Entity, if the proposed Assignee, or the entity which controls the proposed Assignee, meets the criteria set forth in the definition of Institutional Investor; provided, however, that such Direct Assignment shall not be effective until an Assignment and Assumption

Agreement has been executed by the Lessee, the proposed Assignee, and, except as hereinafter provided, the Port Authority.

7.1.4 The Lessee shall submit a written request to the Port Authority for its execution of an Assignment and Assumption Agreement as may be required pursuant to Subsections 7.1.2 or 7.1.3 or for its consent to any other Assignment. Upon written request from the Port Authority, which request must be received by the Lessee within ten (10) days from the date of the Port Authority's receipt of the request in the immediately preceding sentence, the Lessee shall submit documentation reasonably necessary to allow the Port Authority to determine whether the proposed Assignee fulfills the conditions set forth herein. The Port Authority shall either execute the Assignment and Assumption Agreement or grant such consent, or notify the Lessee that it will not execute any such Assignment or grant such consent (which notice shall provide the basis therefor in reasonable detail), within fifteen (15) Business Days of the later to occur of its receipt of (i) a written request from the Lessee, or (ii) documentation reasonably necessary to allow the Port Authority to determine whether the proposed Assignee fulfills the conditions set forth herein (provided such documentation was requested within the ten (10) day period set forth above), and if the Port Authority does not respond within such fifteen (15) Business Day period, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute the Port Authority's approval to such request. In the event of such deemed approval by the Port Authority, the Assignment and Assumption Agreement shall be effective without the Port

Authority's execution thereof. Upon request from the Lessee, the Port Authority shall pre-approve a proposed Assignee in anticipation of a future Assignment, which approval shall be given or withheld in accordance with the procedures and time frames set forth above.

7.2 In the event of a Direct Assignment pursuant to the provisions of Subsection 7.1.3, the assignor of such Direct Assignment shall be relieved of all liabilities and obligations under this Agreement accruing from and after the effective date of such Direct Assignment. Subject to the provisions of Section 16, nothing contained herein shall be construed to relieve the assignor under such Direct Assignment from any liability or obligation under this Agreement which shall have accrued on or prior to the effective date of such Direct Assignment.

7.3 Except as otherwise provided in Section 8, in the event of any sale, assignment, conveyance, or other disposition, pledge, hypothecation, or encumbrance of any interest in the Lessee to any Person which will, directly or indirectly, own [redacted] or more of the beneficial interests in the Lessee, in the aggregate, such Person shall not create any conflict of interest as defined under the Public Officers Law of the State of New York between any Commissioner of the Port Authority and itself or its chief executive officer, chief operating officer, chief financial officer, president, chairman of the board, or any person or entity which Controls, is Controlled By, or is Under Common Control With it, and neither its chief executive officer, chief operating officer, chief financial officer, president, chairman of the board, nor any person or entity which Controls, is Controlled By, or is Under Common Control With it shall have been convicted of or be under indictment for any crime indicative of a lack of business integrity, or shall have been convicted of or be under indictment in criminal anti-trust or criminal fraud litigation at the time such event occurs.

7.4 No Assignment of an interest in the Lessee, its managing member(s) or general partner(s) shall be effective if, on the effective date thereof, (i) the Lessee hereunder and its managing member(s) and/or general partner(s) (if and to the extent required pursuant to Section 23 below) shall not remain Single Purpose Entities (evidence of which shall be provided by the Lessee to the Port Authority, including, but not be limited to, a Non-Consolidation Opinion reasonably satisfactory to the Port Authority), (ii) subject to the rights of a Mortgagee under Section 8, an Event of Default has occurred and is continuing, or (iii) this Agreement is not in full force and effect. The provisions of clause (i) of this Section 7.4 shall not be effective if and for so long as it is not customary in mortgage-backed securities transactions that borrowing entities be required to satisfy Single Purpose Entity or similar criteria.

7.5 Nothing contained herein shall be deemed to affect or limit the Lessee's right to enter into Space Leases for the use and occupancy of portions of the Premises in accordance with the provisions of Section 9 of this Agreement.

7.6 Nothing contained herein shall be deemed to affect the Lessee's obligation to retain, or the Lessee's right to retain, a Permitted Manager pursuant to Section 10 of this Agreement.

7.7 Any Assignment not made in accordance with this Section 7, or the provisions of Section 8, shall be null and void ab initio and of no force or effect, to the extent permitted by law.

7.8 The Lessee shall pay all reasonable costs and expenses incurred by the Port Authority in connection with any Assignment made in accordance with this Section.

7.9 If, without the prior written consent of the Port Authority, where such consent is required by the terms hereof, the Lessee assigns, sells, conveys, transfers, or sublets the entire

Premises in violation of this Section, or if all or substantially all of the Premises are occupied by anybody other than the Lessee except as otherwise expressly permitted pursuant to the terms of this Agreement, including, but not limited to, Sections 8 and 9, and provided an Event of Default shall occur and be continuing, the Port Authority may collect all sums, charges and fees, including rental from any assignee, sublessee or anyone who claims a right under this Agreement or letting or who occupies the Premises; provided, however, no such collection shall be deemed a waiver by the Port Authority of the covenants contained in this Section or an acceptance by the Port Authority of any such assignee, sublessee, claimant or occupant as the Lessee, nor a release of the Lessee by the Port Authority from the further performance by the Lessee of the covenants contained herein.

7.10 Any consent by the Port Authority under this Section 7 shall apply only to the specific transaction thereby authorized and shall not relieve the Lessee from the requirement of obtaining any prior consent of the Port Authority which may be required under this Section 7 to any further Assignment.

7.11 If there is a dispute as to the determination as to whether a Person qualifies as an Institutional Investor, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

7.12 Upon the request of the Lessee, the Port Authority shall consider permitting the transfer of a portion of a Building to another Person (including by submission of the Lessee's interest under this Agreement to Article 9-B of the New York Real Property Law (Condominium Act) and the transfer of a condominium unit comprised of a portion of Lessee's interest in the Building). Any such arrangement shall be subject to such terms and conditions as the Port Authority may require, in its sole and absolute discretion. In the event the Port Authority

consents to such transfer, the Port Authority shall reasonably cooperate with the Lessee in the Lessee's efforts to cause a tax lot subdivision to be formed.

7.13 Notwithstanding any of the provisions of this Agreement to the contrary, but subject to the provisions of Subsections 7.1.1 and 7.1.2 and Section 8.1 below, prior to the Substantial Completion Date, Lessee shall not make an Assignment to a Person that is not a Qualified Developer.

Section 8. Mortgages.

8.1 Notwithstanding any restrictions on Assignment pursuant to Section 7, subject to the terms and conditions set forth in this Section 8, the Lessee (or a holder of a direct or indirect interest in the Lessee), from time to time, shall have the right to place one or more Mortgages on the Premises (or on direct or indirect interests in the Lessee), the Lessee's interest in the REOA, revenue from its direct or indirect interest in the Premises and the Space Leases, except if at such time (i) an Event of Default has occurred and is continuing, or (ii) this Agreement is not in full force and effect. Notwithstanding any restrictions on Assignment pursuant to Section 7, partnership, membership, stock and other equity interests in the Lessee and in any Person having a direct or indirect interest therein may be pledged or a security interest granted to an Institutional Investor, provided the Person(s) having Control of the Lessee and its managing member(s) or general partner(s), as applicable, shall each continue to qualify as an Institutional Investor and, in the event of a foreclosure of such interests or other exercise of remedies by the Institutional Investor, the Person(s) having Control of the Lessee and its managing member(s) or general partner(s), as applicable, shall qualify as an Institutional Investor.

8.2 No Mortgage or any extension thereof made by the Lessee shall be a Lien or encumbrance upon the estate or interest of the Port Authority, as fee owner in and to the Premises or any part thereof.

8.3 At least fifteen (15) Business Days prior to the proposed effective date of the Mortgage, the Lessee shall notify the Port Authority in writing of the following: (i) the name and post office address of the proposed Mortgagee, (ii) setting forth, in reasonable detail, how and the reasons why such proposed Mortgagee qualifies as an Institutional Investor, and (iii) the principal amount to be secured by the proposed Mortgage. Within fifteen (15) Business Days of the Port Authority's receipt of such written notice from the Lessee, the Port Authority shall deliver a notice to the Lessee that the proposed Mortgagee complies with the requirements of this Section 8 (the "Qualification Notice"), or a notice setting forth in reasonable detail why the Port Authority has determined that such proposed Mortgagee does not comply with the requirements set forth in this Section 8 or that the Port Authority reasonably requires additional documentation to make such determination. If the Port Authority does not respond within fifteen (15) Business Days after receipt of such written notice from the Lessee, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute the Port Authority's approval of such Mortgagee and delivery of a Qualification Notice. The Port Authority is deemed to be a Mortgagee for so long as the Tenant Support Mortgage shall be in effect and the Port Authority shall be the mortgagee thereunder, and no

Qualification Notice shall be required under this Section 8.3 with respect to the Tenant Support Mortgage.

8.4 A Mortgage shall be valid and in force and effect only on the condition that (a) a true copy of each instrument creating and effecting such Mortgage, certified by the Mortgagee and the Lessee (or other Person granting such Mortgage) to be a true and correct copy of such instrument, shall have been delivered to the Port Authority within ten (10) Business Days after such Mortgage has been executed and delivered by the Lessee (or other Person granting such Mortgage) to the Mortgagee, (b) the Port Authority has delivered or is deemed to have delivered, in accordance with Section 8.3 above, a Qualification Notice, and (c) with respect to Mortgages which encumber the Lessee's interest in the Premises only, such Mortgage contains, in substance, the following provision: this mortgage is executed upon the conditions that no purchaser at any foreclosure sale or assignee under an assignment-in-lieu of foreclosure shall acquire any right, title or interest in or to the Agreement and the REOA, unless the said purchaser or assignee, or the person, firm or corporation to whom or to which such purchaser's or assignee's right has been assigned, shall in the instrument transferring to such purchaser or to such assignee the interest of the Lessee under the Agreement and the REOA, assume and agree to perform all of the terms, covenants and conditions of the Agreement and the REOA thereafter to be observed or performed on the part of the Lessee, subject to the limitation of liability as provided in the Agreement and the REOA (and the provisions set forth therein), that no further or additional mortgage or assignment of the Agreement and the REOA shall be made except in accordance with Section 7 or Section 8 of the Agreement, and that a duplicate original of said instrument containing such assumption agreement, duly executed and acknowledged by such purchaser or such assignee and in recordable form, shall be delivered to the Port Authority under

the Agreement and the REOA promptly after the consummation of such sale, or, in any event, within one (1) Business Day of taking possession of the premises demised thereby. The Tenant Support Mortgage is deemed to be a Mortgage for so long as the Tenant Support Mortgage shall be in effect, and the Port Authority and the Lessee acknowledge that the Tenant Support Mortgage complies with the requirements set forth in the foregoing clauses (a) and (b) of this Section 8.4.

8.4.1 Notwithstanding anything contained in the Mortgage, the rights of the Mortgagee shall (i) be subject and subordinate to the terms, covenants, conditions and provisions set forth herein and (ii) with respect to Mortgages which encumber the Lessee's interest in the Premises only, be subject to the terms of the REOA. The terms, covenants, conditions and provisions of this Agreement shall govern as between the Port Authority, the Lessee, and the Mortgagee, and in the event of any inconsistency between the terms, covenants, conditions and provisions of this Agreement and the terms, covenants, conditions and provisions of the Mortgage, the terms, covenants, conditions, and provisions of this Agreement shall control. Notwithstanding any provisions of any Mortgage to the contrary, with respect to Mortgages which encumber the Lessee's interest in the Premises only, the Lessee for all purposes shall be deemed to be the Lessee hereunder unless and until the applicable Mortgagee or the nominee or purchaser at foreclosure or assignment-in-lieu or otherwise, as the case may be, shall have acquired the Lessee's interest herein or a new lease has been executed pursuant to Section 8.6 below, as the case may be. Any such Mortgage shall make reference to the provisions of this Agreement and shall provide that the Mortgage and the rights of the Mortgagee thereunder are and shall be in all respects subject hereto, and to the provisions hereof, including, but not limited to, the provisions set forth in Sections 15 and 42.

8.4.2 If any approval or consent by the Port Authority is sought or obtained hereunder, such approval or consent shall apply only to the specific transaction thereby authorized and the fact that the Port Authority has given its approval to such transaction shall not relieve the Lessee or the Mortgagee from the requirement of obtaining the approval or consent of the Port Authority to a subsequent transaction, if the Port Authority's approval or consent to such subsequent transaction is required.

8.4.3 In the event of a new lease or a foreclosure or assignment-in-lieu of foreclosure or other exercise of similar remedies pursuant to which the Mortgagee acquires the Lessee's interest in the Premises (or acquires a direct or indirect interest in the Lessee), the Mortgagee shall be deemed to qualify as an Institutional Investor. In addition, any Mortgagee shall be permitted, without the prior consent of the Lessee or the Port Authority, to syndicate, assign or participate, in whole or in part, its Mortgage to any other Person, provided such Person qualifies as an Institutional Investor at the time of such syndication.

8.5 If the Lessee shall mortgage this Agreement (or if a holder of a direct or indirect interest in the Lessee shall pledge or otherwise collateralize such direct or indirect interests) in compliance with the provisions of this Section 8, the Port Authority shall give to each Mortgagee, at the address of such Mortgagee set forth in the notice mentioned in Section 8.3 or as otherwise provided in writing to the Port Authority, a copy of each notice of default delivered by the Port Authority to the Lessee and each notice of termination of this Agreement at the same time as, and whenever, any such notice of default or notice of termination shall thereafter be given by the Port Authority to the Lessee, and no such notice of default or notice of termination by the Port Authority shall be deemed to have been duly given to the Lessee unless and until a copy thereof shall have been so given to such Mortgagee. If the Lessee fails to cure any default

within the applicable notice and grace periods, the Mortgagee(s) (i) shall thereupon have one (1) period of ten (10) Business Days more in the case of a default in the payment of Rental, and thirty (30) days more in the case of any other default (after notice of the failure of the Lessee to cure such default is given to Mortgagee following the expiration of the Lessee's cure period) than is given to the Lessee to cure such default, which periods are in addition to the cure periods given to the Lessee hereunder, and (ii) shall, within such period and otherwise as herein provided, have the right to cure such default or cause the same to be cured by the Lessee or otherwise. The Port Authority shall accept performance by a Mortgagee of any covenant, condition, or agreement on the Lessee's part to be performed hereunder with the same force and effect as though performed by the Lessee.

8.5.1 Notwithstanding anything contained in this Agreement, no Event of Default shall be deemed to exist as long as a Mortgagee, in good faith, (i) shall have commenced, promptly after notice of the failure of the Lessee to cure a default is given to the Mortgagee, to cure the default in question (provided Mortgagee is not prohibited from curing such default pursuant to the terms of this Agreement) and prosecutes the same to completion with reasonable diligence and continuity, subject to Unavoidable Delays, which for the purposes of this Subsection 8.5.1 shall include causes reasonably beyond the control of such Mortgagee instead of causes beyond the control of the Lessee, (ii) if possession of the Premises is required in order to cure the default in question, (x) shall have entered into possession of the Premises with the permission of the Lessee for such purpose or (y) shall have notified the Port Authority of its intention to institute foreclosure proceedings or other action(s) to obtain possession (or acquire the interest pledged to the Mortgagee pursuant to the Mortgage) directly or through a receiver, and within thirty (30) days of the giving of such notice (subject to Unavoidable Delays)

commences such foreclosure proceedings or other action(s), and thereafter (1) prosecutes such proceedings or other action(s) with reasonable diligence and continuity (subject to Unavoidable Delays) or (2) receives an assignment of this Agreement or such interest in lieu of foreclosure or otherwise from the Lessee in accordance with Section 7, and, upon obtaining possession (or acquiring such interest) pursuant to clause (x) or (y), commences promptly to cure the default in question and prosecutes the same to completion with reasonable diligence and continuity (subject to Unavoidable Delays), or (iii) determines that the non-monetary default in question is not susceptible of being cured by the Mortgagee and any such default will be deemed fully waived by the Port Authority except as it relates to the Lessee; provided that, except in the case of clause (iii) above, the Mortgagee shall have delivered to the Port Authority, in writing, its agreement to take the action described in clause (i) or (ii) herein and shall have assumed the obligation to cure the default in question and that during the period in which such action is being taken (and any foreclosure proceedings or other action(s) are pending), all of the other obligations of the Lessee under this Agreement, to the extent they are susceptible of being performed by the Mortgagee without possession of the Premises (or the ownership of the interest pledged to the Mortgagee pursuant to the Mortgage) and without Lessee's permission to enter thereon, are being duly performed within any applicable grace periods (subject to any extensions expressly provided for in this Section 8). Payments by the Mortgagee made to cure defaults alleged by the Port Authority shall not diminish the right of the Mortgagee hereunder to contest the validity of such payments. At no time, however, shall the Mortgagee be obligated or required to discharge any liens which are junior in lien priority to its Mortgage. However, at any time after the delivery of the aforementioned agreement, the Mortgagee may notify the Port Authority, in writing, that it has relinquished possession of the Premises (or its collateral interest in the interest pledged to the

Mortgagee pursuant to the Mortgage) or that it will not, in connection with such default, institute foreclosure proceedings or an action to gain possession of the Premises (or the ownership of the interest pledged to the Mortgagee pursuant to the Mortgage) or for the appointment to a receiver, or, if any such actions has been commenced, that it has discontinued them, and in such event, the Mortgagee shall have no further liability under such agreement from and after the date it delivers such notice to the Port Authority (except for any obligations assumed by the Mortgagee and accruing prior to the date it delivers such notice), and, thereupon, the Port Authority shall have the unrestricted right to terminate this Agreement (subject to Section 8.6 below) and to take any other action permitted hereunder that it deems appropriate by reason of any default by the Lessee.

8.5.2 The Port Authority and the Lessee agree that, from and after the date upon which the Port Authority receives the notice and documents set forth in Section 8.4, they shall not modify or amend this Agreement in any respect or cancel or terminate this Agreement, and the Port Authority shall not accept any surrender of the Premises, other than as provided in this Section 8, without the prior written consent of the Mortgagees which have given such notice.

8.5.3 Except as provided in Section 8.5.1 and subject to Section 16, no Mortgagee shall become liable under the provisions of this Agreement unless and until such time as it becomes, and then only for the period that it remains, the owner of the leasehold estate created hereby, and then subject to any limitations on liability set forth in this Agreement. The liability of the Mortgagee shall be limited to its interest in this Agreement and the Premises.

8.5.4 Each Mortgagee shall provide to the Port Authority, at the address provided herein or as otherwise provided in writing to the Mortgagee, a copy of each notice of monetary default required to be delivered by the Mortgagee to the Lessee at the same time as,

and whenever, any such notice of monetary default shall thereafter be given by the Mortgagee to the Lessee, and no such notice of default or notice of termination by the Mortgagee shall be deemed to have been duly given to the Lessee unless and until a copy thereof shall have been so given to the Port Authority. In the event that any Mortgage does not require the Mortgagee to deliver a notice of monetary default to the Lessee, any such Mortgagee shall provide to the Port Authority, at the address provided herein or as otherwise provided in writing to the Mortgagee, a notice (a "Special Notice") of any such monetary default. If the Lessee fails to cure any such monetary default within the applicable notice and grace periods, if any, provided in the Mortgage, the Port Authority (i) shall thereupon have one (1) period of one (1) Business Day after notice of the failure of the Lessee to cure such default is given to the Port Authority following the expiration of the Lessee's cure period, if applicable, or after the Special Notice is given to the Port Authority to cure such default, which period is in addition to the cure periods, if any, given to the Lessee thereunder, and (ii) shall, within such period and otherwise as therein provided, have the right, but no obligation, to cure such default or cause the same to be cured by the Lessee or otherwise. The Mortgagee shall accept performance by the Port Authority on the Lessee's part to be performed hereunder with the same force and effect as though performed by the Lessee.

8.6 In case of termination of this Agreement by reason of any Event of Default or for any other reason, including, but not limited to, rejection or disaffirmance of this Agreement in connection with a bankruptcy, insolvency or similar proceedings by or against the Lessee, the Port Authority shall give prompt notice thereof to each Mortgagee under a Mortgage made in compliance with the provisions of this Section 8, which notice shall be given as provided in Section 8.5 hereof. The Port Authority, on written request of such Mortgagee made any time

within forty-five (45) days after the giving of such notice by the Port Authority, shall execute and deliver within thirty (30) days thereafter a new lease of the Premises to the Mortgagee, or its designee or nominee, for the remainder of the Term, upon all the covenants, conditions, limitations and agreements herein contained, provided that the Mortgagee or its assignee or designee (i) shall pay to the Port Authority, simultaneously with the delivery of such new lease, all unpaid Rental due under this Agreement up to and including the date of the commencement of the term of such new lease and all expenses including, without limitation, reasonable inside and outside attorneys' fees and disbursements and court costs, incurred by the Port Authority in connection with the default by the Lessee, the termination of this Agreement and the preparation of the new lease, and (ii) shall deliver to the Port Authority a statement, in writing acknowledging that the Port Authority, by entering into such new lease with the Mortgagee or its designee or nominee, (A) shall not have or be deemed to have waived any rights or remedies with respect to defaults existing under this Agreement, except those non-monetary defaults that are not reasonably susceptible to cure by the new lessee, notwithstanding that any such obligations existed prior to the execution of the new lease, and (B) that the breached obligations which gave rise to the defaults and which are reasonably susceptible of being cured by the new lessee are also obligations under said new lease, but such statement shall be subject to the provision that the applicable grace periods, if any, provided under the new lease for curing such obligations shall begin to run as of the first day of the term of said new lease, and (C) certifying to the Port Authority that the lessee under the new lease is a Single Purpose Entity, as of the date of the new lease, together with evidence reasonably satisfactory to the Port Authority, including, but not limited to, a Non-Consolidation Opinion reasonably satisfactory to the Port Authority. A Mortgagee shall be a third-party beneficiary of this Section 8.6.

8.6.1 Any such new lease and the leasehold estate thereby created shall, subject to the same conditions contained in this Agreement, continue to maintain the same priority as this Agreement with regard to any Mortgage or any other Lien, charge or encumbrance whether or not the same shall then be in existence. Concurrently with the execution and delivery of such new lease, the Port Authority shall assign and, to the extent held by the Port Authority, pay over to the lessee named therein all of its right, title and interest in and to (i) moneys (including, without limitation, (A) rents and other monies collected by the Port Authority from the Space Tenants which have not been applied to Rental and the costs incurred by the Port Authority to operate, maintain and repair the Premises, and (B) insurance and condemnation proceeds which have not been applied to the costs incurred by the Port Authority to restore the Premises), if any, then held by or payable to the Port Authority or Depository which the Lessee would have been entitled to receive but for termination of this Agreement or the Port Authority's exercise of its rights upon the occurrence of an Event of Default, and any sums then held by or payable to Depository shall be deemed to be held by or payable to it as Depository under the new lease, and (ii) any permits, licenses or other agreements that are necessary to use or operate the Premises and are not otherwise assigned to the lessee named in such new lease pursuant to the terms of the new lease. The Port Authority shall, upon request, quitclaim any personal property located at the Premises to the lessee named in such new lease.

8.6.2 Upon the execution and delivery of a new lease under this Section 8.6, all Space Leases which theretofore may have been assigned to the Port Authority (or with respect to which the related Space Tenant shall have attorned to the Port Authority) thereupon shall be assigned and transferred, without recourse, representation or warranty, by the Port Authority to the lessee named in such new lease. From the date the Port Authority receives written

notification from the Mortgagee of its intention to cure defaults pursuant to Section 8.5.1, to the date of execution and delivery of the new lease, if a Mortgagee shall have requested such new lease as provided in this Section 8.6, the Port Authority shall not enter into any new Space Leases, cancel or modify any then existing Space Leases or accept any cancellation, termination or surrender thereof (unless such termination shall be effected as a matter of law on the termination of this Agreement) without the written consent of the Mortgagee, except as permitted in the Space Leases.

8.6.3 If there is more than one Mortgage, the Port Authority shall recognize the Mortgagee exercising rights afforded by this Section 8 whose Mortgage is most senior in lien as the Mortgagee entitled to the rights afforded by this Section 8 and as otherwise provided under this Agreement (unless a Mortgage junior in lien or a Mortgagee that is not the holder of a Mortgage requires that the holder thereof have a superior entitlement to such rights, and all of the Mortgagee(s) senior in lien shall agree in writing to such request, in which event such recognition shall be of the holder of that Mortgage), provided that such Mortgagee shall have complied with the provisions of Sections 8.3 and 8.4 hereof.

8.7 Except in accordance with the provisions of this Section 8, the Lessee shall not mortgage the Lessee's interest in the Premises in whole or in part. Except in connection with a Mortgage or an Equipment Lease, no security interest with respect to goods, equipment, appliances, or articles of personal property now attached to or used or to be attached to or used in connection with the Premises will be created, or cause to be created, by the Lessee under the provisions of the Uniform Commercial Code of New York. The Lessee may enter into leases with and create security interests in favor of Persons, other than Related Entities, with respect to goods, equipment, appliances, or articles of personal property now attached to or used or to be

attached to or used in connection with the Premises (an "Equipment Lease"), provided, except with respect to Equipment Leases entered into as part of the financing of the initial construction of the Building, the payments thereunder shall not exceed, in the aggregate, an amount equal to two percent (2%) of Gross Revenues attributable to the Annual Period during which such Equipment Lease is executed, per annum.

8.8 Nothing herein shall be deemed to preclude the Port Authority from bidding for the Lessee's interest in the Premises at any sale, public or private, pursuant to a judgment of foreclosure or in lieu of foreclosure and thereby becoming the owner of the Lessee's interest in the Premises free from any claims, equities or rights of redemption of the Lessee.

8.9 No sale, transfer or assignment by the Lessee of its interest in this Agreement to the Port Authority, or by the Port Authority of its interest in the Premises to the Lessee, shall create a merger between the estates of the Port Authority and the Lessee unless the Port Authority, the Lessee and each Mortgagee shall specifically consent to such merger in writing, nor shall any such sale, transfer or assignment be deemed to affect or diminish the liabilities of the Lessee named in this Agreement, whether for survived damages (subject to the provisions of Section 16 hereof) or otherwise.

8.10 Each Mortgagee shall have the right to appear in any property insurance settlement, appraisal, arbitration or condemnation or other proceedings arising under this Agreement and to participate in any and all hearings, trials and appeals in connection therewith, except with respect to claims relating to events occurring prior to the Net Lessee Execution Date.

8.11 The Port Authority hereby expressly authorizes any Mortgagee to exercise the Right of First Offer, either on behalf of the Lessee or on its own behalf, and the Port Authority

shall recognize and accept such exercise by the Mortgagee, if, and to the extent, so provided in such Mortgagee's Mortgage.

8.12 As to the matters which are the subject of this Agreement, the terms, covenants, conditions and provisions of this Agreement shall govern as among the Port Authority, the Lessee, and the Mortgagee, and in the event of any inconsistency between the terms, covenants, conditions and provisions of this Agreement and the terms, covenants, conditions and provisions of the Mortgage, the terms, covenants, conditions, and provisions of this Agreement shall control; provided, however, that, (a) as between the Lessee and the Mortgagee, any terms, covenants, conditions and provisions of the Mortgage imposing greater obligations on the Lessee thereunder than are imposed on the Lessee under this Agreement, and (b) any terms, covenants, conditions and provisions of the Mortgage, to the extent that they are not in irreconcilable conflict with the terms, covenants, conditions and provisions of this Agreement, shall not be deemed to be inconsistent with this Agreement and shall be given effect to such extent.

8.13 Provisions with respect to debt, equity, mezzanine or other financing to finance (or refinance) the construction or initial lease-up, or to pay carry costs during the construction of, the Tower Project, or otherwise relating thereto, sought by or on behalf of the Lessee (a "Tower Financing") are set forth in the Tenant Support Agreement. The Port Authority hereby agrees not to unreasonably withhold its consent to any requests made by any lender(s) providing Tower Financing for changes or modifications to this Agreement.

8.14 In connection with the recording of any Mortgage that is part of the redevelopment of the World Trade Center, as described in the New York State Department of Taxation and Finance Advisory Opinion dated October 31, 2006 (Petition No. M061010A), if requested by the Lessee and subject to satisfaction by the Lessee of any reasonable requirements

of the Port Authority in connection therewith, the Port Authority shall serve as a sole mortgagee (whether as trustee, agent, nominee or otherwise) or a co mortgagee (whether or not a private entity is the co mortgagee) and present such Mortgage for recording.

Section 9. Space Leases.

9.1 Subject to the terms and conditions set forth in this Section 9, the Lessee shall have the right to enter into, or authorize the Permitted Manager to enter into, Space Leases, or to renew, extend, modify, restate, terminate or surrender any Space Lease, without the consent of the Port Authority. Subject to modification of Section 4 of this Agreement pursuant to the provisions of Section 60.3, the Lessee shall not enter into any Space Leases which permits a Space Tenant to use its demised premises for uses other than office use and uses ancillary to such office use as permitted in Section 4.

9.2 If the Lessee determines, in its sole discretion, that it does not desire to utilize the Port Authority Certification Procedure, the Lessee shall utilize the Self-Certification Procedure outlined below. Under the Self-Certification Procedure, the Lessee shall certify to the Port Authority, in writing, no later than five (5) Business Days before a proposed Space Lease or any renewal or extension thereof (unless the right of renewal or extension was granted in the original Space Lease, in which event no certification shall be required) is executed, that the business of the Space Tenant under such proposed Space Lease (or renewal or extension) is permitted under the World Trade Center Legislation, determined in a manner which is consistent with the Commencement Date Criteria (the "Self-Certification Procedure"). In making such certification, the Lessee shall be entitled to rely on any information with respect to the business of a proposed Space Tenant, as long as such reliance is made in good faith.

9.2.1 In the event the Lessee does not utilize the Self-Certification Procedure for any reason, then, prior to entering into a Space Lease, or any renewal or extension thereof (unless the right of renewal or extension was granted in the original Space Lease), the Lessee shall provide written notice to the Port Authority, setting forth in reasonable detail the Space Tenant's business under such proposed Space Lease, or any renewal or extension thereof. The Port Authority shall advise the Lessee within five (5) Business Days of its receipt of such notice (the "Determination Period"), whether or not the business to be conducted under such Space Lease is permitted under the World Trade Center Legislation (the "Port Authority Certification Procedure"). In making such determination, the Port Authority shall apply criteria no less favorable than the criteria used by it in making similar determinations with respect to Space Tenants at the World Trade Center prior to the Commencement Date, as established in the context of the nature of the business conducted by the tenants and the Rentable Square Feet occupied by such tenants, in each case at the World Trade Center prior to the Commencement Date (collectively, the "Commencement Date Criteria"). If the Port Authority does not respond to any notice delivered by the Lessee within the Determination Period, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF NOT REJECTED WITHIN THREE (3) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within three (3) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute an approval of such proposed Space Tenant. In the event that the Port Authority requests, prior to the expiration of the Determination Period, additional information with respect to the business to be conducted by the proposed Space Tenant under such Space Lease, the Determination Period shall be extended to expire five (5) Business Days

after the Port Authority's receipt of such additional information. In the event that the Lessee does not utilize the Self-Certification Procedure and the Port Authority determines that the business to be conducted by the proposed Space Tenant under such Space Lease, or renewal or extension thereof (unless the right of renewal or extension was granted in the original Space Lease), is not permitted under the World Trade Center Legislation, such Space Lease, or renewal or extension thereof, shall not be entered into or otherwise authorized by the Lessee.

9.2.2 From time to time, upon request, but no more than once in any Annual Period, the Lessee shall submit to the Port Authority a written statement setting forth the (i) name of each Space Tenant, (ii) nature and scope of uses permitted under Space Leases, (iii) space occupied, and (iv) commencement date and the expiration date of each Space Lease.

9.2.3 The Port Authority shall promptly notify the Lessee of any amendment to the World Trade Center Legislation, and upon receipt of any written notices or other information regarding such amendment, the Port Authority shall deliver a copy thereof to the Lessee.

9.3 Each Space Lease entered into pursuant to the provisions of this Section shall contain the following provisions:

(i) the Space Lease is subject to the terms, covenants, conditions and provisions of the REOA and this Agreement;

(ii) either (1) the Space Lease shall terminate and expire, without notice to the Space Tenant, on the day preceding the Expiration Date or on such earlier date as the Lessee and Space Tenant may agree upon, or (2) in the event this Agreement shall terminate prior to the Expiration Date, the Space Tenant will attorn to, or enter into

a direct lease on identical terms with, the Port Authority for the balance of the unexpired term of the Space Lease;

(iii) the Port Authority may provide electrical power and the Lessee is deemed the agent of the Port Authority to collect payments; and

(iv) the Space Tenant shall not pay rent or other sums due under the Space Lease for more than one (1) month in advance, other than sums attributable to tenant security deposits, deposits for tenant improvement work, escalations, taxes, operating expenses and the first month's rent under such Space Lease.

9.4 The Port Authority, after an Event of Default shall have occurred and be continuing, may collect rent and all other sums due under the Space Leases, and apply the net amount collected to the Rental payable by the Lessee hereunder, but no such collection shall be, or be deemed to be, a waiver of any agreement, term, covenant or conditions of this Agreement, the acceptance by the Port Authority of any Space Tenants as the Lessee hereunder, or a release of the Lessee from performance by the Lessee of its obligations under this Agreement.

9.5 To secure the prompt and full payment by the Lessee of the Rental and the faithful performance by the Lessee of all the other terms and conditions herein contained on its part to be kept and performed, the Lessee hereby assigns, transfers and sets over unto the Port Authority, subject and subordinate to (i) the conditions hereinafter set forth in this Section 9.5, and (ii) as long as this Agreement shall be in effect (or any new lease entered into with a Mortgagee pursuant to Section 8), the Mortgages (and the liens, security interests and all other rights hereunder granted to the Mortgagee with respect to the Space Leases), all of the Lessee's right, title and interest in and to all Space Leases, and the Lessee hereby confers upon the Port Authority, its agents and representatives, a right of entry in, and sufficient possession of, the

Premises to permit and insure the collection by the Port Authority of the rentals and other sums payable under the Space Leases, and further agrees that the exercise of the rights of entry and qualified possession by the Port Authority shall not constitute an eviction of the Lessee from the Premises or any portion thereof; provided, however, that such assignment shall become operative and effective only if (i) an Event of Default shall occur and be continuing, (ii) this Agreement and the Term shall be cancelled or terminated pursuant to the terms, covenants and conditions hereof, (iii) legal possession of the Premises under a dispossess warrant or other judgment, order or decree of a court of competent jurisdiction is obtained by the Port Authority, and (iv) each Mortgagee that is holding a Mortgage encumbering the Premises shall have been notified by the Port Authority of the Lessee's default, and no such Mortgagee is taking the action described in Subsection 8.5.1, and then only as to such of the Space Leases that the Port Authority may elect to take over and assume, subject, however, to the rights certain Space Tenants may have pursuant to Non-Disturbance and Attornment Agreements executed by the Port Authority and such Space Tenant.

9.5.1 The Port Authority covenants and agrees, for the benefit of any Space Tenant which is neither a Related Entity nor an Assignee, that the Port Authority shall recognize the Space Tenant as the direct tenant of the Port Authority upon the termination of this Agreement (or any new lease) pursuant to any of the provisions hereof and the termination of any other Space Leases superior to the Space Lease of each such Space Tenant; provided, however, that at the time of the termination of this Agreement (x) no default exists and is continuing under the Space Tenant's Space Lease which would then permit the landlord thereunder to terminate the Space Lease or to exercise any dispossess remedy provided for therein, and (y) the Space Tenant delivers to the Port Authority an instrument confirming the

agreement of the Space Tenant to attorn to the Port Authority and to recognize the Port Authority as the Space Tenant's landlord under the Space Lease, which instrument shall provide that neither the Port Authority nor anyone claiming by, through or under the Port Authority, shall be:

(a) obligated to cure any defaults of any prior landlord (including, without limitation, the then defaulting landlord) which occurred prior to the date the Port Authority obtained legal possession or physical possession of the Premises, except for defaults which continue subsequent to the Port Authority obtaining such legal possession or physical possession;

(b) liable for any acts or omission of any prior landlord (including, without limitation, the then defaulting landlord) which occurred prior to the date the Port Authority obtained legal possession or physical possession of the Premises, except for acts or omissions which continue subsequent to the Port Authority obtaining such legal possession or physical possession;

(c) subject to any offsets or defenses which the Space Tenant may have against any prior landlord (including, without limitation, the then defaulting landlord);

(d) bound by any payment of rent which the Space Tenant might have made more for than one (1) month in advance to any prior landlord (including, without limitation, the then defaulting landlord), other than security deposits and other rent payments, to the extent such security deposits and rent payments are received by the Port Authority;

(e) bound by any covenant to undertake or complete any construction of the Premises or any portion thereof demised by said Space Lease, except (1) repair and maintenance obligations thereafter arising, (2) repair obligations due to a casualty, but only to the extent insurance proceeds are received by the Port Authority, and (3) repair obligations due to a

condemnation, to the extent such condemnation proceeds are made available to, and are received by, the Port Authority; or

(f) bound by any obligation to make any payment to the Space Tenant, except for services, repairs, maintenance and restoration provided for under the Space Lease to be performed after the date of such termination of this Agreement and which landlords of like properties ordinarily perform at the landlord's expense, it being understood, however, that the Port Authority shall not be bound by any obligation to make payment to a Space Tenant with respect to construction performed by or on behalf of such Space Tenant at the subleased premises.

9.5.2 If a Space Tenant entitled to the recognition described in Subsection 9.5.1 so requests (or the Lessee so requests on its behalf), the Port Authority shall execute, acknowledge and deliver an agreement, a form of which is attached hereto as "Exhibit G" (the "Non-Disturbance and Attornment Agreement"), confirming that, subject to the provisions of clauses (x) and (y) of Section 9.5.1, such Space Tenant is entitled to such recognition, provided that (i) such Space Tenant is leasing not less than 20,000 Rentable Square Feet in the Premises, or (ii) such Space Tenant is leasing retail space, or (iii) such Space Tenant represents, which representation shall be supported by a reasonable estimate prepared by a licensed professional engineer or registered architect, that it will incur not less than [redacted] in fixturing and/or tenant installation costs at the subleased premises, which amount shall be Subject to Adjustment by the Port Authority not more than once every five (5) calendar years, or (iv) the current Mortgagee, that is holding a Mortgage encumbering the Premises, if any, has entered into a subordination, non-disturbance and attornment agreement with such Space Tenant. A Non-Disturbance and Attornment

Agreement shall only be effective upon the execution thereof by the Port Authority, the Lessee and the Space Tenant described therein.

9.6 The Lessee covenants and agrees to make all reasonable efforts, consistent with the then prevailing practice for leasing in Comparable Buildings, to obtain base rent, percentage rent and additional rent payable under each Space Lease (other than Excluded Space Leases), after taking into account any credits, offsets or deduction to which the Space Tenant may be entitled thereunder, which are not less than the fair market rental value of the space demised thereunder at the time such Space Lease is executed, as determined in accordance with Subsection 5.9.7.

9.7 Except as otherwise provided in this Agreement, the fact that a violation or breach of any of the terms, provisions or conditions of this Agreement results from or is caused by an act or omission by any of the Space Tenants shall not relieve the Lessee of the Lessee's obligations to cure the same in accordance with the terms hereof.

9.8 The granting of approval by the Port Authority pursuant to Section 9.2 shall not be deemed to operate as a waiver of the requirement for obtaining approval of the Port Authority to any other or subsequent Space Tenant's uses.

9.9 No assignment of this Agreement or subletting of the Premises as an entirety or substantially as an entirety (other than for occupancy of the subtenant) shall have any validity, except upon compliance with, or pursuant to, the provisions of Section 7 above. A Space Tenant may sublet its premises or assign its Space Lease so long as the requirements set forth in Sections 9.2 and 9.3 are satisfied with respect to such sublease or assignment.

9.10 Nothing contained in this Section 9 shall be deemed to diminish or otherwise modify any obligations of the Lessee under Section 7.4 of the Tenant Support Agreement.

Section 10. Permitted Manager.

10.1 In the event that, during any period of the Term following the Substantial Completion Date, the manager of the Premises does not meet the standards and qualifications for a Permitted Manager as hereinafter set forth, the Lessee covenants and agrees to retain a third party Permitted Manager to conduct, manage and operate the Premises during such period of the Term. The Lessee shall furnish to the Port Authority from time to time such information or data as may be available to the Lessee that is reasonably requested by the Port Authority concerning the Permitted Manager. From time to time during the Term, upon the request of the Lessee, but not more than once every calendar year, the Port Authority will confirm that the then current Permitted Manager of the Premises continues to meet the qualifications of a Permitted Manager, provided the Lessee has made available to the Port Authority sufficient information to enable the Port Authority to make such confirmation. The parties hereby agree that no entity may be engaged as a Permitted Manager without the prior written consent of the Port Authority, which consent shall not be withheld, delayed or conditioned if such entity meets the definition of Permitted Manager. The Port Authority hereby approves Silverstein Properties, Inc., and any Affiliate thereof, as a Permitted Manager. The Port Authority shall advise the Lessee whether or not it will consent to a proposed Permitted Manager within ten (10) Business Days of its receipt of a written request for such consent accompanied by information which the Port Authority reasonably requires to determine whether the criteria set forth in this Section have been met, and if the Port Authority does not respond within such ten (10) Business Day period from the date such notice and accompanying documentation was actually received by the Port Authority, the Lessee shall have the right to deliver a Reminder Notice to the Port Authority. Any Reminder Notice must contain a cover sheet with the legend boldly marked **"DEEMED APPROVED IF**

**NOT REJECTED WITHIN FIVE (5) BUSINESS DAYS"**. The Port Authority's failure to respond to the Lessee within five (5) Business Days after the Port Authority's actual receipt of a Reminder Notice shall be deemed to constitute consent to such request. The parties recognize that the form of agreement between the Lessee and the Permitted Manager may be an agency agreement, consultancy, management contract, or sublease, or combination thereof (each such form of agreement being hereinafter sometimes called the "Management Agreement"), and that the Person retained and engaged thereunder is deemed the Permitted Manager notwithstanding being designated as an agent, consultant, manager, or sublessee, or any combination thereof. Without otherwise limiting the generality of the foregoing provisions of this Section, a Mortgagee which pursuant to the provisions of Section 8 of this Agreement becomes the owner of, or acquires an interest in, this Agreement or the Premises (or acquires a direct or indirect interest in the Lessee pledged to such Mortgagee pursuant to its Mortgage), pursuant to a judgment of foreclosure and sale, or as a result, of an assignment-in-lieu of foreclosure or otherwise, or under a new lease, whether in its own name, or in the name of a nominee, shall have the right, only for so long as it or its nominee remains in possession of the Premises (or for a period following its acquisition of such pledged interests), to engage (or cause to be engaged) an interim manager for the Premises which does not meet the criteria for a Permitted Manager, subject to the consent of the Port Authority, which shall not be unreasonably withheld, conditioned or delayed, so long as such interim manager shall be capable of operating the Premises in a manner calculated to preserve the value of the Premises as an asset for the benefit of the Mortgagee and the Port Authority during the period that the Mortgagee or its nominee remains in possession of the Premises (or for a period following its acquisition of such pledged interests) (including access to sufficient working capital to discharge its duties). The Mortgagee

shall have the right to retain (or cause to be retained) the interim manager for a period not to exceed one hundred eighty (180) days from the date the Mortgagee obtains possession of the Premises (or for a period following its acquisition of such pledged interests), provided that on or before the close of such one hundred eighty (180) day period the Mortgagee shall replace (or cause to be replaced) such interim manager with a Permitted Manager.

10.2 The Lessee understands and agrees that regardless of the form of the Management Agreement, the Permitted Manager shall be obligated and required under its Management Agreement to comply with all of the terms, provisions, covenants and conditions of this Agreement which are applicable to the operation and maintenance of the Premises. Notwithstanding retention by the Lessee of a third-party Permitted Manager, but subject nevertheless to the provisions of Section 16, the Lessee shall continue to be primarily and fully liable for the performance of all of the terms, provisions, covenants and conditions of this Agreement and for securing compliance therewith by the Permitted Manager and all acts or omissions of the Permitted Manager, with respect to the Premises, shall be and shall be deemed to be the acts or omissions of the Lessee. In the event of any inconsistency between the provisions of the Management Agreement and the provisions of this Agreement the provisions of this Agreement shall control. The Lessee shall promptly communicate to the Permitted Manager any requests, directions or notices, delivered or communicated to the Lessee by the Port Authority in accordance with the provisions of this Agreement and the Lessee shall secure the prompt compliance with and performance of the same, to the extent required by this Agreement. Notwithstanding the foregoing and in spite of any efforts by the Lessee to secure compliance by the Permitted Manager, any breach or violation of the terms, provisions, covenants and conditions of this Agreement by the Permitted Manager, after such notice thereof to the Lessee

as is required pursuant to the provisions of this Agreement, and the passage of any applicable period to cure, shall be and be deemed to be a breach or violation of this Agreement by the Lessee and the Port Authority shall have all rights and remedies consequent upon a breach or violation as are reserved to it by this Agreement and the provisions of this Agreement relating to default and termination shall apply as if the Permitted Manager were the Lessee hereunder.

10.3 The Management Agreement shall terminate and expire on the Expiration Date or earlier termination of this Agreement, or on such earlier date as the Lessee and the Permitted Manager may agree upon.

10.4 Nothing contained in this Section 10 shall be deemed to diminish or otherwise modify any obligations of the Lessee under Section 7.2 of the Tenant Support Agreement.

Section 11. Title to Personal Property and Fixtures.

Without limiting any provision of this Agreement, title to all personal property located in the Premises during the Term shall be and remain in the Lessee or, at the Lessee's option, in the Space Tenants, and subject to the rights of each Mortgagee. All improvements, fixtures, machinery, apparatus, and fittings affixed to the Premises and which by operation of law are considered real property (other than improvements, fixtures, machinery, apparatus and fittings which are the subject of Equipment Leases permitted pursuant to Section 8.7 above) shall be a part of the Premises and shall be, or become, the property of the Port Authority on the installation thereof, without the doing of any other act or thing, and legal title thereto shall be and remain in the Port Authority. Notwithstanding the foregoing, nothing contained in this Section 11 shall limit the rights of the Lessee and any Space Tenant to remove such personal property or fixtures in connection with any repair or Alteration. To the extent not inconsistent with the Port Authority's ownership rights therein, and as permitted by law, the Lessee and the

Space Tenants shall have the right to depreciation deductions and tax credits with respect to improvements, fixtures, apparatus and fittings affixed to the Premises by the Lessee or any Space Tenants. Nothing contained herein shall be deemed a representation by the Port Authority that any such deductions or tax credits are or will be available to the Lessee.

Section 12. Lessee's Operations.

12.1 The Lessee shall not commit any nuisance on the Premises, or do or permit its agents, contractors and Space Tenants to do anything in the Premises which might result in the creation or commission of a nuisance on the Premises, and the Lessee shall not cause or produce or permit its agents, contractors and Space Tenants to cause or produce upon the Premises (or to permeate the same or to emanate therefrom) any unusual, noxious or objectionable smoke, gases, vapor, odors, noises or vibrations. The Lessee shall not use or connect any equipment or engage in any activity or operation in the Premises which will cause an overloading of the capacity of any existing or future utility, mechanical, electrical, communication or other systems or portions located on or exclusively serving the Premises if, to the Lessee's knowledge, such overloading would affect any such systems located on or serving other portions of the World Trade Center, nor shall the Lessee do or permit its agents, contractors and Space Tenants to do anything in the Premises which may interfere with, in any material respect, the effectiveness or accessibility thereof. The Lessee shall not overload any floor, roadway, passageway, pavement or other surface or any wall, partition, column or other supporting member, or any elevator or other conveyance in the Premises.

12.2 The Lessee shall not do or permit its agents, contractors and Space Tenants to do any act or thing upon the Premises which will invalidate or conflict with any insurance policies covering the World Trade Center or any part thereof, or which, in the reasonable opinion of the

Port Authority or the Code Compliance Office, acting in a non-arbitrary and non-capricious manner, may constitute an extra-hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by Section 4 of this Agreement, or will increase the applicable rate of any insurance, including fire, extended coverage, or rental insurance, on the World Trade Center or upon the contents of any structure thereon. 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 National Fire Protection Association and The Insurance Services Office of New York, and of any other board or organization exercising or which may exercise similar functions, which may pertain or apply to the Premises, or the operations of the Lessee thereon. The Lessee shall have the right, in good faith, to contest or challenge any violation or notice of non-compliance with any of the rules and regulations, requirements, orders and directions of the National Fire Protection Association and The Insurance Services Office of New York, and of any other board or organization exercising similar functions. To the extent such violation or non-compliance, as the case may be, does not involve matters of imminent peril to safety, health or preservation of person or property, the Lessee may defer compliance with any demand that the Lessee comply with any such violation or notice of non-compliance during the pendency of such challenge. In the event the Lessee undertakes to so challenge or contest, it shall indemnify the Port Authority against any claims, damages or losses that may arise or result therefrom. In the event the Lessee contests or challenges the rules and regulations, requirements, orders and directions of the National Fire Protection Association and The Insurance Services Office of New York, and of any other board or organization exercising or which may exercise similar functions, no Event of Default shall be deemed to have occurred unless the Lessee shall have failed to comply with such requirements

within a reasonable period following the final, non-appealable determination that such compliance is required. Except as otherwise expressly provided in any of the Transaction Documents, the Lessee shall, subject to and in accordance with the provisions of Sections 6 and 19 of this Agreement, 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 Governmental Requirement. If by reason of any failure on the part of the Lessee to comply with the provisions of this Agreement, and solely as the direct result of such failure on the part of the Lessee, any insurance rate on the World Trade Center or any part thereof shall at any time be higher than it otherwise would be, then the Lessee shall absorb the cost thereof and shall pay to the Port Authority (on behalf of the Port Authority or the World Trade Center Tenants), as an item of additional rental, that part of all insurance premiums paid by the Port Authority or the World Trade Center Tenants which shall have been charged solely because of, and as a direct result of, such violation or failure by the Lessee, but no such payment shall relieve the Lessee of its other obligations under this Section.

12.3 Notwithstanding anything to the contrary contained in this Section 12, the provisions of this Section 12 shall only apply during that portion of the Term following the Substantial Completion Date.

Section 13. Maintenance, Repair and Rebuilding.

13.1 Except as set forth in Section 13.2, and subject to the terms and conditions set forth in the REOA and this Agreement, the Lessee shall, throughout the portion of the Term following the Substantial Completion Date, assume the entire responsibility, and shall relieve the Port Authority of all responsibility, for all care, maintenance, repair and rebuilding whatsoever in the Premises, whether such maintenance, repair or rebuilding be ordinary or extraordinary,

partial or entire, foreseen or unforeseen, structural or otherwise and without limiting the generality of the foregoing, the Lessee shall:

(a) at all times keep the Premises clean, and in an orderly condition and appearance, together with all the fixtures, improvements, furnishings, equipment and personal property located in or on the Premises;

(b) with respect to the Premises and all parts thereof, including, without limitation, to the extent constituting part of the Building, the exterior and interior of the building walls, the exterior and interior and operating mechanisms of and attachments to windows and skylights, screens, roofs, foundations, steel work, columns, the exterior and interior and operating mechanisms of and attachments to doors, partitions, floors, ceilings, inside and outside paved and unpaved areas, glass of every kind, elevators, escalators, communication and computer systems, exhaust fans and window washing equipment and the utility, mechanical, electrical, fire protection, life safety, and other systems exclusively serving the Premises, which are not Common Building Systems, the Lessee shall take the same good care of the same that would be taken by a prudent owner who desired to keep and maintain the Premises so that during the portion of the Term following the Substantial Completion Date, the same (or a reconstruction of all or any part thereof) will be in an operating order, condition or appearance similar to that of Comparable Buildings, subject, nevertheless, to ordinary wear and tear. To that end, the Lessee shall make, or cause to be made, periodic inspections, except for those inspections described in Subsection 13.4.1, and, from time to time as the necessity therefor arises and regardless of the cause of the condition requiring the same, the Lessee shall perform, or cause to be performed, all necessary preventive maintenance and the Lessee shall promptly make all necessary repairs and replacements, and, subject to the applicable provisions of Section 13.2 and Sections 15 and 19

hereof, do all necessary rebuilding with respect to the Premises without regard to the cause thereof, and whether or not caused by fire or other casualty, all of which shall be in quality or utility equal to the original in materials and workmanship; and

(c) without limiting its obligation elsewhere in this Section, and, subject to the applicable provisions of Sections 6.2, 6.3 and 6.4, and Sections 13.2, 15 and 19 hereof, the Lessee agrees to perform all decorating and painting (including redecorating and repainting) in accordance with the Port Authority Manual so that at all times the Premises and all parts thereof are of at least as good appearance and condition as of the Commencement Date, reasonable wear and tear excepted.

13.2 The Port Authority acknowledges that, pursuant to, and subject to the terms and conditions of, the REOA, the Net Lessees' Association (i) will clean, maintain and make, or cause to be cleaned, maintained, or made, all necessary repairs and restoration of, and replacements to, (A) the Appurtenances, (B) the East Bathtub Common Building Systems and (C) the East Bathtub Common Areas, and (ii) shall also have the responsibility to make all structural repairs, restorations, replacements, and modifications to the foundations to the extent necessary to provide the necessary support to the Premises so as to enable the Lessee and its Permitted Manager to conduct operations under this Agreement. The Lessee shall take all reasonable safety precautions necessary to protect persons or property on the Premises pending the completion of any necessary repairs to be performed by the Net Lessees' Association pursuant to the provisions of the REOA. Nothing herein shall be deemed to limit the Net Lessees' Association's rights expressly provided for in the REOA to enter the Premises for the purpose of making repair or replacements. Anything herein to the contrary notwithstanding, the Lessee shall not have the obligation to maintain the Appurtenances, the East Bathtub Common

Building Systems and the East Bathtub Common Areas and any failure by the Net Lessees' Association to perform its obligation to maintain the Appurtenances, the East Bathtub Common Building Systems, and the East Bathtub Common Areas, as applicable, or otherwise performs its obligations under the REOA, shall not result in an Event of Default under this Agreement.

13.3 The Code Compliance Office shall be permitted, at reasonable times and upon reasonable notice to the Lessee and Space Tenants, as appropriate, to inspect and test the Premises to determine compliance with the Fire Department Code, as well as to inspect and test the elevators and escalators located throughout the Premises to determine compliance with the Port Authority Manual, from time to time.

13.3.1 The Code Compliance Office shall also be permitted, at reasonable times and upon reasonable notice (except in the case of an emergency) to the Lessee and the applicable Space Tenants to conduct food establishment inspections to determine compliance with the Health Code. The Code Compliance Office shall be permitted to enforce the rights and remedies that are then available to the Commissioner of the New York City Health Department in the event a Space Tenant or the Lessee shall have violated the Health Code, notwithstanding anything contained in this Agreement, including anything contained in Subsection 13.3.2.

13.3.2 Subject to the provisions of Sections 6.2, 6.3 and 6.4, in the event that, upon inspection and testing of the Premises, the Code Compliance Office determines that there are deficiencies or that certain items require repair and/or maintenance, in each case, based on the requirements of the Port Authority Manual, the Code Compliance Office may issue a Violations Notice and the Lessee shall make, or shall cause the appropriate Space Tenant to make, such requested repairs within the time frames set forth in such notice, which time frames shall be determined in accordance with Subsection 13.4.2, provided, however, non-compliance

with a Violations Notice shall not be deemed an Event of Default for so long as the Lessee is diligently prosecuting the cure of such default (or is taking reasonable measures to compel the appropriate Space Tenant to prosecute the cure of such default), and provides notice to the Port Authority no less often than every thirty (30) Business Days thereafter as to the status of such default, and what measures have been taken by the Lessee to effectuate a cure. The services provided by the Code Compliance Office in this Subsection, including inspections, shall continue unless and until the Port Authority notifies the Lessee that the City of New York or other governmental entity having due jurisdiction over the World Trade Center shall perform such services. Reasonable administrative and processing fees may be imposed by the Code Compliance Office in connection with providing such services to the Lessee.

13.4 Except as otherwise provided in Section 13.2, and subject to the provisions of Sections 6.2, 6.3 and 6.4, the Lessee shall, during the portion of the Term following the Substantial Completion Date, repair and maintain the Premises in compliance with the structural integrity program hereinafter set forth (the "Structural Integrity Program"), and hereby grants to the Code Compliance Office the right, in accordance with this Section 13.4, to inspect the Premises and to require repairs to be made to the Premises to comply with the Port Authority Manual as it applies to such program.

13.4.1 The Code Compliance Office shall have the right to inspect the structural elements located at the Premises, including, but not limited to, the building components, exterior walls, and slurry walls, from time to time, but no more often than the times set forth on Schedule 13.4.1 or in the case of an emergency. The Code Compliance Office shall provide a list of inspections scheduled for each calendar year to the Lessee and shall provide reasonable notice to the Lessee and Space Tenants, if applicable, as to the date and time such

inspections are to occur. In addition to the inspections described in the preceding sentence, the Lessee may request that the Code Compliance Office make additional inspections to the Premises. The Lessee shall pay any reasonable expenses incurred by the Port Authority in connection with such additional inspections.

13.4.2 Subject to the provisions of Sections 6.2, 6.3 and 6.4 and promptly after such inspections are completed, the Code Compliance Office shall advise the Lessee, in writing, what course of action, if any, is required to be taken by the Lessee hereunder, based upon violations of the Port Authority Manual, which courses of action are described as follows:

(a) immediate action, including the possible closing of the structure or areas affected for safety reasons (i.e. imminent peril to safety of persons or property) until interim remedial measures, such as shoring or removal of potentially unsafe structures (or elements), can be implemented; such closings or interim remedial actions, if any, require immediate action upon discovery (the "Immediate Repairs");

(b) conditions for which no immediate action may be required or for which immediate action has been completed, but further investigation, design and implementation of interim or long-term repairs should be undertaken on a priority basis, i.e. taking precedence over all other scheduled work (the "Priority Repairs");

(c) conditions that present a potential hazard and which should be repaired as soon as possible (the "Safety Repairs"); and

(d) conditions requiring further investigation or remedial work, which may be undertaken as part of a scheduled maintenance program, other scheduled project, or routine facility maintenance, depending on the action required (the "Routine Repairs").

13.4.3 In the event that an Immediate Repair is required, the Code Compliance Office shall promptly notify the Lessee thereof, subject to the provisions of Sections 6.2, 6.3 and 6.4, and the Lessee shall, or shall cause the applicable Space Tenant to, take temporary immediate remedial measures to make the affected area safe and secure in accordance with the Code Compliance Office's instructions, which instructions shall be in accordance with the Port Authority Manual (the "Temporary Measures").

13.4.4 In the event that a Priority Repair or Safety Repair is required, the Code Compliance Office, within five (5) Business Days after the date on which the Code Compliance Office notifies the Lessee of such condition, shall deliver a report (the "Repairs Report") to the Lessee, outlining the repair recommendations and the completion dates for such repairs, which recommendations shall be consistent with the requirements of the Port Authority Manual. The Lessee shall coordinate with the Code Compliance Office to undertake, or cause a Space Tenant to undertake, the corrective measures outlined in the Repairs Report.

13.4.5 In the event that a Routine Repair is recommended the Code Compliance Office, within five (5) Business Days after the date on which the Code Compliance Office notifies the Lessee of such condition, shall deliver a Repairs Report to the Lessee, outlining the repair recommendations, which recommendations shall be consistent with the requirements of the Port Authority Manual. The Lessee shall coordinate with the Code Compliance Office to undertake, or cause a Space Tenant to undertake, the corrective measures outlined in the Repairs Report with respect to such Routine Repairs, which repairs shall be made, depending on the action required, as part of a scheduled maintenance program, other scheduled project or routine facility maintenance.

13.4.6 Simultaneously with the completion of such Temporary Measures, in the case of an Immediate Repair, or immediately after the Repairs Report is received by the Lessee, in the case of a Priority Repair or Safety Repair, the Lessee shall or shall use commercially reasonable efforts to cause the applicable Space Tenant to, make the repairs set forth in the Repairs Report in accordance with Section 19.

13.5 For purposes of determining whether the Port Authority or the Lessee shall be required to pay for costs to be incurred in connection with the Lessee's compliance with the provisions of this Section 13 and the time period by which the Lessee must comply, to the extent that there are any inconsistencies between the provisions of this Section 13 and the provisions of Sections 6.2, 6.3 and 6.4, the provisions of Sections 6.2, 6.3 and 6.4 shall control.

13.6 Notwithstanding anything to the contrary contained in this Section 13, the provisions of this Section 13 shall only apply during that portion of the Term following the Substantial Completion Date.

Section 14. Insurance.

14.1 In addition to any other insurance provided for or required under this Agreement and the REOA (other than the requirements of Section 69 of this Agreement, which requirements shall, prior to the Substantial Completion Date, subject to the provisions of Section 14.19 below, be in lieu of the insurance requirements of this Section 14), the Lessee shall procure and maintain, or cause to be procured and maintained, in its own name as insured and shall pay the premiums on the following policies of insurance in the limits set forth below, which policies shall, subject to the provisions of Section 14.19 below, be effective during the portion of the Term under this Agreement following the Substantial Completion Date:

14.1.1 Fire and property damage insurance covering and insuring (i) the core and shell of the Building (including without limitation, the core and shell of the subgrade portions of the Building), including the core and shell of the Excluded Space (but not the improvements and betterments within the Excluded Space), so that, when taken together with the coverage procured by the Tower Lessees pursuant to Section 14.1.1 of each of the Tower Leases, the core and shell of the Building and of the buildings demised under the Tower Leases and of all subgrade portions within Exhibit A-2 attached hereto are covered by the fire and property damage insurance required under this Section 14.1.1 and Section 14.1.1 of the Tower Leases (all the foregoing collectively, the "Insured Structure"), and (ii) all improvements and betterments within the Premises, including all fixtures, machinery, apparatus, and fittings affixed to the Building and which by operation of law are considered real property, and which pursuant to the provisions of this Agreement are a part of the Premises or which, upon installation, shall become the property of the Port Authority, against loss or damage by fire or such other hazards and risks as may be covered by a standard form of all risk policy of loss or damage, (A) subject to the following sublimits: [redacted] per occurrence and in the aggregate annually for loss or damage from the peril of flood; [redacted] per occurrence and in the aggregate annually for loss or damage from the peril of earthquake; [redacted] per occurrence for Demolition; [redacted] per occurrence for property in the course of transit; and [redacted] for boiler and machinery, (B) in each case with a waiver of depreciation, (C) containing an agreed amount endorsement with respect to the Improvements and Personal Property waiving all co-insurance provisions; (D) subject to a deductible of up to [redacted] per occurrence and, subject to commercial availability, up to [redacted]

[redacted] in the aggregate; provided, however, that in the case of ancillary coverages such as earthquake, windstorm and flood, such deductibles as are customary in the insurance industry for Comparable Buildings; and (E) providing coverage for contingent liability from operation of Governmental Requirements, demolition costs and increased cost of construction endorsements together with an "Ordinance or Law Coverage" or "Enforcement" endorsement if any of the Improvements or the use of the Property shall at any time constitute legal non-conforming structures or uses. Subject to the provisions of Section 14.2, no policy required in Section 14.1 shall contain an exclusion from coverage under such policy for loss or damage incurred as a result of an act of terrorism or similar acts of sabotage, provided that the Lessee may obtain separate terrorism insurance coverage subject to and in accordance with the terms of this Section 14. The Lessee will be required to maintain insurance against terrorism, terrorist acts or similar acts of sabotage ("Terrorism Insurance") in sufficient amount to cover the full value of the Premises but in no event less than the minimum amount of [redacted] (the "Minimum Terrorism Insurance Amount"), subject to a deductible of up to [redacted] per occurrence and up to [redacted] in the aggregate. The Lessee shall not be obligated to procure Terrorism Insurance in an amount in excess of the Minimum Terrorism Insurance Amount unless the Port Authority, at its option, directs the Lessee to procure such additional Terrorism Insurance coverage and reimburses the Lessee for an amount equal to [redacted] of the amount of the increase in the cost of the Terrorism Insurance attributable to the procurement of Terrorism Insurance coverage in excess of the Minimum Terrorism Insurance Amount; provided, however, that (i) in no event shall the amount of Terrorism Insurance that the Lessee shall be obligated to maintain under this Section 14 exceed the Minimum Terrorism Insurance Amount unless

Terrorism Insurance in an amount in excess of the Minimum Terrorism Insurance Amount is commercially available, and (ii) in no event shall the amount of Terrorism Insurance that the Lessee shall be obligated to maintain under this Section 14 exceed [redacted] unless Terrorism Insurance in an amount in excess of [redacted] is both commercially available and available at commercially reasonable rates. All-risk property insurance must include "fire following" coverage, if such coverage is required under New York State regulations, and, in such case, subject to the coverage provisions provided under such New York State regulations. Such insurance (other than flood insurance, earthquake insurance and Terrorism Insurance) shall be maintained in an amount equal to the lesser of (x) an amount sufficient to insure and keep insured at all times during the portion of the Term following the Substantial Completion Date the items of property described in this Subsection, except for the footings and foundations, to the extent of not less than the Full Insurable Value, or (y) [redacted] per occurrence. Insurance for flood shall be maintained to insure and keep insured at all times during the portion of the Term following the Substantial Completion Date the items of property described in this Subsection (other than footings and foundations), in an amount of not less than [redacted] per occurrence and in the aggregate. Insurance for earthquake shall be maintained to insure and keep insured at all times during the portion of the Term following the Substantial Completion Date the items of property described in this Subsection (other than footings and foundations), in an amount of not less than [redacted] per occurrence and in the aggregate. The term "Full Insurable Value" shall mean the actual replacement cost of the items of property described in this Subsection. Full Insurable Value shall be determined on or about the Substantial Completion

Date and at least once every three (3) years thereafter and, in the event the Port Authority requires an increase thereof, such additional amount shall not exceed the percentage increases in the New York City Construction Cost Index published by the Engineering News Record, unless otherwise agreed to by the Lessee. In the event the Port Authority and the Lessee cannot agree as to what the Full Insurable Value is, such value shall be determined by an appraiser selected jointly by the Port Authority and the Lessee, whose fees shall be paid by the Lessee and the Port Authority equally. No omission by the Port Authority to request an appraisal shall relieve the Lessee of its obligation to maintain the appropriate insurance under this Section 14. In lieu of the proposed appraisal, the Lessee may procure and maintain property insurance which does not restrict, by limit or coinsurance provisions, the amount that may be recovered in the event of a loss to the insured property.

14.1.2 Loss of Revenue/Business interruption insurance in such amounts as shall reasonably be required by the Port Authority for protection against loss of the payments which the Lessee is required to make to the Port Authority, including, but not limited to, Base Rent, Percentage Rent, Tax Equivalent Rental and BID Allocated Share, for a period of at least the "Rents Period" (as hereinafter defined) plus an extended period of indemnity equal to the "Indemnity Period" (as hereinafter defined) when the Premises, or a portion thereof, is out of operation due to fire or such other risks and hazards as are required to be insured by the all risk policy of loss or damage, subject to standard exclusions, described above in Subsection 14.1.1. As used in this Subsection 14.1.2, "Rents Period" means a period of time (at Lessee's election) no less than twenty-four (24) months and no greater than thirty-six (36) months, and "Indemnity Period" means a period of time equal to thirty-six (36) months less the Rents Period.

14.1.3 Commercial general liability insurance on an occurrence form during the portion of the Term under this Agreement following the Substantial Completion Date in the minimum amount of [redacted] combined single limit per occurrence, and in the aggregate including a contractual liability endorsement covering the Lessee's indemnity obligations under this Agreement within the policy terms. Such policy or policies shall include coverage for bodily injury, including wrongful death, property damage liability, personal injury, advertising liability, premises/operations, products/completed operations, broad form property damage, independent contractor's liability, elevator liability (including coverage for escalators), and such other coverages as the Port Authority may reasonably require, if such insurance is commercially available. There shall be no exclusion relating to the sale of liquor at or from the Premises or any exclusion for claims arising within fifty (50) feet of a railroad, train or subway. With respect to commercial general liability insurance, the Lessee shall have the right to purchase such insurance with a deductible or self-insured retention of not more than [redacted] per occurrence and [redacted] in the aggregate, provided, however, commencing on November 16, 2011 and at any time thereafter, such amount shall be subject to an increase upon request from the Lessee, approval of which shall not be unreasonably withheld by the Port Authority.

14.1.4 Automobile liability insurance for all owned, non-owned and hired vehicles insuring against liability for bodily injury and death and for property damage in an amount of not less than [redacted] combined single limit.

14.1.5 Environmental liability covering environmental hazards arising from the Premises and discovered or occurring after the Substantial Completion Date, or through

sudden and accidental release, in an amount not less than [redacted] per discovery and in the aggregate.

14.1.6 If not included within the insurance required to be maintained pursuant to Section 14.1.1, boiler and machinery insurance covering all steam, mechanical and electrical equipment, including without limitation, all boilers, chillers, unfired pressure vessels, piping and wiring, in an amount not less than [redacted] per accident on a combined basis covering all hazards, perils, property loss and loss of income.

14.1.7 Statutory Workers' compensation and/or employer's liability insurance, as required by law.

14.1.8 If applicable, Garagekeeper's Legal Liability coverage in the amount of [redacted]) per occurrence shall also be procured.

14.1.9 Intentionally Omitted.

14.1.10 Crime insurance providing insurance against liability for employee dishonesty, with limits of liability acceptable to the Port Authority, but not less than [redacted] per loss, providing for no deductible in excess of [redacted] per occurrence;

14.1.11 All tenants, contractors, vendors and suppliers contracted by the Lessee and Space Tenants must provide evidence of the following coverage:

(a) Commercial General Liability with limits appropriate for the exposure

(b) Workers Compensation

(c) Employers Liability

14.2 In the event any item of insurance required to be procured by the Lessee under this Section 14 is not available, or is not available at commercially reasonable rates, the Lessee

may propose a modification of such requirement and provide the reasons therefor in writing to the Port Authority. The Port Authority may, in its reasonable discretion, waive or modify any provision hereunder in light of such request.

14.3 All property insurance policies procured by the Lessee pursuant to the provisions of this Section 14, including any Excess Insurance (as defined below) that shall have been obtained, shall include the Lessee, as a named insured, and the Port Authority, the Retail Lessee (for so long as the Retail Lessee shall be wholly owned by the Port Authority) and PATH (the Port Authority and such entities collectively, the "PA Insured Entities") and each Mortgagee, each named as an insured, as their interests may appear. All liability insurance policies (other than workers' compensation or employer's liability insurance) procured by the Lessee pursuant to the provisions of this Section 14 shall have the PA Insured Entities each named as an additional insured.

14.4 Each of the items of insurance required to be procured by the Lessee under this Section 14, and by the Tower Lessees under Section 14 of the Tower Leases shall be covered under either a single policy or a combination of primary and excess policies, provided, however, that such combination of primary and excess policies, when taken together, shall insure the property required to be insured under this Section 14 by the Lessee and the property required to be insured under Section 14 of the Tower Leases by the Tower Lessees.

14.5 The loss under all property policies required by any provision of this Section 14 insuring against property damage shall be payable to the Depository as further described in Subsections 15.2.1 and 15.2.2, provided, however, if the amounts payable under such policies are less than [redacted] which amount shall be increased by [redacted]

[redacted] on each five (5) year anniversary of November 16, 2006, such amounts shall be payable to the Lessee.

14.6 As to any insurance required by this Section, a certified copy of each binder, policy, and certificate of insurance that evidences each and every layer of coverage provided and is reasonably satisfactory to the Port Authority, shall be delivered to the Port Authority (i) with respect to binders and/or certificates, within ten (10) days prior to the later to occur of (x) the expiration of the policies required to be maintained under Section 69 and (y) the Substantial Completion Date, and (ii) with respect to policies, promptly following receipt by the Lessee of final policies, except that if any insurance carried by the Lessee is effected by one or more blanket policies, then with respect to such insurance, a certified copy of such binders and certificates of insurance relating to the Premises shall be so delivered to the Port Authority within ten (10) days prior to the later to occur of (x) the expiration of the policies required to be maintained under Section 69 and (y) the Substantial Completion Date, and upon receipt of such policies by the Lessee, a certified copy of such policies shall be promptly delivered to the Port Authority. Evidence of insurance, reasonably satisfactory to the Port Authority, including evidence of new or renewal policies replacing any policies expiring during the portion of the Term following the Substantial Completion Date shall be delivered as aforesaid prior to the date of expiration of such policies. Upon a reasonable request from the Port Authority, the Lessee shall promptly deliver or cause to be delivered to the Port Authority proof reasonably satisfactory to the Port Authority that premiums have been paid by the Lessee. In the event that at any time during the portion of the Term following the Substantial Completion Date a notice of claim shall be filed or an action or proceeding commenced against the Port Authority which is required to be covered by insurance pursuant to the provisions of this Section 14, or in the event that an action