Torres Rojas, Genara FOI# 14287

From: kkullas@assetsearch.com
Sent: Thursday, September 19, 2013 2:05 PM
To: Duffy, Daniel
Cc: Torres Rojas, Genara; Van Duyne, Sheree; Qureshi, Ann
Subject: Freedom of Information Online Request Form

Information:

First Name: Karyn
Last Name: Kullas
Company: Investigative Network Inc.
Mailing Address 1: 424 E. Gurley St
Mailing Address 2:
City: Prescott
State: AZ
Zip Code: 86301
Email Address: kkullas@assetsearch.com
Phone: 9288995995
Required copies of the records: Yes

List of specific record(s):
Requesting copies of all Lease Agreements between the Port Authority of NYNJ andor any of its subsidiaries and 1 World Trade Center LLC prior to September 11, 2001.

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

November 3, 2014

Ms. Karyn Kullas
Investigative Network Inc.
424 E. Gurley St.
Prescott, AZ 86301

Re: Freedom of Information Reference No. 14287

Dear Ms. Kullas:

This is in response to your September 19, 2013 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code") for copies of all lease agreements between the Port Authority and/or any of its subsidiaries and 1 World Trade Center LLC prior to September 11, 2001.

Material responsive to your request and available under the Code can be found on the Port Authority's website at http://www.panynj.gov/corporate-information/foi/14287.pdf. Paper copies of the available records are available upon request.

Certain portions of the material responsive to your request are exempt from disclosure pursuant to exemption (1) and (4) of the Code.

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

Very truly yours,

Daniel D. Duffy
FOI Administrator

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

[One World Trade Center]

AGREEMENT OF LEASE

DATED AS OF JULY 16, 2001

AGREEMENT OF LEASE

THIS 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 One World Trade Center, New York, New York 10048 and 1 WORLD TRADE CENTER LLC, a Delaware limited liability company (hereinafter called the "Lessee"), a Delaware limited liability company, having an address c/o Silverstein Properties, Inc., 521 Fifth Avenue, New York, New York 10175.

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", 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 desires to enter into this Agreement covering the leasing to the

Lessee of a portion of the World Trade Center consisting of the Premises (as hereinafter defined), and the Port Authority desires to transfer to the Lessee certain personal property used in connection with the operation of the Premises, each on certain terms and conditions more specifically set forth herein;

WHEREAS, simultaneously herewith, the Port Authority is entering into the following lease agreements: (i) the Agreement of Lease, between the Port Authority, as lessor, and 2 WORLD TRADE CENTER LLC, as lessee (the "Two World Trade Center Lessee"), encumbering the property commonly known as Two World Trade Center, as more particularly described therein (the "Two World Trade Center Lease"); (ii) the Agreement of Lease, between the Port Authority, as lessor, and 4 WORLD TRADE CENTER LLC, as lessee (the "Four World Trade Center Lessee"), encumbering the property commonly known as Four World Trade Center and the Ancillary Office Space (other than the Ancillary Retail Space), as more particularly described therein (the "Four World Trade Center Lease"); (iii) the Agreement of Lease, between the Port Authority, as lessor, and 5 WORLD TRADE CENTER LLC, as lessee (the "Five World Trade Center Lessee"), encumbering the property commonly known as Five World Trade Center and the Ancillary Office Space (other than the Ancillary Retail Space), as more particularly described therein (the "Five World Trade Center Lease"); and (iv) the Agreement of Lease, between the Port Authority, as lessor, and Westfield WTC LLC, as lessee (the "Retail Lessee"; collectively, Two World Trade Center Lessee, Four World Trade Center Lessee, Five World Trade Center Lessee and Retail Lessee are hereinafter referred to as the "Other Lessees"), encumbering the property commonly known as the Mall at the World Trade Center (other than the Ancillary Office Space), together with the Ancillary Retail Space, as more particularly

described therein (the "Retail Lease"; collectively, the Two World Trade Center Lease, the Four World Trade Center Lease, the Five World Trade Center Lease and the Retail Lease are hereinafter referred to as the "Other Leases");

WHEREAS, pursuant to the terms of this Agreement and the Other Leases, 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:

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.

1.2 "Additional Base Rent" shall have the meaning provided in Section 5.3.

1.3 "Additional Information" shall have the meaning provided in Section 62.2.

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 currently 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-consultant's and A/E's high-rise office alterations experience, (D) have 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 Agreement of Lease, dated as of July 16, 2001, between the Port Authority and 1 WORLD TRADE CENTER LLC, a Delaware limited liability company) 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 procedures" 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 "Allocated Percentage" shall have the meaning provided in the REOA.

1.11 "Alterations" shall have the meaning provided in Section 19.1.

1.12 "Alteration Application Form" shall mean the Alteration Application Port Authority Form 531, as the same may be amended or modified, from time to time, by the Port Authority, a current copy of which is attached hereto as "Exhibit B".

1.13 "Ancillary Retail Space" shall have the meaning provided in the Retail Lease.

1.14 "Ancillary Office Space" shall have the meaning provided in the Retail Lease.

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(a).

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 "Artwork" shall have the meaning provided in Section 2.2.

1.27 "Asbestos" shall mean asbestos and asbestos containing material.

1.28 "Asbestos Certification" shall mean a document, executed by a Person licenced by the New York State Department of Labor as a "State Certified Asbestos Inspector", certifying either (i) the level of Asbestos at the portion of the Premises where the work is to be performed and that such Asbestos, if present, has been abated, to the extent required by applicable laws and regulations, or (ii) that no abatement of Asbestos, if any, located at the portion of the Premises where the work is to be performed is required by applicable laws and regulations.

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 building, 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.

1.34 "Base Rent" shall have the meaning provided in Section 5.1(a).

1.35 "Base Tax Amount" shall mean the applicable Future 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 in 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). Prior to the earliest date that the Lessee may institute a Tax Contest Proceeding in accordance with Section 6.13, the Taxable Assessment shall be deemed to be equal to the average of the final Taxable Assessments of the buildings set forth on Schedule 1.34 attached hereto. 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 Other Leases, the Marriott Building and the GSA Building, 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 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 Other Leases, such determination shall be made in accordance with method of such calculation set forth in the Other Leases. The Lessee shall be permitted to modify the percentage of the World Trade Center represented by the Building and the buildings containing the premises demised under the Other Leases so long as the percentage allocable to the Marriott Building and the GSA Building shall not be affected.

1.36 "Base Tax Year" shall mean, with respect to each Future Space Tenant, (i) the Tax Year or the calendar year in which a Future 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 Future Space Lease.

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(e).

1.39 "BID Agreement" shall have the meaning provided in Subsection 6.8(d).

1.40 "BID Allocated Share" shall have the meaning provided in Section 6.8

1.41 "BID Amendment" shall have the meaning provided in Subsection 6.8.4.

1.42 "BID Charge" shall have the meaning provided in Subsection 6.8(b).

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.

1.44 "Building" shall have the meaning provided in Section 2.1.

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 day 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 24.9.1.

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 "Capital Improvement Commitments" shall have the meaning provided in the REOA.

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 Article 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(a).

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.

1.56 "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 24.9.2.

1.58 "C/O" shall have the meaning provided in Section 60.1.

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.

1.64 "Common Areas" shall have the meaning provided in the REOA.

1.65 "Common Building Systems" shall have the meaning provided in the REOA.

1.66 "Common Owner" and "Common Ownership" shall have the meaning provided in the definition of "Single Purpose Entity".

1.67 "Comparable Buildings" shall have the meaning provided in Section 4.

1.68 "Concourse" shall have the meaning provided in the REOA.

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 .

1.71 "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 - Long Island, NY-NJ-CT 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 "Contest" shall have the meaning provided in Section 65.

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.

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", "Controls", and "Under Common Control With" shall have the meanings correlative to the foregoing.

1.79 "Controlled Inspections" shall have the meaning provided in the Tenant Construction Review Manual.

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 24.9.3.

1.83 "Debt Obligation" shall have the meaning provided in Subsection 24.9.4.

1.84 "Debt Service" shall have the meaning provided in Section 5.3.

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%).

1.87 "Depository" shall mean any trust companies, 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.

1.88 "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.

1.90 "Direct Assignment" shall have the meaning provided in Section 7.1.

1.91 "Disclosure Materials" shall mean, collectively, (i) the Property Condition Assessment of World Trade Center Portfolio, prepared by Merritt & Harris, Inc., dated December 6, 2000, and (ii) the ASTM Phase I Environmental Site Assessment - One, Two, Four & Five World Trade Center, New York City, NY 10081, prepared by Merritt & Harris, Inc., dated December 7, 2000.

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.

1.94 "Equipment Lease" shall have the meaning provided in Section 8.7.

1.95 "Equity Interest" shall have the meaning provided in Subsection 24.9.5.

1.96 "Equity Interest Disposition" shall have the meaning provided in Subsection 24.2.2.

1.97 "Equity Interest Refinancing" shall have the meaning provided in Subsection 24.2.4.

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 (i) Base Rent and Participating Rent, to the extent of Excess Income, when due to the Port Authority, and such default shall continue for a period of five (5) Business Days, or (ii) the Initial Rent Payment when due to the Port Authority; or

(b) the Lessee shall fail to pay the rentals, fees, charges or other monies payable hereunder, other than Base Rent and Participating 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; 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, is filed against the Premises or 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 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) 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; or

(m) if (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, 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.

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 Income" shall have the meaning provided in Subsection 5.3.

1.104 "Excess Port Authority Requirement" shall have the meaning provided in Subsection 6.3.3.

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 Transaction" shall have the meaning provided in Section 24.3.

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 Government Order" shall have the meaning provided in Subsection 6.2.4.

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 "Existing Space Lease" shall mean any Space Lease executed on a date prior to the Commencement Date, including, without limitation, any expansion or renewal pursuant to an option contained in such Space Lease, as such Space Lease may be amended, modified, supplemented or restated from time to time, including any such Space Lease which is terminated for any reason, and thereafter the space demised under such Space Lease is occupied by the former Space Tenant or a Related Entity of such Space Tenant, provided, however, if a Space Lease is modified to include additional space not demised under such Space Lease or subject to an expansion option contained in such Space Lease, such additional space shall not be deemed to be demised under an Existing Space Lease.

1.115 "Existing Space Tenant" shall mean any Person having the right to occupy a portion of the Premises under an Existing Space Lease.

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.

1.118 "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 "Five World Trade Center Lease" shall have the meaning provided in the Recitals.

1.121 "Five World Trade Center Lessee" shall have the meaning provided in the Recitals.

1.122 "Four World Trade Center Lease" shall have the meaning provided in the Recitals.

1.123 "Four World Trade Center Lessee" shall have the meaning provided in the Recitals.

1.124 "Full Insurable Value" shall have the meaning provided in Subsection 14.1.1.

1.125 "Future MOU's" shall have the meaning provided in Subsection 6.3.3.

1.126 "Future Space Lease" shall have the meaning provided in Subsection 6.10.3.

1.127 "Future Space Tenant" shall mean any Person having the right to occupy a portion of the Premises under a Future Space Lease.

1.128 "Future Space Tenant Tax Increase" shall have the meaning provided in Subsection 6.10.3(a).

1.129 "Future Space Tenant's Share" shall mean the proportion which the total number of rentable square feet of space in the Building occupied by a Future 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 Future 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 Future Space Lease for which taxes are payable, if such measurement is set forth in such Future Space Lease.

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" shall have the meaning provided in the Contract to Lease.

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.

1.134 "GSA Building" shall have the meaning provided in the REOA.

1.135 "Health Code" shall mean the rules, regulations and codes established from time to time by the New York City Department of Health.

1.136 "Immediate Repairs" shall have the meaning provided in Subsection 13.4.2(a).

1.137 "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 Initial Rent Payment or Rental received as such by the Port Authority under this Agreement (collectively, "Excluded Taxes").

1.138 "Income Tax Controversy" shall have the meaning provided in Section 18.5.

1.139 "Independent Director/Manager" shall mean an individual who shall not have been at the time of such individual's appointment, will not be while serving and may not have been at any time during the preceding five (5) years from the date of appointment, (i) a partner, director (other than the Independent Director/Manager), member, shareholder of, or an officer, attorney, counsel or employee of, the Lessee or any of its respective partners, members, shareholders or subsidiaries, (ii) a customer of, or supplier to, the Lessee or any of its respective partners, members, shareholders or subsidiaries, (iii) a Person Controlling any such partner, member, shareholder, supplier or customer, or (iv) a member of the immediate family of any such shareholder, officer, employee, supplier or customer of the Lessee. Notwithstanding the foregoing, the Lessee and any Other Lessee and any Affiliate of any thereof may have the same Independent Director(s)/Manager(s).

1.140 "Initial Costs" shall have the meaning provided in Subsection 24.9.6.

1.141 "Initial Partners/Members" shall have the meaning provided in Subsection 24.3.4.

1.142 "Initial Rent Payment" shall mean Two Hundred Thirty One Million Three Hundred Four Thousand Forty and 00/100 Dollars ($231,304,040).

1.143 "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.

Estimated Construction Cost	Timing
$0 - $500,000	Ten (10) Business Days
$500,001 - 5,000,000	Fifteen (15) Business Days
$5,000,001 - $15,000,000	Twenty (20) Business Days
over $15,000,000	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.

1.144 "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 and 00/100 Dollars ($250,000,000)(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.

1.145 "Internal Rate of Return" shall have the meaning provided in Subsection 24.9.8.

1.146 "Invested Capital" shall have the meaning provided in Subsection 24.9.9.

1.147 "Joint Inventory" shall have the meaning provided in Section 2.2.

1.148 "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.

1.149 "Lessee" shall have the meaning provided in the Preamble.

1.150 "Lessee's Allocated 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 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 the purposes of this definition, the term "total number of rentable square feet 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. As of the January 25, 2001, (i) the total number of taxable square feet in the Premises is represented by the Port Authority to be, and shall be deemed to be 2,243,068 square feet, and (ii) the total number of taxable square feet in the World Trade Center is represented by the Port Authority to be, and shall be deemed to be 8,150,594 square feet. 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.

1.151 "Lessee's Cost of Service" shall mean the unamortized cost of any Capital Improvement made by the Lessee in connection with providing electrical power at the Premises, in addition to the Cost of Energy, Operation and Maintenance Costs, Capital Costs, Indirect and Overhead Costs and Amounts in-lieu-of Taxes (as each term is defined in that certain letter, dated as of June 9, 1977, from the Port Authority to NYPA). As of December 31, 2000, the Capital Costs attributable to the Premises is equal to the Lessee's Premises Percentage of One Hundred Fifty-Eight Million Eight Hundred Ninety-One Thousand One Hundred Twelve and 00/100 Dollars ($158,891,112).

1.152 "Lessee's Premises Percentage" shall mean the Allocated Percentage ascribed to the Lessee in the REOA, which Allocated Percentage, as of the Commencement Date, shall mean 43.5%, as such Allocated Percentage may be modified from time to time in accordance with the provisions of the REOA.

1.153 "License" shall mean (i) a trademark license agreement from the World Trade Center Association, in the form attached hereto as Exhibit K-2, and (ii) a direct license of World Trade Center related marks owned by the Port Authority, in the form attached hereto as Exhibit K-1.

1.154 "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.

1.155 "Major Tests" shall have the meaning provided in the Tenant Construction Review Manual.

1.156 "Management Agreement" shall have the meaning provided in Section 10.1.

1.157 "Mandatory Compliance Costs" shall have the meaning provided in Subsection 6.2.7.

1.158 "Marriott" shall mean HMH WTC, Inc., as lessee under the Marriott Lease, and its permitted successors and assigns.

1.159 "Marriott Building" shall have the meaning provided in the REOA.

1.160 "Marriott Lease" shall have the meaning provided in the REOA.

1.161 "Memorials" shall have the meaning provided in Section 64.1.

1.162 "Mezzanine Loan" shall have the meaning provided in Section 6.13(b).

1.163 "Minor Alteration/Ordinary Repair" shall have the meaning provided in the Building Department Code.

1.164 "Monthly Percentage Rent Statement" shall have the meaning provided in Subsection 5.9.1.

1.165 "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.

1.166 "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.

1.167 "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.

1.168 "Negotiated Terms" shall have the meaning provided in Subsection 61.4.5.

1.169 "Net Lease BID Allocation Percentage" shall have the meaning provided in Section 6.8(c).

1.170 "Net Lessee Execution Date" shall have the meaning provided in the Contract to Lease.

1.171 "Net Lessees' Association" shall have the meaning provided in the REOA.

1.172 "Net Operating Income" shall have the meaning provided in Subsection 24.9.10.

1.173 "Net Proceeds" shall have the meaning provided in Sections 24.4.

1.174 "New City Agreement" shall have the meaning provided in Section 6.10.2.

1.175 "1967 Agreement" shall have the meaning provided in the definition of the Existing City Agreement.

1.176 "Non-Compliance Costs and Expenses" shall have the meaning provided in Subsection 6.4.6.

1.177 "Non-Compliance Rate" shall mean a rate of interest equal to ten percent (10%) per annum.

1.178 "Non-Conforming Repair Costs" shall have the meaning provided in Subsection 6.4.4.

1.179 "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.

1.180 "Non-Disturbance and Attornment Agreement" shall have the meaning provided in Subsection 9.5.2.

1.181 "Non-Net Lease Privatization" shall have the meaning provided in Subsection 60.2.1.

1.182 "Non-Occupancy Lease" shall have the meaning provided in Subsection 24.2.5.

1.183 "Non-Restricted Period" shall have the meaning provided in Subsection 61.4.5.

1.184 "Notice" shall have the meaning provided in Section 39.

1.185 "Notice Terms" shall have the meaning provided in Subsection 61.4.5.

1.186 "Notification Date" shall have the meaning provided in Subsection 6.10.2.

1.187 "NYPA" shall mean the Power Authority of the State of New York.

1.188 "NYPA Agreement" shall mean the Application for Electric Service, dated as of September 22, 1976, between the Port Authority and NYPA, as supplemented by the Agreements, dated as of February 12, 1996 and February 14, 1996, 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.

1.189 "Office Leases" shall mean, individually and collectively, this Agreement, the Two World Trade Center Lease, the Four World Trade Center Lease and the Five World Trade Center Lease.

1.190 "Operating Income" shall have the meaning provided in Subsection 24.9.12.

1.191 "Operations Space" shall have the meaning provided in Subsection 5.7.2(b).

1.192 "Operating Expenses" shall have the meaning provided in Subsection 24.9.11.

1.193 "Other Contract" shall have the meaning provided in Subsection 61.4.5.

1.194 "Other Leases" shall have the meaning provided in the Recitals.

1.195 "Other Lessees" shall have the meaning provided in the Recitals.

1.196 "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.

1.197 "Participating Rent" shall mean, collectively, Additional Base Rent, Unpaid Additional Base Rent and Unpaid Additional Rent Charge.

1.198 "Partner's/Member's Loan" shall have the meaning provided in Subsection 24.9.13.

1.199 "PATH" shall mean the Port Authority Trans-Hudson Corporation, and any successor agency, office or department thereto.

1.200 "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.

1.201 "Percentage Rent" shall have the meaning provided in Section 5.6.

1.202 "Percentage Rent Statement" shall have the meaning provided in Subsection 5.9.2.

1.203 "Permit Fees" shall mean those certain fees set forth in paragraph five of Rider "A" to the Tenant Construction Review Manual. 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.

1.204 "Permitted Encumbrances" shall have the meaning provided in Section 30.

1.205 "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 leaseable square feet, including a first-class office building located in the Borough of Manhattan comprising not less than 500,000 leaseable 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.

1.206 "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.

1.207 "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.

1.208 "PILOT" shall mean the payments required to be made by the Port Authority pursuant to the City Agreement.

1.209 "PILOT Increases" shall have the meaning provided in Subsection 6.10.2.

1.210 "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.

1.211 "Plaza" shall have the meaning provided in the REOA.

1.212 "Port Authority" shall have the meaning provided in the Preamble.

1.213 "Port Authority Allocated Costs" shall have the meaning provided in the REOA.

1.214 "Port Authority Certification Procedure" shall have the meaning provided in Subsection 9.2.1.

1.215 "Port Authority Manual" shall mean, collectively, the Tenant Construction Review Manual, the Health Code, the Fire Department Code, the Rules and Regulations, and the Security Guidelines. As of the Commencement Date, the Port Authority Manual consists of (i) the documents containing bate stamp numbers PAM 000 1 through PAM 000 723 on the CD ROM delivered by the Port Authority to the Lessee in accordance with the Contract to Lease, and (ii) the Security Guidelines attached hereto as Exhibit D. The Port Authority Manual shall not include any guidelines, regulations, rules or codes that are aesthetic in nature and shall not be

amended, modified or supplemented from time to time by the Port Authority to include any such criteria.

1.216 "Port Authority Manual Operating Expenses" shall have the meaning provided in Subsection 6.3.8(c).

1.217 "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.

1.218 "Port Authority's BID Charge" shall have the meaning provided in Subsection 6.8(a).

1.219 "Port Authority's Cost of Service" shall mean the Port Authority's actual cost of purchasing electrical power from NYPA, pursuant to the NYPA Agreement, for the Premises, plus an amount equal to the Lessee's Premises Percentage of Two Hundred Thousand and 00/100 Dollars ($200,000) per annum, Subject to Adjustment by the Port Authority, for high tension switch operators serving the World Trade Center.

1.220 "Port Authority Space Lease" shall mean, collectively, (i) the Lease, dated as of the date hereof, between the Port Authority and the Lessee and (ii) the License Agreement, dated as of the date hereof, between the Port Authority and the Lessee, relating to the antenna.

1.221 "Premises" shall have the meaning provided in Section 2.1.1.

1.222 "Present Value" shall have the meaning provided in Section 27.2(c).

1.223 "Prime Rate" shall mean an interest rate per annum equal to the prime rate established 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.

1.224 "Priority Repairs" shall have the meaning provided in Subsection 13.4.2(b).

1.225 "Privatization" shall have the meaning provided in Section 60.1.

1.226 "Privatization Costs" shall have the meaning provided in Subsection 60.1.1.

1.227 "Privatization Notice" shall have the meaning provided in Section 61.1.

1.228 "Privatization Price" shall have the meaning provided in Section 61.2.

1.229 "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 in the Concourse which are connected, by a staircase or otherwise, to storage space in the Subgrade Space, (v) retail stores with floors or mezzanines located above the Concourse, (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.

1.230 "Professional Certification Procedure" shall have the meaning set forth in Subsection 19.4.1.

1.231 "Project Refinancing" shall have the meaning provided in Subsection 24.2.3.

1.232 "Proposed Certificate" shall have the meaning provided in Section 25.2.

1.233 "Public Event" shall have the meaning provided in the REOA.

1.234 "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.

1.235 "Qualification Notice" shall have the meaning provided in Section 8.3.

1.236 "Qualified A/E" shall have the meaning provided in Subsection 19.4.1(b).

1.237 "Rating Agencies" shall mean Standard & Poor's Ratings Services, currently a Division of The McGraw-Hill Companies, Inc., Moody's Investors Service, Inc. and 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.

1.238 "Reimbursable Port Authority Manual Operating Expenses" shall have the meaning provided in Subsection 6.3.8(B).

1.239 "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.

1.240 "Reminder Notice" shall have the meaning provided in Subsection 6.2.5(b).

1.241 "Remaining Excess Income" shall have the meaning provided in Section 5.4.

1.242 "Rental" shall have the meaning provided in Section 5.6.

1.243 "REOA" shall have the meaning provided in Subsection 2.1.2.

1.244 "Repairs" shall have the meaning provided in Section 6.4.

1.245 "Requisition Package" shall have the meaning provided in Subsection 65.2.1.

1.246 "Reserves" shall have the meaning provided in Subsection 24.9.11(l).

1.247 "Restoration" shall have the meaning provided in Section 42.3.1.

1.248 "Restore" shall have the meaning provided in Section 42.3.1.

1.249 "Retail Lease" shall have the meaning provided in the Recitals.

1.250 "Retail Lessee" shall have the meaning provided in the Recitals.

1.251 "Retained Proceeds" shall have the meaning provided in Subsection 24.9.14.

1.252 "Right of First Offer" shall have the meaning provided in Section 61.1.

1.253 "Routine Repairs" shall have the meaning provided in Subsection 13.4.2(d).

1.254 "Rules and Regulations" shall mean the rules and regulations of the Port Authority that are part of the Port Authority Manual, a current copy of which is attached hereto as "Exhibit R", as the same may be amended or modified, from time to time, in accordance with the terms hereof.

1.255 "Safety Repairs" shall have the meaning provided in Subsection 13.4.2(c).

1.256 "Sale" shall have the meaning provided in Subsection 24.2.1.

1.257 "Sale and Purchase Agreement" shall have the meaning set forth in Section 61.3.

1.258 "Security Guidelines" shall mean the security guidelines, promulgated by the Port Authority, a current copy of which is attached hereto as "Exhibit D", as the same may be amended or modified, from time to time by the Port Authority.

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 have the meaning provided in Section 5.3.

1.262 "7 World Trade Center Building" shall have the meaning provided in the REOA.

1.263 "Signs" shall have the meaning provided in Section 17.2.

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 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, (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 and (5) obligations otherwise incurred in accordance with the terms of this 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, (vii) conducts its own business in its own name, (viii) maintains separate financial statements, (ix) pays its own liabilities out of its own funds, (x) observes all partnership, corporate or limited liability company formalities, applicable to it, (xi) maintains an arm's-length relationship with its affiliates, (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, (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, (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) (or if the Lessee shall be wholly-owned by a single member limited liability company, to Lessee's managing member or non-member manager):

(a) if such Person is a partnership, all general partners of such Person shall be Single Purpose Entities;

(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) except as set forth above, if such Person is a limited liability company, each managing member or non-member manager shall be a Single Purpose Entity;

(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 Person required to be a Single Purpose Entity hereunder 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) The following provisions shall apply to the Lessee and any Other 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, (B) incur, create, assume or permit the incurrence, creation or assumption of, indebtedness, severally or jointly with one or more of the other Common 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 Owner, and (3) each Common Owner is an obligor of such indebtedness, (C) make advances or make loans to any other Common 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 Owner, (D) 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 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 (E) enter into or assume service or construction contracts under which two (2) or more Common Owners are obligors.

(ii) The Lessee and any Other Lessees which are Common Owners shall be permitted to have the same 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 Lessee shall be permitted to be a single member limited liability company organized under the laws of the State of Delaware, which Lessee may be wholly owned by a single member limited liability company, and the sole member of such sole member of the Lessee shall be permitted to be an entity which is not a Single Purpose Entity, including, either (a) a limited partnership, or (b) a multi-member limited liability company, provided that either (x) the sole member of the Lessee contains a non-member manager which is a Single Purpose Entity and which has at least one (1) Independent Director/Manager, or (y) the sole member of the Lessee is a Single Purpose Entity and either the Lessee or such sole member has at least one (1) Independent Director/Manager.

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.

1.267 "Special Notice" shall have the meaning provided in Subsection 8.5.4.

1.268 "Sponsor" shall have the meaning provided in the REOA.

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

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

1.271 "Subgrade Space" shall have the meaning provided in the REOA.

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.

1.273 "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.

Estimated Construction Cost	Timing
$0 - $500,000	Ten (10) Business Days
$500,001 - 5,000,000	Twelve (12) Business Days
$5,000,001 - $15,000,000	Fourteen (14) Business Days
over $15,000,000	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.

1.275 "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 "Tax Challenge Date" shall have the meaning provided in Subsection 6.11.3.

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.

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

1.286 "Tenant Construction Review Manual" shall mean, collectively, (i) the Tenant Construction Review Manual, (ii) the Design Guidelines, Guide Specification, and Standard Details (Architectural and Structural), (iii) the Design Guidelines, Guide Specification, and Standard Details (Electrical and Communication), (iv) the Design Guidelines, Guide Specification and Standard Details (HVAC, Plumbing and Fire Protection), (v) World Trade Center Structural Design Criteria, (vi) Pro Form Applications and (vii) Mandated Fire Alarm

Guidelines, promulgated by the Port Authority, as the same exist on the date hereof, current copies of each of which are attached hereto as "Exhibit E", as the same may be amended or modified, from time to time, in accordance with the terms hereof.

1.287 "Tenant Improvements" shall have the meaning provided in Subsection 65.1.1.

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

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

1.290 "Total Receipts" shall have the meaning provided in Section 24.9.15.

1.291 "Transaction" shall have the meaning provided in Section 24.2.

1.292 "Transaction Certificate" shall have the meaning provided in Section 24.7.

1.293 "Transaction Payment" shall have the meaning provided in Section 24.4.

1.294 "Transferee" shall have the meaning provided in Subsection 24.9.16.

1.295 "Transferor" shall have the meaning provided in Subsection 24.9.17.

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

1.297 "True Sale" shall have the meaning provided in Subsection 24.4.3.

1.298 "Trustee" shall have the meaning provided in Subsection 24.5.1.

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.

1.301 "Unavoidable Delay" shall mean 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.

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

1.303 "Unpaid Additional Rent" shall have the meaning provided in Subsection 5.3.

1.304 "Unpaid Additional Rent Charge" shall have the meaning provided in Subsection 5.3.

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

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 6.3.4 for the performance of work and curing violations.

1.307 "Voluntary Increase" shall have the meaning provided in Subsection 6.8.4.

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 "WTCA" shall mean The World Trade Center Association.

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) all that certain volume of space occupied by the Building (as hereinafter defined) and any replacements thereof, known and designated as One World Trade Center, also known as Tower A, situate, lying and being in the Borough of Manhattan, County, City and State of New York, the exterior limits of any horizontal plane which lies within said volume of space being more particularly bounded and described on "Exhibit A" attached hereto, together with (i) all that certain volume of space occupied by, and including the subgrade improvements of the World Trade Center and any replacements thereof, including, without limitation, the volume of space occupied by the vehicular access ramps connecting the loading dock to Barclay Street and any replacements thereof, but excluding (A) that certain space which has been identified by cross-hatching on the schematic drawings attached hereto as (x) "Exhibit X", other than the elevator shafts and elevators demised to One World Trade Center, and (y) "Exhibit X-1", (B) any portion of the World Trade Center Concourse which lies subsurface and (C) those certain portions of One World Trade Center leased to Marriott pursuant to the Marriott Lease, as depicted on the survey prepared by Earl B. Lovell-S.P. Belcher, Inc., dated as of November 11, 2000, as revised on May 24, 2001 and as may have been revised prior to the Commencement Date, (ii) the vehicular access ramps on West Street commonly known as vehicular access ramps A, B, C and D connecting to the space identified in clause (i) above and any replacements thereof and the vehicular access ramp on Liberty Street commonly known as vehicular access ramp H connecting to the space identified in clause (i) above and any replacements thereof, and (iii) the

elevator shafts and elevators commonly known as the "J Bank" elevators and the "K elevator cars";

(b) together with all buildings now or hereafter occupying such volume of space demised under Section 2.1(a) above 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 Other Lessees and the lessees under the leases for Three World Trade Center, and Six World Trade Center; 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 attach to the land described on "Exhibit A" attached hereto (the "Support Rights").

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 Common Areas and the Common Building Systems, all as 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.

2.1.1 The Building and the Appurtenances are hereinafter referred to, individually and collectively, as the context requires, as the "Premises".

2.1.2 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 Reciprocal Easement and Operating Agreement for Portions of the World Trade Center, dated as of the date hereof, by and between the Port Authority, the Lessee, and the Other Lessees (as the same may be amended, modified, revised or supplemented from time to time, the "REOA"), as the same may apply to the rights of the Lessee hereunder.

2.2 In addition to the letting of the Premises hereunder, the Port Authority hereby grants to the Lessee permission to use the artwork listed on Schedule 2.2 attached hereto and hereby made a part hereof (the "Artwork"), with no obligation on the Lessee's part to pay any fee, or make any other payment with respect to the use of the Artwork. The value of each such piece of Artwork is set forth on Schedule 2.2, which values are as of the date(s) set forth thereon. Subject to the terms of this Section 2.2, the Lessee shall display the Artwork in the public areas of the Premises during the Term. Without limiting any other term or provision of this Agreement, the Lessee shall be responsible to the Port Authority for loss, theft, destruction of, or damage to the Artwork. Subject to this Section 2.2, each item of Artwork shall be kept in the appearance and condition such item of Artwork was in on the Commencement Date, reasonable wear and tear, including natural aging, weathering and deterioration, damage by casualty excepted and excluded, and the Lessee shall yield, and deliver each such item of Artwork to the Port Authority in such condition on the Expiration Date, or the earlier termination thereof as to such item, reasonable wear and tear, including natural aging, weathering and deterioration, and damage by casualty excepted and excluded. The Lessee shall promptly notify the Port Authority if any item of such Artwork is lost, stolen, destroyed, or damaged. From time to time during the Term, but not more often than one (1) time per year, at the election of either the Port Authority or

the Lessee, a joint inventory of the Artwork shall be taken by the Port Authority and the Lessee, each acting in a reasonable manner, and checked against Schedule 2.2 (such schedule, as revised from time to time during the Term to reflect returns, recaptures, substitutions, and losses in accordance with the provisions of this paragraph, being hereinafter referred to as the "Joint Inventory"). The Port Authority may affix to each item of Artwork, in an inconspicuous place, a label indicating that such item of the Artwork is owned by the Port Authority, and if such label is affixed to any item of Artwork, the Lessee shall thereafter keep such label affixed thereto. The Lessee shall not remove any of the Artwork from the Premises, or dispose, or permit the disposal or removal thereof, except in accordance with the provisions of this paragraph or a temporary removal thereof in connection with prudent security precautions and measures or repair, maintenance or alteration of any portion of the Premises in which Artwork is situated, provided such Artwork may be relocated by the Lessee to any other portion of the Premises. The Lessee may, from time to time, return any item of Artwork to the Port Authority in the condition required by this paragraph, in which event the Lessee shall be relieved of all further responsibility with respect to such item, and upon the exercise of such right of return the latest Joint Inventory of Artwork shall be revised accordingly. The return by the Lessee of any item of Artwork pursuant to the provisions of this paragraph shall not relieve the Lessee of any liability or obligation with respect thereto which shall have accrued prior to the return or removal thereof. Title to Artwork shall be and remain at all times with the Port Authority, and the Lessee shall have no ownership interest in Artwork except the right to display Artwork during the Term hereof, subject to and in accordance with the applicable provisions of this Agreement, and shall have an insurable interest for the purposes hereof. The Port Authority represents and warrants

that, to its actual knowledge, as of the Commencement Date, it owns the Artwork free of rights or claims of others and, for so long as the Lessee uses such Artwork, shall continue to so own the Artwork throughout the Term. The Lessee shall have no liability to the Port Authority for any claims arising from any rights of others with respect to the Artwork.

2.3 Prior to the execution of this Agreement, the Lessee has thoroughly examined the Premises and the Lessee agrees to accept the Premises, as is, in the condition existing on the Commencement 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 Other 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 Other 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) the Initial Rent Payment and Rental are rents paid pursuant to the letting 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") shall commence 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.

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 in a manner generally consistent with other office buildings located within the Borough of Manhattan which, as of the date the Building was completed, were comparable, in quality, to the Building, as more particularly set forth on Schedule 4 attached hereto and made a part hereof (collectively, "Comparable Buildings").

Section 5. Rental.

5.1 The Lessee shall pay, as rent for the letting of the Premises, to the Port Authority, on the Commencement Date, without notice and demand, an amount equal to the Initial Rent Payment, as adjusted for certain prorations and similar items set forth in the Contract to Lease.

5.2 The Lessee shall pay, as rent for the letting of the Premises, to the Port Authority, without notice or demand, the amounts set forth on Schedule 5.1(a) for each Lease Year (collectively, "Base Rent"), in equal monthly installments in advance, commencing on the

Commencement 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 The Lessee shall pay, as additional rent for the letting of the Premises, to the Port Authority, without notice or demand, an amount equal to Six Million Four Hundred Seventy-Three Thousand Five Hundred and 00/100 Dollars ($6,473,500) for each full calendar year (which amount shall be prorated for any partial Lease Year) during the first thirty (30) Lease Years (collectively, "Additional Base Rent"), in equal monthly installments in arrears, to the extent of Excess Income, commencing on the Commencement Date and continuing thereafter on the first day of each calendar month until paid in full, which amounts shall be prorated for the first month of the first Lease Year. If Additional Base Rent is not paid in full on each such calendar month, then the excess of (x) the Additional Base Rent payable for such month over (y) the Additional Base Rent actually paid on the first day of such month (the "Unpaid Additional Base Rent") shall be paid on the first day of any calendar month for which there is available Excess Income, after payment of the then due Additional Base Rent, to the extent of such Excess Income. In the event that there shall at any time be any Unpaid Additional Base Rent, the Lessee shall pay to the Port Authority from Excess Income after payment of all Unpaid Additional Base Rent, monthly on the first day of each month, an additional amount (the "Unpaid Additional Rent Charge") on such Unpaid Additional Base Rent for the period commencing on the date such Unpaid Additional Base Rent was due and ending upon the date the same shall be paid, at a rate equal to ten percent (10%) per annum, which shall compound monthly until paid. For purposes of this Section 5.3, "Excess Income" shall be deemed to be equal to (x) Operating Income for the immediately preceding month, less (y) (i) Rental (other than Additional Base Rent and Unpaid

Additional Base Rent) paid during such immediately preceding calendar month, (ii) any and all reserves required to have been funded during such immediately preceding calendar month pursuant to the terms of the Senior Mortgage or any refinancing thereof, (iii) Debt Service payable during the immediately preceding calendar month, (iv) Operating Expenses (exclusive of Rental) paid during the immediately preceding calendar month, (v) regularly scheduled payments of principal and interest on the Mezzanine Loan payable during the immediately preceding calendar month, and (vi) any Capital Costs expended during the immediately preceding calendar month (other than Capital Costs that were actually paid for with proceeds of the Mezzanine Loan). The term "Debt Service" shall mean all payments of principal and interest due under the most senior Mortgage encumbering the Premises which, as of the Commencement Date, is that certain mortgage financing described on Schedule 5.3 attached hereto (the "Senior Mortgage"), and any refinancings thereof, provided (i) the principal amount of such refinancing upon which the calculation of Debt Service shall be computed shall not be greater than the amount equal to the sum of (x) the outstanding balance of the mortgage being refinanced on the date of the refinancing, (y) accrued interest, default interest and late fees due and owing under the Senior Mortgage or any other loan documents executed in connection therewith (the "Senior Loan Documents"), and (z) any advances made to the Lessee by the holder of the Senior Mortgage for the payment by the Lessee of Debt Service, Operating Expenses, Capital Costs and Rental, and (ii) such refinancing shall be provided in connection with an arms'-length transaction with an unaffiliated third-party lender.

5.4 Neither the holder of either the Senior Mortgage or any refinancing thereof, nor any affiliate, nominee or other entity, which may acquire the leasehold estate created

hereby by reason of foreclosure, assignment in lieu of foreclosure or other proceeding brought by it, nor any subsequent successors, assignees or purchasers thereof and thereafter shall have any obligation regarding any Unpaid Additional Base Rent or Additional Base Rent, whether outstanding or not yet due and payable.

5.4.1 With respect to each other Office Lease, the Lessee shall, for so long as (i) the Lessee and such other Office Lessee are Common Owners, and (ii) the holder of the Senior Mortgage is the holder of the "Senior Mortgage" described in the definition of "Debt Service" under such other Office Lease, calculate Participating Rent on an aggregate basis with the Participating Rent to be calculated under such other Office Lease.

5.5 The Lessee has concluded that it is proper to treat, and the Lessee shall report, the transaction contemplated by this Agreement, as a true lease for United States federal income tax purposes. The Lessee shall report the Initial Rent Payment and the Base Rent for United States federal income tax purposes in accordance with the allocation set forth in Schedule 5.1(b) as described below. The Port Authority shall not take a contrary position to the positions described in the two preceding sentences, absent a contrary final determination by the Internal Revenue Service or a court (in each case, which determination is not being further contested by the Lessee). The Lessee and the Port Authority agree that all amounts payable as the Initial Rent Payment and Base Rent pursuant to Schedule 5.1(a) hereof are specifically allocated to monthly rental periods under this Agreement in accordance with the "Allocated Rent Payment Amount" column of Schedule 5.1(b). The Initial Rent Payment and Base Rent shall be paid solely in accordance with Section 5.1 and 5.2 hereof, and nothing in this Section 5.5 or Schedule 5.1(b) shall require the Lessee or the Port Authority to make any other payments or entitle the Lessee or

the Port Authority to 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 Term, the Lessee shall pay, for the letting of the Premises during such period, in arrears, an amount ("Percentage Rent"; collectively, Base Rent, Participating 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 (i) the first (1st) Lease Year through and including the tenth (10th) Lease Year, one-half of one percent (0.5%), and (ii) the eleventh (11th) Lease Year and thereafter throughout the remainder of the Term, one and one-half of one percent (1.5%).

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, and (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 Other Lessees, shall not exceed 50,000 square feet of above-grade office space, or (B) used by service or construction contractors (the "Contractor's Space").

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 Other Lessee(s) under such Other Lease(s) are Common Owners, on an aggregate basis with the Percentage Rent to be calculated under any Other Lease(s).

5.7.3 If 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 (excluding the first calendar month of the Term), 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, 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 five percent (5%) of the sums actually paid by the Lessee, or (ii) at the Prime Rate, if such deficiency shall be equal to or less than five percent (5%) 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 5.5.3 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 Five Accounting Firms" (as defined on Schedule 5.5.3 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 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 determine 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 Subsections 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 five percent (5%) of the sums actually paid by the Lessee, or (ii) at the Prime Rate, if such deficiency shall be equal to or less than five percent (5%) of the sums actually paid by the Lessee. If such deficiency shall be in excess of five percent (5%) 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 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 Other Leases. Lessee agrees that, subject to the foregoing, each Space Lease shall be executed on an arms-length basis and 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, 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 Initial Rent Payment, 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 Initial Rent Payment, 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, 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. The Lessee shall not be obligated to procure a Permit to Occupy or Use or a Consent to Occupy for any Existing Space Tenant, to the extent such Existing Space Tenant is occupying a portion of the Premises without a Permit to Occupy or Use or a Consent to Occupy, provided, however, the Lessee shall be obligated to procure a Permit to Occupy or Use or a Consent to Occupy for any Existing Space Tenant whose demised premises is under construction as of the Commencement Date, but as to which a Permit to Occupy or Use or a Consent to Occupy has not been issued to such Existing Space Tenant and is required to be obtained by such Existing Space Tenant pursuant to its Space Lease.

6.2 Except as otherwise provided in this Section 6.2 and Sections 6.3 and 6.4, 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 (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.

6.2.1 The Lessee shall not be required to perform, fulfill or comply with the obligations described in this Section 6.2 with respect to the conditions set forth on Schedule 6.2.1.

6.2.2 The Lessee shall be required to perform, fulfill and comply with the obligations of this Section 6.2 with respect to the conditions set forth on Schedules 6.2.2 and 6.2.3 solely in accordance with the time periods and the requirements set forth on Schedules 6.2.2 and 6.2.3.

6.2.3 Except upon the request of the Port Authority pursuant to Section 60, neither the Port Authority nor the Code Compliance Office shall request the Lessee to perform, fulfill or comply with the obligations described in Section 6.2 with respect to (A) the conditions set forth on Schedule 6.2.1, or (B) the conditions set forth on Schedules 6.2.2 or 6.2.3, sooner than required pursuant to Schedules 6.2.2 or 6.2.3, as applicable.

To the extent that detailed specifications with respect to the work necessary to cure the conditions set forth on Schedules 6.2.2 and 6.2.3 are not set forth (or otherwise referenced) therein, the Lessee's obligations described in this Section 6.2 with respect to the conditions set forth on Schedules 6.2.2 and 6.2.3 may be performed in such manner and with such contractors as Lessee shall reasonably determine.

6.2.4 In the event (i) any governmental entity or municipal agency requires the Lessee to perform, fulfill or comply with the obligations described in Section 6.2 with respect to (A) the conditions set forth on Schedule 6.2.1, or (B) the conditions set forth on Schedules 6.2.2 or 6.2.3, sooner than required pursuant to Schedules 6.2.2 or 6.2.3, as applicable, and (ii) 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 (an "Existing Government Order"), the Port Authority shall pay to the Lessee any Mandatory Compliance Costs incurred by the Lessee in connection therewith (as set forth in a budget approved by the Port Authority pursuant to Section 6.2.5 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 necessary documentation are received by the Port Authority. The Port Authority shall, at the Lessee's option, either pay Mandatory Compliance Costs directly to the parties entitled to receive payment of the Mandatory Compliance 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 required to be made by the Port Authority, pursuant to this Subsection 6.2.4 or Subsection 6.2.5 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. In the event a Lien is filed against the Premises as a result of the Port Authority's failure to pay Mandatory Compliance Costs, such Lien shall not result in an Event of Default by the Lessee under this Agreement.

6.2.5 Prior to commencing any action to comply with an Existing Government Order, the Lessee shall submit a budget to the Port Authority detailing the actions required to be taken by the Lessee to comply with such Existing Government Order and the Mandatory Compliance 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 a 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 Mandatory Compliance Costs may exceed the amounts set forth in the budget approved by the Port Authority, the Lessee shall provide documentation, in reasonable detail, describing the reasons for such increased amounts, and requesting the Port Authority's reasonable approval of such increases in the approved budget, which approval the Port Authority shall not unreasonably withhold, delay or condition. 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 Mandatory Compliance 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 second written notice of such request (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 a consent and approval of such request.

(c) The Lessee may commence an action necessary to comply with (i) an Existing Government Order prior to the date a budget detailing the actions required to be taken by the Lessee to comply with such Existing Government Order is submitted to, and approved by,

the Port Authority, if such earlier compliance is required pursuant to the Existing Government Order, and (ii) any requirement by a governmental entity or municipal agency to perform, fulfill or comply with the obligations described in Section 6.2 with respect to (A) the conditions set forth on Schedule 6.2.1, or (B) the conditions set forth on Schedules 6.2.2 or 6.2.3, sooner than required pursuant to Schedules 6.2.2 or 6.2.3, as applicable, 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.

6.2.6 With respect to the conditions set forth on Schedules 6.2.2 and 6.2.3, the Lessee shall use commercially reasonable efforts, no later than thirty (30) days after the date the Lessee would have been obligated to complete its compliance with the requirements of Section 6.2.2 with respect to the conditions described in Schedules 6.2.2 or 6.2.3, as the case may be, to reimburse to the Port Authority the portion of the Mandatory Compliance Costs (less any fines or

penalties that were paid by the Port Authority on the Lessee's behalf) paid by the Port Authority, if any, with respect to such condition as a result of the Lessee's compliance with an Existing Government Order relating thereto; provided, however, if Mandatory Compliance Costs (less any fines or penalties that were paid by the Port Authority on the Lessee's behalf) are not reimbursed to the Port Authority within thirty (30) days after the date the Lessee would have been obligated to complete its compliance with the requirements of Section 6.2.2 with respect to the conditions described in Schedules 6.2.2 or 6.2.3, as the case may be, (i) due to the failure of the Lessee to use commercially reasonable efforts to make such reimbursements within such thirty (30) day period, such reimbursement shall be paid to the Port Authority promptly after the Lessee's receipt of a request therefor from the Port Authority, together with interest at the Prime Rate from the end of such thirty (30) day period to the date such amounts are paid to the Port Authority, and (ii) but the Lessee used commercially reasonable efforts to notify the Port Authority of such reimbursement obligation prior to the end of such thirty (30) day period, even though no such notification was actually provided, the amounts required to be reimbursed to the Port Authority shall be paid to the Port Authority promptly after the Lessee's receipt of a request therefor from the Port Authority without interest thereon.

6.2.7 As used herein, the term "Mandatory Compliance Costs" shall mean, all costs and expenses, including, without limitation, 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 an Existing Government Order.

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 The Lessee shall maintain one of the elevators located in the elevator bank commonly known as "J Bank" at the Premises as a special needs elevator providing access to the PATH Facilities.

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, as the lessee under the Port Authority Space Lease.

6.2.11 The Port Authority acknowledges that, pursuant to the REOA, the Net Lessee's Association will be obligated to cause the Appurtenances, the Common Building Systems and the 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 Common Building Systems and 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 Lessee may permit vehicle parking (including valet service) for individuals (whether or not such individuals are Space Tenants or employees of Space Tenants) who have been pre-approved for such parking services and such parking services are provided pursuant to procedures established by the Lessee, including those pertaining to the security and safety of the World Trade Center, and approved by the Port Authority in its sole and absolute discretion.

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 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 the Port Authority Manual, modifies any MOU's or enters into any other memoranda of understanding, in each instance, at any time on or after the Net Lessee Execution Date ("Future MOU's"), other than to cause the Port Authority Manual, MOU's or Future MOU's to conform to 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 the Net Lessee Execution Date (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 Section 6.3.4 below or as otherwise approved by the Port Authority pursuant to Section 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 Section 6.3.3 (or Section 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 Sections 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 One Million and 00/100 Dollars ($1,000,000), 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 One Million and

00/100 Dollars ($1,000,000) 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 the Net Lessee Execution Date; 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 Other 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.

6.4 Except as otherwise provided in this Section 6.4 and Sections 6.2 and 6.3 above, 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 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, shall be made at the sole cost and expense of the Lessee. With respect to any condition that existed as of the Commencement Date in violation of the Port Authority Manual or any Governmental Requirement and which was not set forth in the Disclosure Materials (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 Cost 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, together with the Other Lessees, shall promptly obtain a Waste Generator Identification Number for the Premises and the other premises demised under the Other Leases, 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, 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 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, 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 Mandatory Compliance Costs or 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 Mandatory Compliance Costs or 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 letting under this Agreement, the Lessee shall cause to be assigned and transferred to the Port Authority or its designee, all assignable or transferrable 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 The Lessee shall pay, in a timely manner, the Lessee's Premises Percentage of the BID Charge (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.

(a) As used herein, the term "Port Authority's BID Charge" shall mean the charge attributable to the World Trade Center pursuant to the BID Agreement.

(b) As used herein, the term "BID Charge" shall mean the product of (i) the Port Authority's BID Charge and (ii) the Net Lease BID Allocation Percentage.

(c) As used herein, the term "Net Lease BID Allocation Percentage" shall mean the portion of the Port Authority's BID Charge attributable to the Premises and the premises demised under the Other Leases. The Net Lease BID Allocation Percentage shall be determined by the Port Authority in its reasonable discretion as follows: the proportion by which (i) the square footage of the Premises and the premises demised under the Other Leases bears, from time to time, to (ii) the sum of (A) the square footage of the Premises and the premises demised under the Other Leases and (B) the square footage of the Marriott Building and the GSA Building, which shall be expressed as a fraction, the numerator of which shall be the square footage of the Premises and the premises demised under the Other Leases, and the denominator of which shall be the sum of (x) the square footage of the Premises and the premises demised under the Other Leases and (y) the square footage of the Marriott Building and the GSA Building.

(d) As used herein, the term "BID Agreement" shall mean the agreement between the Port Authority and BID in effect on the Commencement Date.

(e) As used herein, the term "BID" shall mean the Alliance for Downtown New York, Inc., the District Management Association for the Downtown Lower Manhattan Business Improvement District.

6.8.2 The Lessee shall pay such amount, 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.

6.8.3 The parties acknowledge that, as of the Commencement Date, the annual Port Authority's BID Charge is One Million One Hundred Twenty Thousand and 00/100 Dollars ($1,120,000), and the annual BID Charge is Eight Hundred Forty-Nine Thousand Fifty-Three and 00/100 Dollars ($849,053). The Lessee and the Port Authority shall each file all applications and furnish all information required of them in connection therewith and 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.

6.8.4 In the event the Port Authority shall, without 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 for any year (a "Voluntary Increase"), then (i) the Lessee shall continue to pay to the Port Authority for such year the BID Allocated Share of the BID Charge which would have been payable for such year pursuant to the provisions of Section 6.8 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 product of the Voluntary Increase and the Net Lease BID Allocation Percentage,

and (B) the product of the (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 Sections 6.8 above. Provided no Event of Default has occurred and is continuing, the Lessee and the Other Lessees shall have the right to appoint the sole World Trade Center representative to the BID, on behalf of the Port Authority, throughout the Term.

6.8.5 The Port Authority shall not execute a BID Amendment that provides for a reduction of services being provided to the Premises as of the Commencement 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.

6.8.6 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.

6.8.7 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.

6.9 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, commencing on January 1, 2002 and thereafter 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 (or, with respect only to the first Tax Equivalent Rental Payment Date, such portion of such six (6) month period as shall occur following the Commencement Date) (each such period being hereinafter referred to as a "Tax Equivalent Rental Payment Period"):

6.10.1 The Lessee's Allocated Share of the amount that is currently payable by the Port Authority to the City of New York 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 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 date hereof) 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.

6.10.2 In the event the Port Authority enters into an amendment, modification or supplement to the Existing City Agreement (as so amended, modified or supplemented, the "New City Agreement"), which New City Agreement provides for an increase in PILOT payments in excess of the Existing PILOT Payments ("PILOT Increases"), the Lessee shall only deliver a written demand, in the form of a bill or invoice, to each applicable Existing Space Tenant for the PILOT Increases payable by such Existing Space Tenant. If PILOT Increases are not received by the Lessee when due, the Lessee shall deliver follow-up written demands to the applicable Existing Space Tenants and initiate telephone conversations with the applicable Existing Space Tenants to demand that such payments be made. The Lessee shall not institute litigation against or seek to evict any Existing Space Tenant, and shall not be obligated to terminate any Existing Space Lease for the sole reason that PILOT Increases have not been paid by the applicable Existing Space Tenants. The amount of Tax Equivalent Rental attributable to PILOT Increases that are actually received by the Lessee from the Existing Space Tenants shall be paid to the Port Authority on each Tax Equivalent Rental Payment Date and the Lessee shall not be liable for any amounts in excess of the amounts received by the Lessee. In the event an Existing Space Tenant institutes litigation for the return of PILOT Increases, the Lessee shall notify the Port Authority no later than ten (10) Business Days after the date notification thereof is received by the Lessee, accompanied by copies of any documentation received by the Lessee, which notice shall indicate the length of time the Port Authority has to respond to such notice (as

described in the immediately subsequent sentence). Within thirty (30) Business Days (or such earlier time as may be required for the Lessee to respond to such an action) (the "Notification Date") after the Port Authority's receipt of such notification, the Port Authority shall notify the Lessee that either (i) the Lessee shall refund such amounts and the Port Authority shall reimburse the amount of Tax Equivalent Rental attributable to such PILOT Increases that were received by the Lessee from the Existing Space Tenants and paid to the Port Authority, which reimbursement shall be made no later than twenty (20) Business Days thereafter, or (ii) the Lessee, subject to the terms of this Subsection 6.10.2, is required to, and shall proceed to, defend the litigation instituted by such Existing Space Tenant on behalf of the Port Authority, and in such event the Port Authority shall reimburse the Lessee for the amount of Tax Equivalent Rental attributable to such PILOT Increases after either (x) a final, non-appealable judgement that such amounts are owed to such Existing Space Tenant, or (y) a settlement or agreement to such effect is entered into by the Lessee on the Port Authority's request. The Port Authority shall reimburse the Lessee for such litigation costs incurred by the Lessee in connection with the actions required to be taken by the Lessee, as set forth in clause (ii) above, 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.

(a) Prior to commencing the defense of any such litigation, the Lessee shall submit a budget to the Port Authority detailing the projected costs 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 a 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.

(b) If the Lessee anticipates that the costs may exceed the amounts set forth in the budget approved by the Port Authority, the Lessee shall provide documentation, in reasonable detail, describing the reasons for such increased amounts, and requesting the Port Authority's reasonable approval of such increases 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 are 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 are approved or disapproved, and in the event of (A) a disapproval, provide reasonable detail as to the reasons for such disapproval, or (B) an approval, payments shall be made in accordance with the budget, as amended by the increases that have been approved by the Port Authority. If such budget is not approved by the Port Authority or is not approved by the Notification Date, the Lessee shall not be required to proceed with such defense, the Port Authority shall refund the amount of Tax Equivalent Rental attributable to such disputed PILOT Increases to the Lessee within the earlier of (x) thirty (30) days from the date the Port Authority notifies the Lessee that such budget has not been approved, or (y) the time period for such approval expires. The Lessee shall return such disputed PILOT Increases to applicable Existing Space Tenant promptly after receipt of same from the Port Authority.

6.10.3 From and after the execution of any Space Lease on or after the Commencement Date ("Future Space Lease"), the Lessee shall pay to the Port Authority, with

respect to all Future Space Leases, the amount by which (i) the Future 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 "Future Space Tenant Tax Increase" shall mean the following amounts calculated with respect to each Future Space Lease: the amount by which (1) the Future 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.

6.11 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.

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 Future 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 At any time after a New City Agreement is executed, the Lessee may 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") after the earlier to occur of the following: (i) the date the New City Agreement is

fully executed, and (ii) three (3) calendar years from the Commencement Date (the "Tax Challenge Date"), 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 Other Leases vis-a-vis the Marriott Building, the GSA Building 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 Marriott Building, the GSA Building or any premises demised under the Other Leases vis-a-vis the Premises and the premises demised under the Other 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 then outstanding principal amount of the Senior Mortgage and the mezzanine financing described on Schedule 5.3 attached hereto (the "Mezzanine Loan") (in an amount not to exceed Eight Hundred Thirty-Three Million and 00/100 Dollars ($833,000,000) in the aggregate), 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.

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 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 ninety percent (90%) 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 fifty percent (50%) 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; 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 the 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 fifty percent (50)% of the value of all assets owned, directly or indirectly, by such entity, and (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.

7.1.2 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 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 and 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 twenty percent (20%) 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 has been convicted of or is under indictment for any crime indicative of a lack of business integrity, or has been convicted of or is 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) 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 and any Other 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.

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, the 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 such 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 the 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 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. The 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. Upon the payment in full of Participating Rent, this Subsection 8.5.4 shall be deemed null and void.

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 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.

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.

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.

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 square footage 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. For the purposes of said statement, the Lessee shall be entitled to rely upon the files and information furnished to it by the Port Authority with respect to Existing Space Leases and Existing Space Tenants.

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 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 Five Hundred Thousand and 00/100 Dollars ($500,000) 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 5.5.7.

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 The Lessee shall not exercise any thirty (30) day termination option set forth in any Existing Space Lease.

Section 10. Permitted Manager.

10.1 In the event that, during any period of the Term, 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 judgement 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.

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 Commencement Date, or upon the installation thereof, as the case may be, 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 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.

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. 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.

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 Term of this Agreement, 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 Term hereof, 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 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 Common Building Systems and (C) the 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 Common Building Systems and Common Areas and any failure by the Net Lessees' Association to perform its obligation to maintain the Appurtenances, the Common Building Systems, and 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 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.

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 be effective during the Term under this Agreement:

14.1.1 Fire and property damage insurance covering and insuring the Building, including all structures, improvements, fixtures, machinery, apparatus, and fittings affixed thereto 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, subject to standard exclusions, including flood and earthquake, with no exclusion for terrorist acts. If the deletion of such an exclusion for "terrorist acts" is unavailable at commercially reasonable rates, the Lessee shall promptly notify the Port Authority of such unavailability. The Lessee shall not be obligated

to procure such "terrorist act" coverage unless the Port Authority, at its option, directs the Lessee to procure such "terrorist act" coverage and reimburses the Lessee for an amount equal to fifty percent (50%) of the amount of the increase in the cost of such coverage during the calendar year immediately preceding the calendar year during which such coverage was no longer available at commercially reasonable rates, which amounts shall be Subject to Adjustment after the expiration of each calendar year. Such insurance (other than flood and earthquake 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 Term 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, and (y) One Billion Five Hundred Million and 00/100 Dollars ($1,500,000,000) per occurrence. Insurance for flood and earthquake shall be maintained to insure and keep insured at all times during the Term the items of property described in this Subsection (other than footings and foundations), in an amount of not less than Five Hundred Million and 00/100 Dollars ($500,000,000), in the aggregate, when the flood and earthquake insurance required to be maintained in accordance with this Lease and the Other Leases are taken together. 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 at least once every three (3) years 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 can not agree on 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, Participating Rent, Tax Equivalent Rental and BID Charges, for a period of at least three (3) years 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.

14.1.3 War risk insurance upon the Building, if and when such insurance is obtainable, at commercially reasonable rates, from the United States of America or any agency or instrumentality thereof or from an insurance company authorized to do business in the State of New York, or from another company approved by the Port Authority, and if and when a state of war or national or public emergency threatens, in an amount not less than the Full Insurable Value thereof, or in the maximum amount of insurance which is obtainable, whichever is lower.

14.1.4 Commercial general liability insurance on an occurrence form during the Term in the minimum amount of One Hundred Million and 00/100 Dollars ($100,000,000) combined single limit per occurrence, 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 of One Hundred Thousand and 00/100 Dollars ($100,000) per occurrence, provided, however, commencing on the fifth (5th) anniversary of the Commencement Date 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 Ten Million and 00/100 Dollars ($10,000,000) combined single limit.

14.1.6 Environmental liability covering environmental hazards arising from the Premises and discovered or occurring after the Commencement Date in an amount not less than Five Million and 00/100 Dollars ($5,000,000) per discovery.

14.1.7 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 Twenty-Five Million and 00/100 Dollars

($25,000,000) per accident on a combined basis covering all hazards, perils, property loss and loss of income.

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

14.1.9 Garagekeeper's Legal Liability coverage in the amount of Two Million and 00/100 Dollars ($2,000,000) per occurrence shall also be procured.

14.1.10 Fire and property damage insurance covering and insuring the full replacement value of the Artwork against loss or damage by fire and theft and such other risks and hazards as are covered by a standard all risk policy of loss or damage, subject to standard exclusions, with a deductible in an amount which shall be subject to the reasonable approval of the Port Authority.

14.2 In the event any item of insurance required to be procured by the Lessee hereunder 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 sole 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 Agreement, shall include the Lessee, as a named insured, and the Port Authority 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 Agreement shall have the Port Authority and PATH each named as an additional insured.

14.4 Each of the items of insurance required to be procured by the Lessee hereunder, by the Other Lessees under the Other Leases and by the Net Lessees' Association under the REOA 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 all aspects of the World Trade Center required to be insured under this Agreement, the Other Leases and the REOA.

14.5 The loss under all property policies required by any provision of this Agreement 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 Five Million and 00/100 Dollars ($5,000,000), which amount shall be increased by One Million and 00/100 Dollars ($1,000,000) on each five (5) year anniversary of the Commencement Date, such amounts shall be payable to the Lessee.

14.6 As to any insurance required by this Section, a certified copy of each policies or certificates of insurance, reasonably satisfactory to the Port Authority, shall be delivered to the Port Authority simultaneously with the execution of this Agreement by the Lessee, 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 certificates of insurance relating to the Premises shall be so delivered to the Port Authority, 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 Agreement, 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 Agreement shall be written by companies authorized to do business in the State of New York 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 Agreement, without giving thirty (30) days written advance notice thereof 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 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, acting in a reasonable manner, the Lessee shall promptly obtain a new and satisfactory policy in replacement. With respect to all insurance required to be obtained pursuant to this Agreement, 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. Without limiting the generality of the provisions of this Section, from time to time during the Term hereunder, 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.

14.9 From time to time, but not more frequently than once every five (5) years, in the case of insurance required pursuant to Subsection 14.1.10 hereof, the Port Authority may require the Lessee to provide an appraisal of the Artwork, which appraisal shall be dated not

more than forty-five (45) days from such request, and based upon such appraisal the Port Authority may reasonably require the Lessee to increase or decrease the amount of coverage provided under such insurance policy.

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 Term under this Agreement and with respect and to the extent to which it is, or is under this Agreement 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. 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 the Section of this Agreement entitled "Indemnity".

14.13 All insurance policies for property damage required by this Agreement shall provide in substance that: (i) all adjustments for claims with the insureds for Two Million Five Hundred Thousand and 00/100 Dollars ($2,500,000) or more, which amount shall be increased by One Million and 00/100 Dollars ($1,000,000) on each five (5) year anniversary of the Commencement Date, 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 Two Million Five Hundred Thousand and 00/100 Dollars ($2,500,000), which amount shall be increased by One Million and 00/100 Dollars ($1,000,000) on each five (5) year anniversary of the Commencement Date, shall be made with the Lessee and such designated Space Tenant only. All rental loss insurance policies covering Base Rent, Percentage Rent, Tax Equivalent Rental and BID Charges required by this Agreement and insurance policies covering the Artwork shall provide in substance that all adjustments shall be made by the Lessee, in consultation with the Port Authority, provided, however, that with respect

to the Artwork to the extent of the proceeds actually paid to the Port Authority by the insurance carrier, the Port Authority will make such proceeds available to the Lessee for the repair of any damage to Artwork. Nothing contained herein shall affect the Lessee's liability for the loss, theft, or damage of or to the Artwork, as set forth elsewhere in this Agreement, regardless of the availability or sufficiency of any insurance proceeds.

14.14 The Lessee shall not carry separate insurance concurrent in form or contribution in the event of loss with that required by this Agreement 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 Agreement. 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 Agreement.

Section 15. Fire and Other Casualty.

15.1 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. 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 ten percent (10%) 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.

15.2 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, Five Million and 00/100 Dollars ($5,000,000), 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 Section 15.2. In the event that the insurance proceeds exceed, in the aggregate, Five Million and 00/100 Dollars ($5,000,000), 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 with the most 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) 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 The REOA provides that in the event of a casualty affecting portions of the Common Areas or Common Building Systems, the Net Lessees' Association shall repair or rebuild such damage with due diligence, unless otherwise directed by applicable law. Anything herein to the contrary notwithstanding, the Lessee shall not have the obligation hereunder to effect such repair or rebuilding, and any failure by the Net Lessees' Association to perform its obligation to repair or restore the Common Areas or Common Building Systems, as applicable, shall not result in an Event of Default under this Agreement. Any failure by the Net Lessees' Association to perform its obligations in the event of a casualty shall not affect the Lessee's obligation to restore the Premises in the event of a casualty in accordance with this Section 15.

15.6 In the event any Artwork is damaged during the Term hereof, the Lessee shall either (i) restore such Artwork, (ii) return such damaged Artwork, together with any insurance proceeds received by the Lessee that are attributable to such Artwork, to the Port Authority, or (iii) upon the prior written consent of the Port Authority, purchase replacement Artwork, it being understood that if the value of such replacement Artwork shall be less than the

value of the Artwork that was destroyed, the amount of such excess shall be paid to the Port Authority.

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 Mandatory Compliance Costs and Non-Conforming Repair Costs, including any interest required to be paid by the Port Authority thereon, in each case pursuant to Subsection 6.2.4 and Subsection 6.4.1, respectively, (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, 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. In addition to the foregoing, the Lessee shall be permitted to erect temporary sponsorship Signs within the Premises to promote public events at the Plaza or at the World Trade Center.

17.3 Subject to and in accordance with the terms and conditions of the License, the Lessee shall only use the phrase "One 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 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.

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 any default of the Lessee in performing or observing any term or provision of this Agreement, or out of the use or occupancy of the Premises by the Lessee, the Permitted Manager or others with its or their consent, or out of 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 arising out of 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 the gross negligence or willful misconduct of the Port Authority, 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 Other Lessees, provided such Other Lessee are not Common Owners at the time of the occurrence of the event with respect to which indemnification is sought), and each of their respective agents, officers, members, employees, representatives and contractors.

18.3 The Lessee shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent), and in handling such it shall not, without obtaining express advance 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 a claim or demand 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 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 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 now existing or built at any time during the Term, 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, 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, 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 within the envelope of the Building existing on the Commencement Date, subject 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 an Existing Space Tenant, in the event of any inconsistency between the provisions of any such Existing Space Tenant's Existing Space Lease and this Section 19, the provisions of such Existing Space Lease shall control.

19.4 In the event the Lessee or a Space Tenant is required to, or elects to, perform construction work in the Premises during the Term, 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. 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, utilize the procedure outlined below (the "Professional Certification Procedure").

(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. As of the Commencement Date, the A/E's listed on Schedule 19.4.1 are hereby

deemed to be Qualified A/E's, 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 written notice to the Lessee, or (ii) the Lessee, with the prior written consent of the Code Compliance Office. 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. 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) Upon the Code Compliance Office's receipt of an Asbestos Certification, in form and substance reasonably satisfactory to the Code Compliance Office, a Construction Permit shall be issued by the Code Compliance Office to the Lessee. Thereafter, 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 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 Lessee does not desire to utilize the Professional Certification Procedure, or (ii) the work to be performed does not qualify as a Professional Certification Alteration/Repair or as a Minor Alteration/Ordinary Repair or (iii) 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) After such documents are reviewed and approved by the Code Compliance Office, the Lessee shall submit an Asbestos Certification, in form and substance reasonably satisfactory to the Code Compliance Office. Thereafter, 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 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 Term 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, 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", or (ii) 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.

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 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 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 Two Million and 00/100 Dollars ($2,000,000) 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 and 00/100 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 the cost of which exceeds Five Hundred Thousand and 00/100 Dollars ($500,000), Subject to Adjustment annually, 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 and PATH as an additional insured. Prior to commencing any construction work, or to the introduction of any construction equipment onto the Premises, 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 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, PATH,

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 case 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 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 term hereof, 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 Subject to the terms and conditions set forth in the REOA, the Lessee shall have the right, at its sole cost and expense, to construct additional foundation and column construction work, and to strengthen, replace, and make related alterations to the existing foundations in order to support, service, supply and benefit the Building, including any permitted renovation or replacement thereof, provided that in the exercise of such rights the Lessee shall not unreasonably interfere, in any material respect, with the use, enjoyment, or operation of the remainder of the World Trade Center not leased to the Lessee hereunder. Nothing contained in this Section 19.12 shall or shall be deemed to constitute the Port Authority's consent to any renovation or replacement of the Building, or to the performance of any such construction work, to the extent the Port Authority's consent is explicitly required by this Agreement.

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), or drawings on mylar, electronic (CADD) format 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.

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. 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.

Section 22. Cross-Default.

22.1 Simultaneously herewith, the Port Authority has entered into the Other Leases, whereby portions of the World Trade Center have been leased to the Other Lessees. Except as otherwise set forth in this Section 22, (i) a default under any of the Other Leases shall

be deemed a default under this Agreement, (ii) the Port Authority shall give the Lessee and each Mortgagee required to be given notices of default under this Agreement, a true copy of the notice of such default, if any, required to be given under such Other Lease, concurrently with the notice given to the Other Lessee, and (iii) an Event of Default with respect to such Other Lease resulting from the default shall be deemed an Event of Default under this Agreement, giving rise to the remedies described herein, including, without limitation, the Port Authority's right to terminate this Agreement. For the purposes of this Section, the terms "default" and "Event of Default" when applied to this Agreement shall have the same meaning as is provided for those terms under such Other Leases and the Port Authority warrants, covenants and represents all Other Leases contain the same provision as this Section 22 and will not be amended without the approval of the Lessee, except as herein expressly permitted. The Lessee and any Mortgagee shall, within such period provided in the Other Leases to the Other Lessees, which period, for the purposes of this Section 22.1, shall commence upon receipt by the Lessee and the Mortgagee of such notice of default or Event of Default under the Other Leases, have the right to cure a default under any Other Lease. The Port Authority shall accept performance by the Lessee or any Mortgagee of any covenant, condition, or agreement on any Other Lessee's part to be performed under the applicable Other Lease with the same force and effect as though performed by the Other Lessee.

22.2 The provisions of this Section 22 shall be rendered void and of no force and effect with respect to this Agreement and any Other Lease in the event that (i) the Lessee hereunder and such Other Lessee under the Other Lease in question is not Controlled By, or is not Under Common Control With, the same Person or Persons, or (ii) the principal amount to be

secured a Mortgage held by a Mortgagee that is not a Related Entity or an Affiliate of any other mortgagee having a lien upon the premises demised under any Other Lease is not less than ten percent (10%) of the appraised value of the leasehold estate in the Premises at the time such Mortgage is executed, as set forth in the final appraisal accepted by such Mortgagee. Upon request by the Port Authority, a copy of the appraisal shall be delivered to the Port Authority. For the purposes of this Section 22.2, the terms "Controlled By" and "Under Common Control With", shall mean both (i) direct or indirect ownership, in the aggregate, of more than ninety percent (90%) of the outstanding voting capital stock of a corporation, if the Lessee or the Other Lessee, as applicable, is a corporation, direct or indirect ownership, in the aggregate, of more than ninety percent (90%) of the partnership interests of a limited partnership, if the Lessee or the Other Lessee, as applicable, is a limited partnership, or direct or indirect ownership, in the aggregate, of more than ninety percent (90%) of the membership interests of a limited liability company, if the Lessee or the Other Lessee, as applicable, is a limited liability company, and (ii) the power to Control the Lessee or the Other Lessee, as applicable. For the purposes of this Section 22.2, in the case of a Mortgage that has been syndicated to, or in which participations have been given to, one or more lenders, the Mortgagee thereunder shall not be considered a Related Entity or an Affiliate of any Mortgagee if five percent (5%) or more of the indebtedness secured by such Mortgage is held by one or more lenders which are not Affiliates of the holder or holders of the indebtedness secured by such other mortgage. It is hereby understood and agreed that the provisions set forth in this Section 22.2 shall be applied to each Other Lease separately.

22.3 The Lessee hereby represents that, as of the Commencement Date, the Lessee hereunder and the Retail Lessee are not Controlled By, or are not Under Common Control

With, the same Person or Persons. Therefore, as of the Commencement Date, the provisions of this Section 22 are rendered void and of no force and effect with respect to the Retail Lease.

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, 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.

Section 24. Transaction Payments.

24.1 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, 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, shall be deemed to come within the scope of a "Transaction" for purposes of this Section.

24.2 Except as expressly provided in this Section, the Lessee shall pay the

Port Authority a Transaction Payment upon each occurrence of any of the following transactions (a "Transaction"):

24.2.1 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 (such transaction being hereinafter referred to as a "Sale");

24.2.2 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 (such transaction being hereinafter referred to as an "Equity Interest Disposition");

24.2.3 a transaction in which the Lessee incurs any Debt Obligation, other than (i) an Installment Sale Obligation, or (ii) in connection with the Lessee's entering into this Agreement (such transaction being hereinafter referred to as a "Project Refinancing");

24.2.4 a transaction in which the holder of an Equity Interest incurs a Debt Obligation secured by such Equity Interest in the Lessee, other than (i) an Installment Sale Obligation, or (ii) in connection with the Lessee's entering into this Agreement (such transactions being hereinafter referred to as an "Equity Interest Refinancing"); and

24.2.5 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 (such transaction being hereinafter referred to as a "Non-Occupancy Lease").

24.3 The Lessee shall not be required to pay a Transaction Payment for any transaction that is not a Transaction pursuant to Section 24.2. Without limiting the generality of the foregoing, the following Transactions ("Excluded Transactions") shall not require the payment of a Transaction Payment:

24.3.1 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;

24.3.2 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;

24.3.3 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; children and grandchildren (including adopted children or grandchildren); and trusts for the benefit of the Transferor and/or any of the foregoing persons;

24.3.4 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;

24.3.5 a Sale (or Equity Interest Disposition) by foreclosure of the security for a Debt Obligation, 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 Obligations(s), unless the Lessee or the Transferor receives any consideration or surplus in connection with the sale or assignment-in-lieu thereof in excess of such Debt Obligation, 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;

24.3.6 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 Premises if the value of such entity's direct or indirect interest in the Premises 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;

24.3.7 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; and

24.3.8 the occurrence of any of the Transactions described in Section 24.2 pursuant to a foreclosure, an assignment-in-lieu of foreclosure or otherwise, and any transfer thereafter by the applicable creditor or transferee to an unaffiliated third party.

24.4 Subject to the provisions of Section 24.4.1, upon the occurrence of any Transaction, the Lessee shall pay or cause to be paid to the Port Authority an amount (each, a "Transaction Payment"), equal to ten percent (10%) of the amount by which (i) Total Receipts (less Customary Expenses and Retained Proceeds) with respect to the interest or Equity Interest that is the subject of the Transaction, exceeds (ii) the amount, if any, required to be paid over to the Lessee from the Total Receipts so that the Lessee received a return of its Invested Capital, together with such additional sums, such that the Lessee has achieved an Internal Rate of Return

of fifteen percent (15%) per annum on its Invested Capital, or in the event of an Equity Interest Disposition, the Lessee has achieved an Internal Rate of Return of fifteen percent (15%) per annum on the allocable portion of the Invested Capital (such excess being referred to as "Net Proceeds"). Any amounts previously paid to the Port Authority in connection with a Equity Interest Disposition shall be deducted from any Transaction Payment required to be made in connection with (i) a subsequent disposition of the same Equity Interest, or (ii) a Sale.

24.4.1 Anything herein or in any Other Lease to the contrary notwithstanding, it is the intention of this Section 24 that the Transaction Payments due hereunder shall be calculated on an aggregate basis with the Transaction Payments due under the Other Lease(s), provided such Other Lessee(s) are Common Owners. Accordingly, no Transaction Payments shall be due hereunder unless and until the Lessee and the Other Lessee(s), collectively, have received a return of its Invested Capital, together with such additional sums, such that the Lessee and the Other Lessees achieved an Internal Rate of Return of fifteen percent (15%) per annum on their Invested Capital.

24.4.2 If the Transferor receives the Total Receipts from the Transaction on the Closing Date in cash, then the Port Authority's entire share shall be paid to the Port Authority simultaneously with such receipt. 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 shall, at the Transferor's election, either be paid in full to the Port Authority on the Closing Date, or be deferred, and be paid as provided in Section 24.5. If the Transferor elects to pay the Port Authority, in full, on the Closing Date, the Port Authority's share of the deferred portion of Total Receipts, 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.

24.4.3 No Transaction Payments shall be payable to the Port Authority after the earlier to occur of (i) the twentieth (20th) anniversary of the Term, and (ii) 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, an assignment-in-lieu of foreclosure or otherwise by a Mortgagee, by which the Lessee transfers (other than by a Space Lease), all of the benefits of ownership or control of all of the Premises in a manner allowing the Lessee to realize any appreciation in the value of the Premises, provided such transfer is to any Person, other than a Related Entity, in an arms-length transaction (a "True Sale").

24.5 If the 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 next proceeds paid on account of such Installment Sale Obligation shall be paid to the Transferor until such time as the condition set forth in clause (ii) of Section 24.4 has been satisfied. Thereafter, the Port Authority shall be entitled to receive ten percent (10%) of the remaining payments that shall be received on account of such Installment Sale Obligation.

24.5.1 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 24.5 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 24.5 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 24.5, 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.

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

24.5.3 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.

24.5.4 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.

24.5.5 If there is any dispute as to the determination of the amount of any Transaction Payment due to the Port Authority, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

24.6 When the Lessee is required to deliver its first year-end financial statements for the Lessee's fiscal year, the Lessee shall deliver to the Port Authority a statement of the Initial Costs, certified by a general partner, managing member or manager, as applicable, of the Lessee as being accurate in all material respects and audited by a C.P.A. 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 C.P.A.s 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 five (5) largest accounting firms in the United States) 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 written notice. The Port Authority's failure to give such notice within said one hundred eighty (180) days shall constitute acceptance and approval of the Lessee's statement of Initial Costs. If such audit shall establish that the Initial Costs were overstated, then the Initial Costs shall be reduced accordingly. If such audit shall establish that the Initial Costs were understated, then the Initial Costs shall be increased accordingly. The audit, if any, shall be conducted at the expense of the Port Authority, unless it shall be established that the Lessee (or Transferor) overstated the Initial Costs by more than five percent (5%), in which case the Lessee (or Transferor) shall pay the cost of the Port Authority's

audit. If there is any dispute as to the determination of the amount of the Initial Costs, such dispute shall be resolved by arbitration in accordance with the provisions of Section 45.

24.7 The Transferor shall notify the Port Authority of the time and location of the originally scheduled closing of any Transaction at least fifteen (15) days prior thereto and shall give the Port Authority reasonable notice of any adjournments thereof. Such notice shall specify whether or not the 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 Transferor's initial determination of Total Receipts 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 ten (10) 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 Net Proceeds. Within twenty (20) days after the Port Authority's receipt of the Transferor's calculation, or within five (5) 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"). 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.

24.7.1 In the event that the Lessee is unable to notify the Port Authority of the closing of any Transaction at least fifteen (15) 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 24.7. If, as a result of such deferred notice, the Port Authority is not afforded twenty (20) days in which to complete its review of the Lessee's (or Transferor's) calculations, the proposed Transaction may nonetheless be completed, provided that:

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

(b) the Lessee covenants, for itself and on behalf of any successors to its interest, as lessee hereunder, that, provided it, or an entity which Controls the Lessee, is the Transferor, the failure to pay any amount subsequently determined and established to be due and owing to the Port Authority, together with interest at the Default Interest Rate from the applicable Closing Date, shall constitute a default in the payment of Rental under this Agreement, it being understood that if the Lessee or any entity that Controls the Lessee is not the Transferor, the Transferor and the Transferee shall each be responsible for the payment of any

amount determined to be due the Port Authority under this Section 24, which shall be the Port Authority's sole remedy hereunder.

24.8 If the Port Authority shall have notified the Transferor, within the twenty (20) day or five (5) Business Day periods described in Section 24.7 of the Port Authority's disagreement with the Transferor's determination of Net Proceeds, 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 Section 24.5.1 hereof for deferred Installment Sale Obligations not in dispute); and

24.8.2 one of the following actions is taken at the Transferee's option:

(a) If the Lessee or any entity which Controls the Lessee is the Transferor, the Lessee for itself and on behalf of any successors to its interest, as lessee hereunder, that failure to pay the disputed amount if and when it is determined and established to be due and owing, to the Port Authority, if any, on the Closing Date, shall constitute a default in the payment of Rental under this Agreement; or

(b) the interest which is the subject of the Transaction is pledged to the Port Authority, in a manner satisfactory to the Port Authority, as security for the obligation to pay the disputed amount, if and when it is determined to be due and owing; or

(c) the Transferor places into escrow, with a Depository mutually acceptable to the Port Authority and the Transferor, an amount equal to the disputed amount or, as security for the payment of the disputed amount, delivers to the Port Authority (and maintains or renews, in a manner reasonably satisfactory to the Port Authority, until the resolution of the dispute) an irrevocable, unconditional letter of credit in form and substance reasonably satisfactory to the Port Authority in an amount equal to the sum of (i) the disputed amount and (ii) interest thereon (at the Prime Rate) for a period of one (1) year, payable to the Port Authority and issued by a bank reasonably acceptable to the Port Authority. Any interest earned on funds escrowed by the Transferor shall be allocated between the Port Authority and the Transferor in the same proportion as the ultimate payment and/or reimbursement (as the case may be) to the Port Authority or the Transferor of the escrowed amount (but no such interest, if any, paid to the Port Authority shall constitute a Transaction Payment).

24.9 The following terms used in this Section 24 shall have the following meanings:

24.9.1 "Capital Costs" shall mean any outlay that, under GAAP, is required to be capitalized, without taking into account any adjustment for exhaustion, wear, tear, amortization, depreciation, cost recovery or capital cost recovery.

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

24.9.3 "Customary Expenses" shall mean any bona fide 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) 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, and (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.

24.9.4 "Debt Obligation" shall mean any 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.

24.9.5 "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.

24.9.6 "Initial Costs" shall mean the aggregate amount of all bona fide costs and expenses of every nature and description incurred by the Lessee in connection with entering into this Agreement, the REOA and the Contract to Lease, including, but not limited to, the Initial Rent Payment; Transfer Taxes; engineering, appraisal, consulting, legal and accounting fees and expenses; recording and filing fees; mortgage brokerage commissions, commitment and other mortgage fees and charges, mortgage recording taxes and other reasonable and customary financing costs; reasonable brokerage commissions in connection with any equity contributed, or financing provided on the Commencement Date; legal fees and expenses incurred in connection with such financing; title insurance premiums; and all other sums and charges paid pursuant to the Contract to Lease.

24.9.7 "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.

24.9.8 "Internal Rate of Return" shall mean the annual rate of return, compounded monthly, such that the present value of the Net Operating Income received in each Annual Period to the date of calculation, together with the Total Receipts (less Customary Expenses and Retained Proceeds) from any Transaction (discounted, monthly, at such rate from the dates such Net Operating Income or net Total Receipts, as applicable, are actually received by the Lessee, to the date of the Contract to Lease), is equal to the Invested Capital (discounted,

monthly, at such rate from the dates such Invested Capital was contributed to the date of the Contract to Lease).

Subject to the provisions of Subsection 24.4.1, for the purposes of this Subsection 24.9.8, the calculation of Total Receipts shall be made on an aggregate basis with the Total Receipts from any Transaction under each Other Lease, provided such Other Lessee under the Other Lease and the Lessee are Common Owners.

24.9.9 "Invested Capital" shall mean the Initial Costs.

24.9.10 "Net Operating Income" shall mean, with respect to each applicable period either the positive or negative difference between (i) Operating Income for such period and (ii) the sum of (A) Operating Expenses, (B) Capital Costs, for such period, and (C) the aggregate amount of money contributed to the Lessee by the members or partners, as applicable, of the Lessee after the Commencement Date, which amounts shall be limited to the amounts contributed to the Lessee in the event Operating Expenses exceed Operating Income, but only to the extent such amounts are actually utilized by the Lessee to pay for Operating Expenses.

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.

24.9.11 "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 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 Other Leases), including, without limitation:

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

(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 the partnership, corporate, administrative, management or other internal operations of the Lessee;

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

(iv) 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.

24.9.12 "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 (x) 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, (y) amounts received as deposits or refunds of deposits (unless retained by the Lessee on account of any Space Tenant's failure to pay rent), and (z) 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;

(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.

24.9.13 "Partner's/Member's Loan" shall mean 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.

24.9.14 "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: (i) Capital Costs or Initial Costs; (ii) 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, or (iii) any reserves required by the terms of any instrument binding on the Lessee.

24.9.15 "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) if a Debt Obligation is assumed by the purchaser, 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, 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, less the outstanding principal balance of the Debt Obligation being refinanced.

(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.

24.9.16 "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.

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

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 or the Other Leases (provided the provisions of Section 22 apply to each such Other Lease), (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 any Liens, encumbrances, and security interests existing immediately prior to the Commencement Date (including, without limitation, the items identified on Schedule 30 attached hereto ("Permitted Encumbrances")), and of any rights of any Space Tenants (other than the rights of any Space Tenant under any Non-Disturbance Agreement executed by the Port Authority and such Space Tenant, or otherwise in accordance with Section

9). 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" or "costs" 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 than 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 of 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.

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 is to be complied with by the Lessee pursuant to the terms thereof. 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.

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
One World Trade Center
New York, New York 10048
Attention: Director of Real Estate

Tel: (212) 435-8800

Fax: (212) 435-5046

with a copy to: The Port Authority of New York and New Jersey

One World Trade Center

New York, New York 10048

Attention: General Counsel

Tel: (212) 435-6910

Fax: (212) 435-6913

if to the Lessee: c/o Silverstein Properties, Inc.

521 Fifth Avenue

New York, New York 10175

Attention: Mr. Larry Silverstein

Tel: (212) 551-7333

Fax: (212) 687-0067

with a copy to: Stroock & Stroock & Lavan LLP

180 Maiden Lane

New York, New York 10038-4982

Attention: Peter A. Miller, Esq.

Tel: (212) 806-5400

Fax: (212) 806-6006

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, and 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.

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, any senior Mortgagee, 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 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 senior Mortgagee, of either (i) the easements created pursuant to the terms of the REOA, or (ii) the Common Building Systems and 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 benefitted 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 so that the latter shall be complete, rentable, self-contained architectural units 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 Five Million and 00/100 Dollars ($5,000,000) 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 Five Million and 00/100 Dollars ($5,000,000) (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 benefitted 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 Five Million and 00/100 Dollars ($5,000,000) (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 Five Million and 00/100 Dollars ($5,000,000) 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 Five Million and 00/100 Dollars ($5,000,000) 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 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 Common

Areas or 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, 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 a C.P.A., 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 The Lessee shall keep and maintain at all times full and correct records and books of account of the operations of the Premises in accordance with generally accepted accounting principles consistently applied 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.

Section 44. Payments.

44.1 All payments of Rental, BID Charge 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, 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 45.1 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 J.P. Morgan, Cushman & Wakefield and Milstein Realty Advisors (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. The Port Authority has or shall pay all amounts due to the Arrangers 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 Pursuant to and in accordance with the NYPA Agreement, the Port Authority will provide electrical power directly to each Space Tenant and, upon request of the Lessee, to such other portions of the Premises, to the extent such electrical power is actually received by the Port Authority from NYPA. The operating savings under Article 6 of the NYPA Agreement shall be provided to the Lessee in the same proportion as the costs payable under the NYPA Agreement which are allocable to the Premises bear to all costs payable under the NYPA Agreement.

48.2 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, 2011, 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 NYPA Agreement in a manner that would be

materially adverse to the operation of the Premises or the premises demised under the Other Leases.

48.3 The Lessee shall pay to the Net Lessees' Association, as collection agent for the Port Authority, an amount equal to the Port Authority's Cost of Service and any other amounts due under the REOA for electrical costs. Pursuant to the terms of the REOA, the Net Lessees' Association shall thereafter pay such amounts to the Port Authority. A bill detailing the Port Authority's Cost of Service with respect to this Agreement and the Other Leases shall be delivered to the Net Lessees' Association by the Port Authority.

48.4 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 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.

48.4.1 As of the Commencement Date, no rebates in respect of electrical power are due to any Existing Space Tenants. In the event the Port Authority hereinafter determines that rebates are due to any Existing Space Tenants with respect to any amounts attributable to such Existing Space Tenant prior to the Commencement Date, the Port Authority shall be responsible for such payments.

48.4.2 The Port Authority shall reasonably cooperate with the Lessee and shall provide any information available to the Port Authority to the Lessee with respect to the determination of Capital Costs as of the Commencement Date.

48.5 If at any time the NYPA Agreement is terminated by (i) the Port Authority (which termination shall be subject to Section 48.2 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, 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.

48.6 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.

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.

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.

Section 51. Intentionally Omitted.

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 five percent (5%), and less than ten percent (10%), 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 ten percent (10%) 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. Cooperation by PATH.

55.1 The Port Authority shall cause PATH to (i) fully and timely cooperate with the Lessee in connection with the delivery to, and removal from, the World Trade Center through the PATH Facilities of equipment and machinery to be used or installed in connection with the operation, management or maintenance of the Common Building Systems, the Common Areas or any other aspect of the World Trade Center; provided, however, that (A) uniform guidelines established by PATH from time to time regarding timing for the use of PATH Facilities for such purposes, load mass and size restrictions, speed, labor requirements and other matters attendant to the use of the PATH Facilities for such purposes shall control, and (B) any such delivery or removal shall be, pursuant to the terms of the REOA, at the sole cost and

expense of the Net Lessees' Association, including but not limited to any overtime costs for labor or other internal costs to PATH which would not otherwise have been incurred but for such use of the PATH Facilities by the Net Lessees' Association, and (ii) maintain the PATH Facilities in a manner consistent with current industry standards for like facilities and complete, with reasonable diligence, the installation of a smoke exhaust system.

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 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 the Port Authority sells, assigns or otherwise disposes of its 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 ("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 Commencement 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.

60.1.3 If any portion of the Privatization Costs are attributable to remedying conditions set forth on Schedules 6.2.2 and 6.2.3 sooner than is otherwise required by such schedules, the Lessee shall use commercially reasonable efforts, no later than thirty (30) days after the date the Lessee would have been obligated to complete its compliance with the requirements of Section 6.2.2 with respect to the conditions described in Schedules 6.2.2 or 6.2.3, as the case may be, to reimburse to the Port Authority the portion of Privatization Costs paid by the Port Authority, if any, with respect to such condition pursuant to this Section 60.1 (without duplication of any amounts to be reimbursed pursuant to Subsections 6.2.6 or 6.3.5).

60.2 Prior to and as an additional condition to a Privatization, 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 the GSA Building or the Marriott Building, 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 the GSA Building and the Marriott Building, as the case may be, 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, 2011 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, 2011. 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 and 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 6.15; 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; Sections 61 through Section 63, inclusive; and Section 64.1, 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 Mortgage, 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 ninety-five percent (95%) 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. Miscellaneous

64.1 The Lessee shall provide access to the Port Authority at all times to the memorial plaque located on the B2 subgrade level along the south wall and the enclosed area surrounding column 324 (the "Memorials"). The Lessee shall not remove, modify or replace the Memorials, or relocate the Memorials to another location within the Premises without the Port Authority's consent, which consent maybe be given or withheld in the Port Authority's sole discretion.

64.2 The Port Authority hereby reserves the irrevocable exclusive right to use the radiating antenna cable which emanates from the 9th floor radio room of Five World Trade Center and which loops throughout the Building. The Port Authority shall reasonably cooperate with the Lessee to provide use by the Lessee of such cable to the extent the Port Authority has excess capacity or bandwith, which excess shall be determined by the Port Authority in its sole discretion. The Lessee shall provide the necessary filters, splitters, amplifiers and other electronic equipment in order to utilize the radiating antenna cable on a non-interfering basis

with the Port Authority, and the Lessee shall promptly resolve any interference issues or suspend operation until such interference is resolved.

64.3 The Port Authority hereby reserves the irrevocable exclusive right to use the Port Authority communication cables and other wiring that are currently being utilized by the Port Authority.

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: Cherrie Nanninga
Title: Director of Real Estate

1 WORLD TRADE CENTER LLC

By: _____
Name:
Title:

MICHAEL LEVY
Vice President

EXHIBIT A

PARCEL 1 (1 WORLD TRADE CENTER, A/K/A TOWER A):

ALL that certain volume of space as of the Commencement Date of the Net Lease occupied by the buildings and any replacements thereof pursuant to the lease, known and designated as One World Trade Center, also known as Tower A, situate, lying and being in the Borough of Manhattan. County, City and State of New York, the exterior limits of any horizontal plane which lies within said volume of space being more particularly bounded and described as follows:

BEGINNING at a point the following two courses and distances from the corner formed by the intersection of the northerly side of Liberty Street with the easterly side of West Street:

a. North 17 degrees 54 minutes 22 seconds west along the easterly side of West Street 389.36 feet;

b. Due east 19.00 feet to the point or place of Beginning;

And from said point of BEGINNING:

RUNNING THENCE due North 212.00 feet;

THENCE due East 212.08 feet;

THENCE due South 212.00 feet;

THENCE due West 212.08 feet to the point or place of BEGINNING.

EXCEPTING THEREFROM all that certain portion of the said building which is demised in the lease made by the Port Authority of New York and New Jersey to HMH WTC, Inc. dated as of 12/25/1995, a memorandum of which was recorded 12/29/1995 in Reel 2276 Page 1540, which said portion lies at the concourse level and is shown on the survey made by Earl B. Lovell - S.P. Belcher Inc. dated November 11, 2000, as revised May 24, 2001.

TOGETHER with:

(a) All that certain volume of space occupied by, and including the subgrade improvements of the World Trade Center and any replacements thereof, including, without limitation, the volume of space occupied by the vehicular ramps connecting the loading dock to Barclay Street and any replacements thereof and including the elevator shafts and pits identified on Exhibit X attached hereto, but excluding:

i. That certain volume of space which has been identified by cross-hatching on the schematic drawings attached hereto as Exhibit X-1,

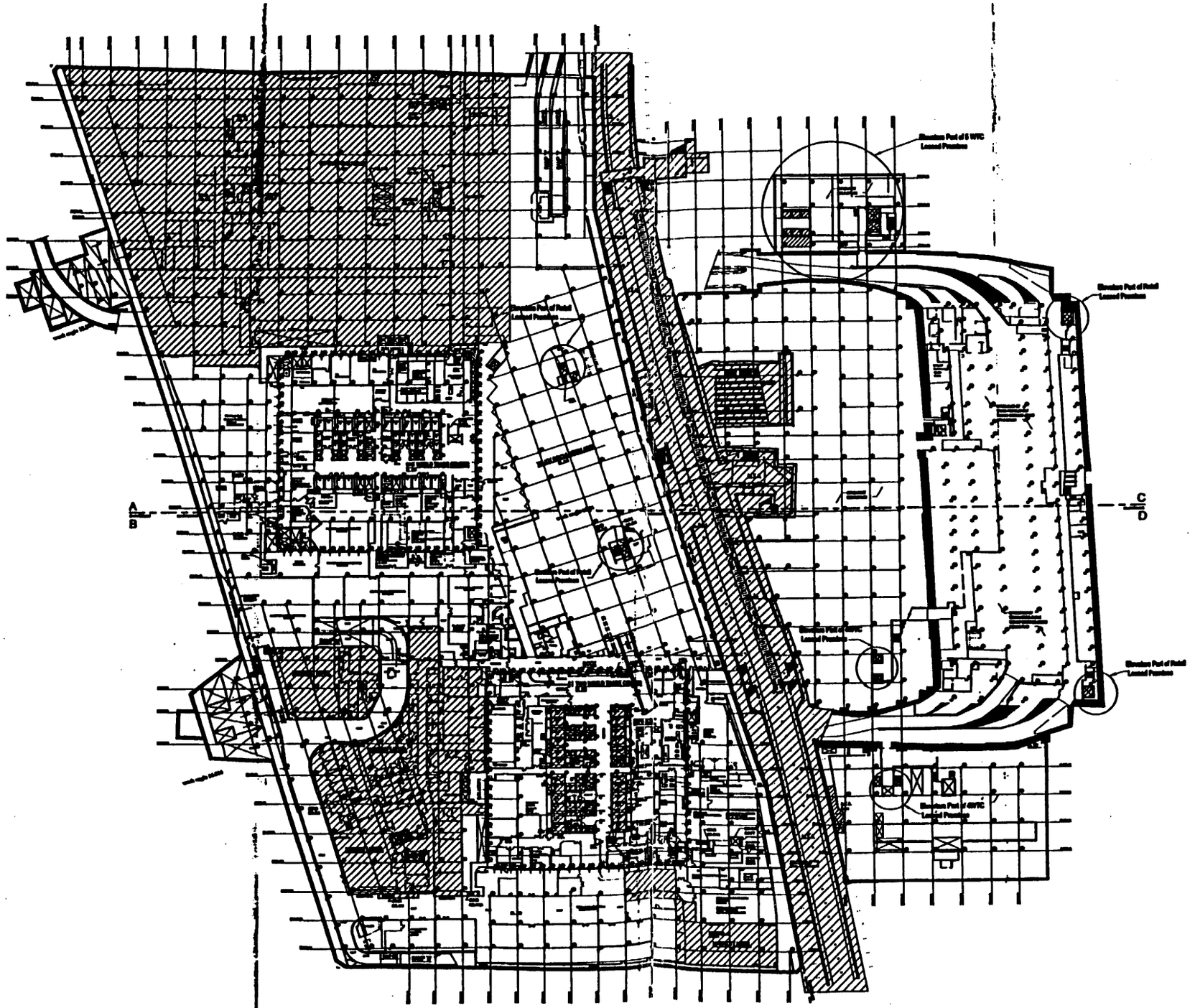
ii. Any portion of the World Trade Center concourse which lies subsurface

iii. Those certain portions of One World Trade Center encumbered by the Marriott Building as depicted on the survey prepared by Earl B. Lovell - S.P. Belcher, Inc. dated November 11, 2000, as revised May 24, 2001.

(b) The vehicular access (a) ramps on West street commonly known as vehicular access ramps A.B,C, and D connecting to the space identified in clause (a) above and any replacements thereof and the vehicular access ramp on Liberty Street commonly known as vehicular access ramp H connecting to the space identified in clause (a) above and any replacements thereof.

(c) The elevator shafts and elevators commonly known as "J Bank" elevators and the "K elevator cars".

SCHEDULE X



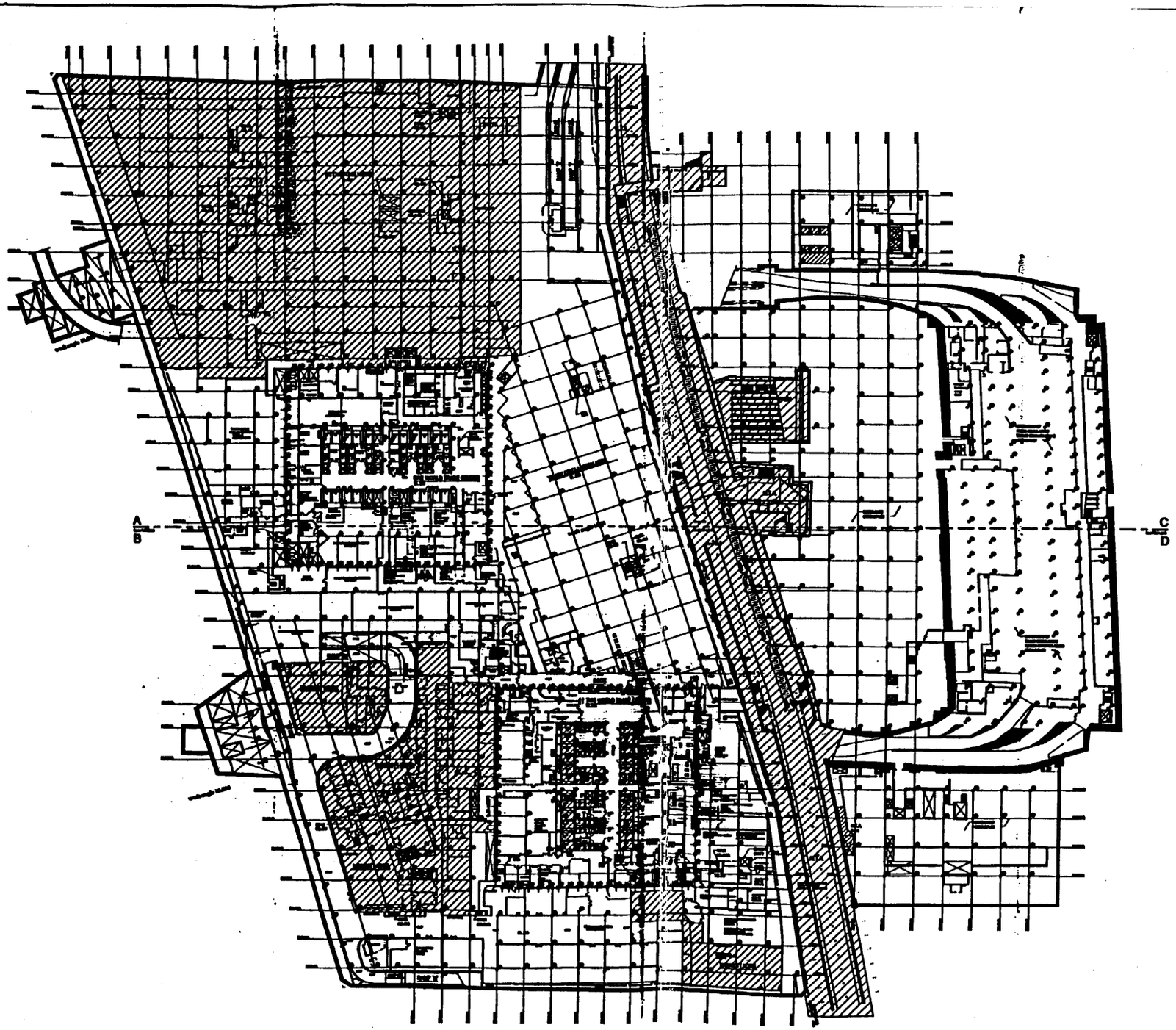
Subgrade Area Elevator Shafts & Elevator Pits

B-1 Level

LEGEND

Areas Not Included In Building One / One World Trade Center Premises

SCHEDULE X-1

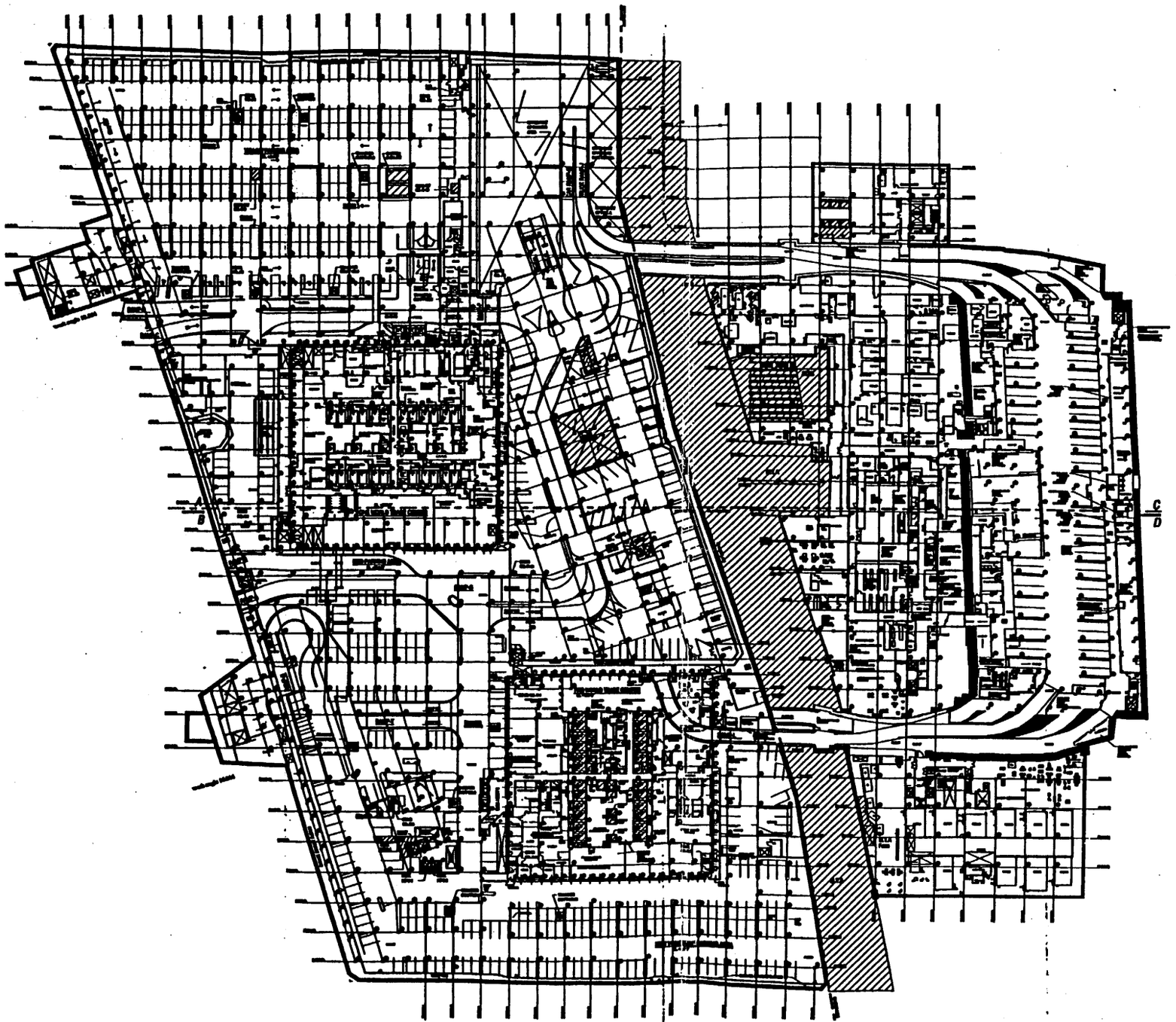


SCHEMATIC DRAWINGS
OF SUBGRADE

B-1 Level

LEGEND

Areas Not Included In Building One / One World Trade Center Premises

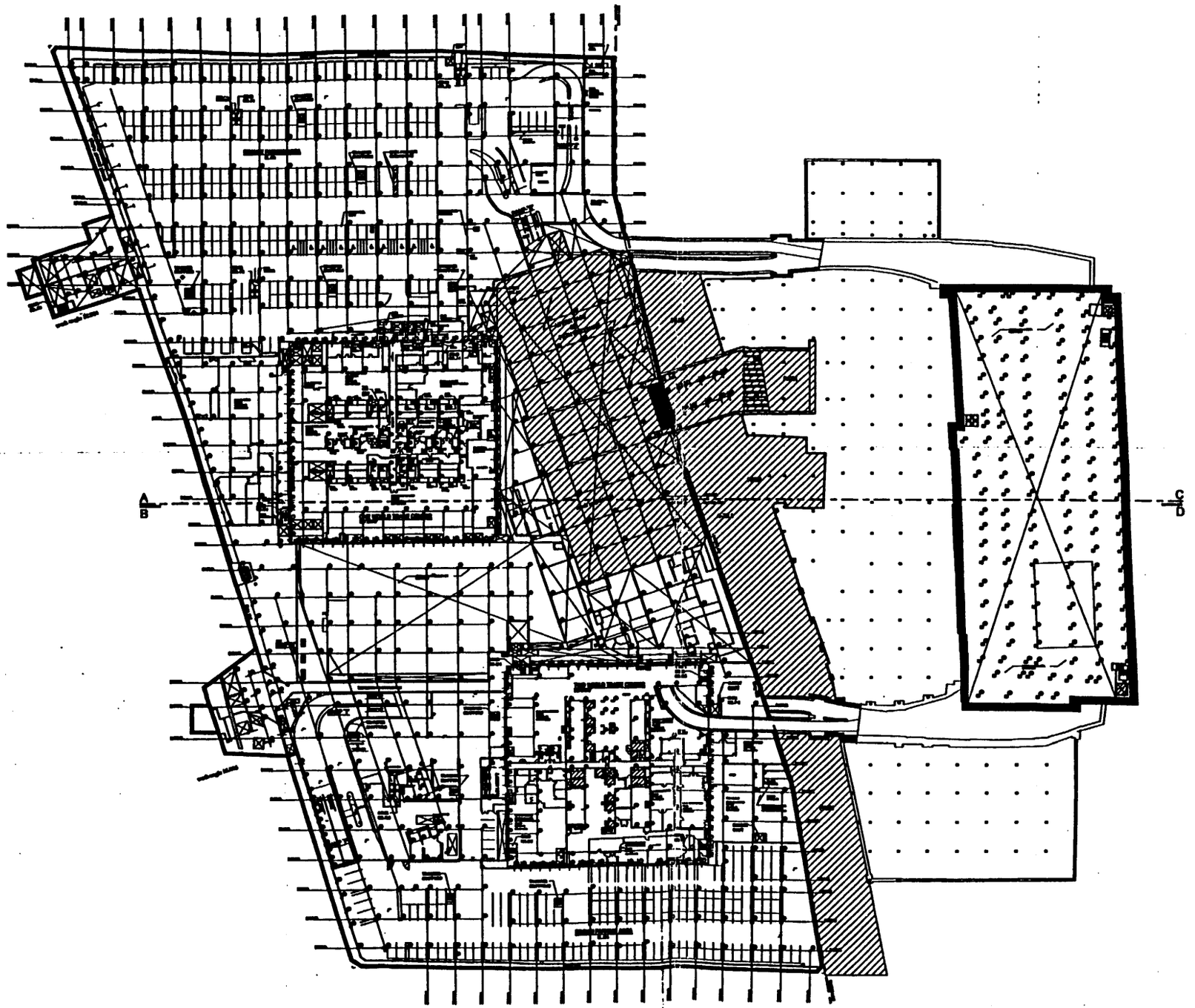


SCHEMATIC DRAWINGS
OF SUBGRADE

B-2 Level

LEGEND

Areas Not Included In Building One / One World Trade Center Premises

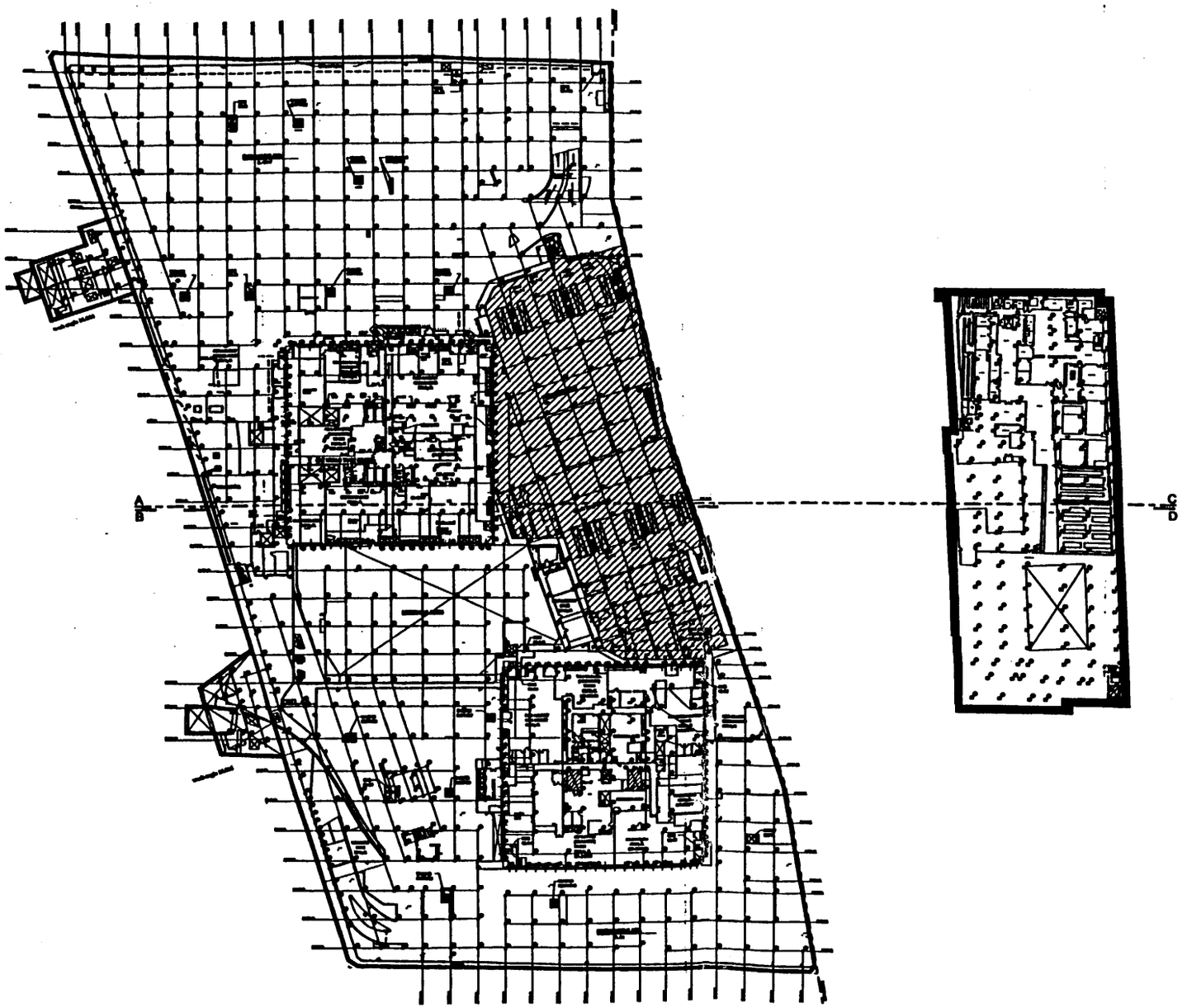


SCHEMATIC DRAWINGS
OF SUBGRADE

B-3 Level

LEGEND

Areas Not Included In Building One / One World Trade Center Premises

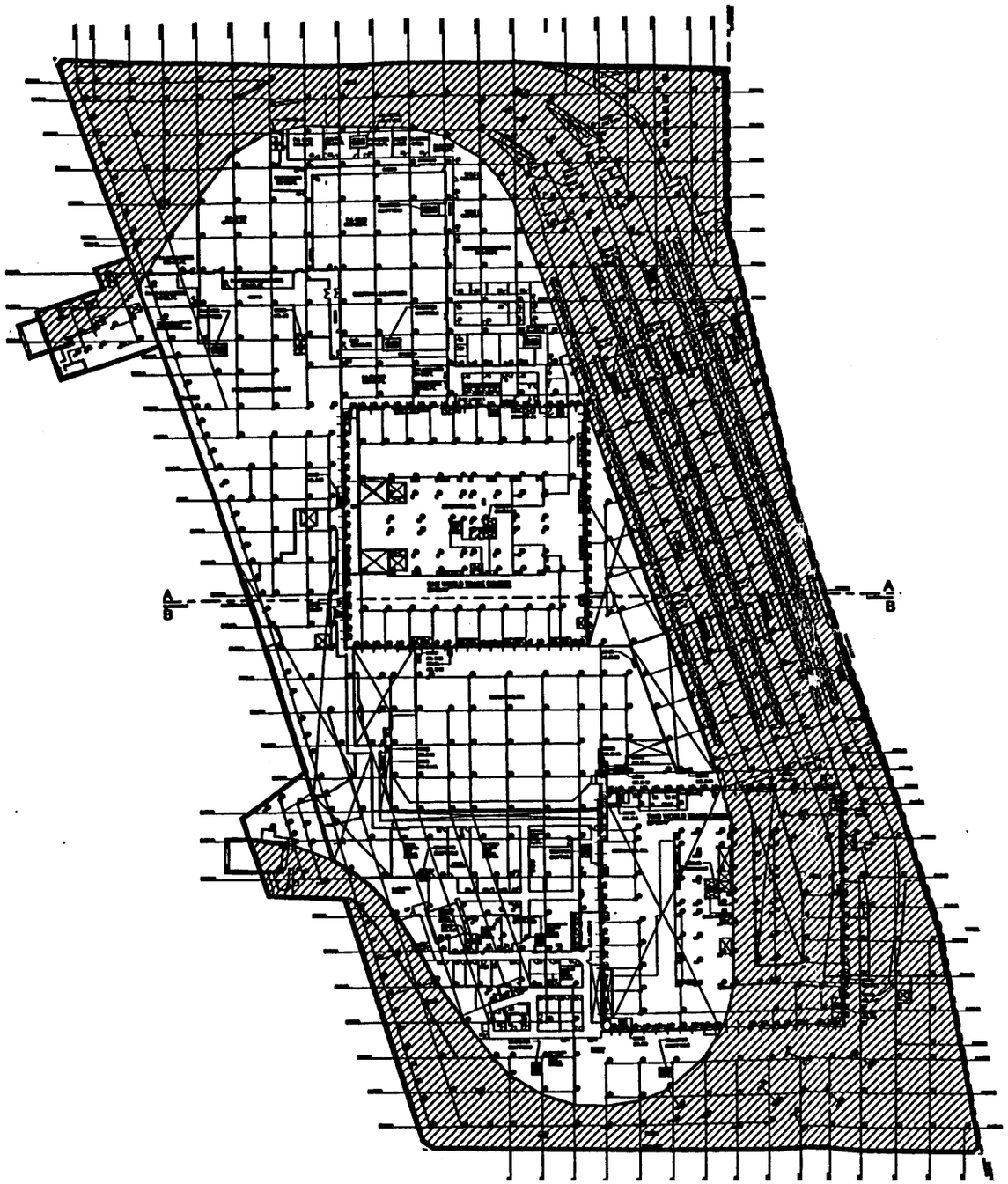


SCHEMATIC DRAWINGS
OF SUBGRADE

B-4 Level

LEGEND

Areas Not Included in Building One / One World Trade Center Premises

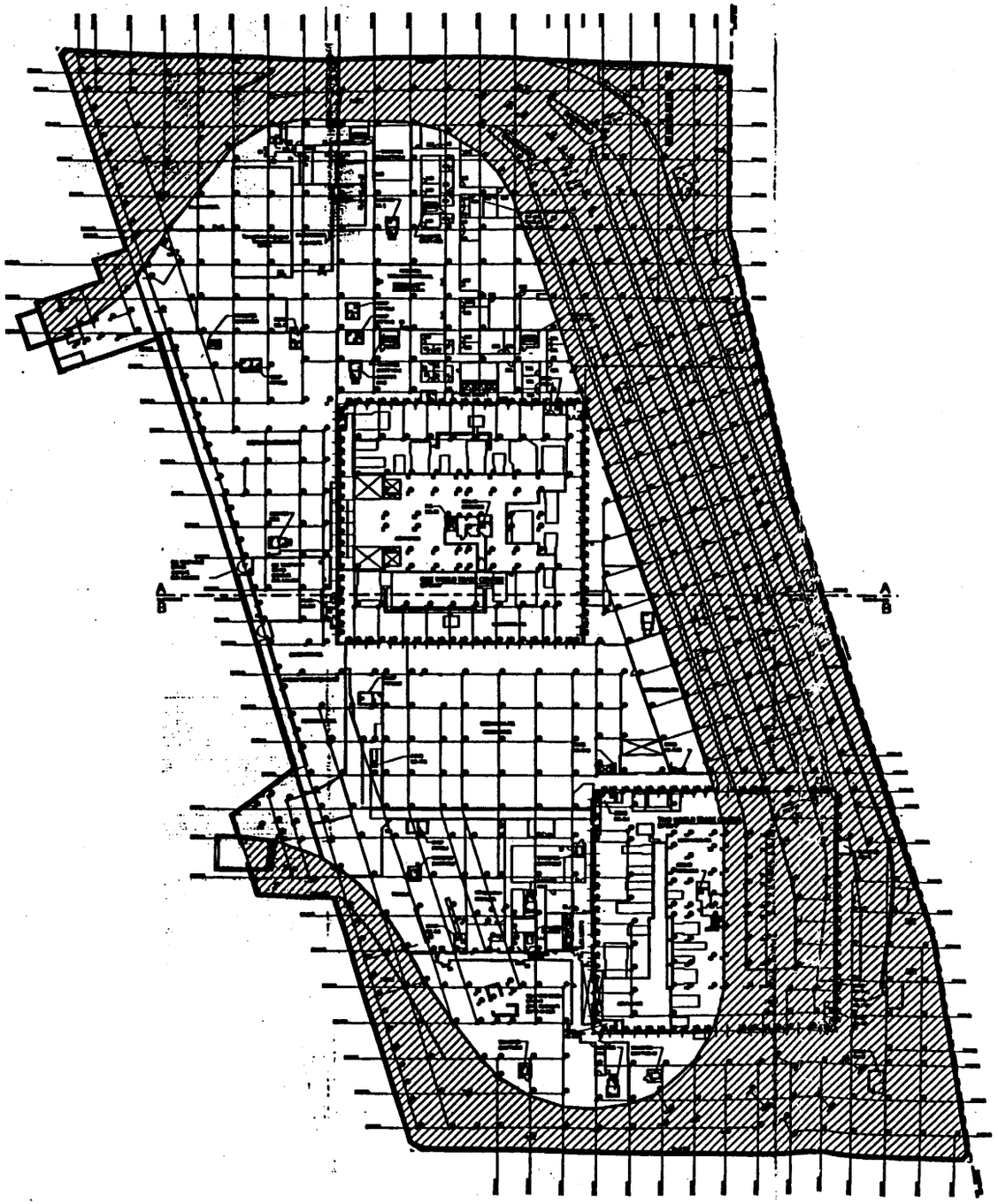


SCHEMATIC DRAWINGS
OF SUBGRADE

B-5 Level

LEGEND

Area Not Included in Building One / One World Trade Center Premises



SCHEMATIC DRAWINGS
OF SUBGRADE

B-6 Level

LEGEND

Areas Not Included in Building One / One World Trade Center Premises

EXHIBIT B

ALTERATION APPLICATION

File Fee #
Contract #

THE PORT AUTHORITY OF NY & NJ
One World Trade Center, New York, NY 10048

TENANT CONSTRUCTION OR ALTERATION APPLICATION

For Port Authority use only	
FACILITY WTC	APP. NO.
DATE / /	APPLICANT'S NAME

APPLICANT MUST READ THE TERMS AND CONDITIONS PRINTED ON THE REVERSE HEREOF

The Applicant shall not commence performance of any of the said work prior to the receipt by Applicant of a copy of this application duly signed in Part Two hereof on behalf of the Port Authority of New York and New Jersey. Upon receipt thereof, the Applicant agrees to perform said work in accordance with the following "Information to be Furnished by Applicant" and to comply with and be bound by all requirements and conditions set forth below under the remarks, if any, in Part Two hereof and the terms and conditions set forth on the reverse hereof.

PART ONE: Information to be furnished by Applicant (Refer to your lease or permit for required information)
Permission is hereby requested to perform the following described work on the space occupied by the Applicant

AT (FACILITY) WTC	PURSUANT TO (LEASE SPACE PERMIT) NUMBER	LOCATION (BUILDING NUMBER OR AREA) OF SPACE TO BE ALTERED

DESCRIPTION OF WORK AND REASON

ESTIMATED COST OF WORK $	ESTIMATED TIME TO COMPLETE (DAYS)	STARTING DATE / /	COMPLETION DATE / /

Plans. Prints of each drawing must be submitted with copies of application. Include floor plan and show area affected by proposed work (size 8 ½ X 11" or larger)

TITLE OF DRAWING	DRAWING NUMBER	DATED

NAME & ADDRESS OF CONTRACTOR (IF NOT KNOWN, SUBMIT LATER)	NAME AND ADDRESS OF ENGINEER OR ARCHITECT	TELEPHONE NUMBER / LICENSE NUMBER

SEND CORRESPONDENCE TO
(NAME AND ADDRESS OF EMPLOYEE IN CHARGE OF WORK)

TELEPHONE NUMBER

ENGINEER OR ARCHITECT CERTIFICATION

I have supervised the preparation of plans and specifications for the entire work represented herein and hereby certify that they conform to the requirements of the respective enactments, ordinances, resolutions and regulations of the City, town or municipality in regard to construction and maintenance of buildings and structures and in regard to health and protection which would be applicable if the Port Authority were a private corporation.

APPLICANT'S NAME (AS IT APPEARS ON LEASE OR PERMIT)

BY (SIGNATURE OF AUTHORIZED REP)	TITLE	DATE / /	SIGNATURE OF LICENSED PROFESSIONAL ENGINEER OR ARCHITECT	DATE / /

The Contractor by signing below agrees to all the terms and conditions on this application and printed on the reverse side thereof, including #5 indemnifying the Port Authority, and further agrees to be bound by all riders and schedules attached to this application

Signature _____ / /
(Contractor) (Date)

Address _____

Please advise the undersigned in writing, when this work has been completed

☐ This Applicant must check here if the Professional Certification Program is elected for tenant construction or alteration at the World Trade Center

Signature _____ / /
(Applicant Officer/Partner) (Date)

Signature _____ / /
(Net Lessee) (Date)

PART TWO: Prepared by Port Authority and returned to Applicant

The above Application ☐ Approved ☐ Disapproved. Subject to the following conditions:

☐ Continued on Rider "A," "B," "C," "F," and "G" (Rider G will be included only for the Professional Certification Program)

THE PORT AUTHORITY OF NY & NJ

INSPECTED BY	DATE / /	By
		TITLE Code Compliance Office / DATE / /

318582.02-New York S3A

TERMS AND CONDITIONS

1. In the performance of the work covered hereunder the Applicant shall, unless otherwise directed in writing by the Port Authority, conform to the requirements of the respective enactments, ordinances, resolutions and regulations of the city, town or municipality in which the Facility is located in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation. The Applicant's obligations to comply with the above governmental requirements is for the purpose of assuring proper safeguards for the protection of persons and property at the Facility and is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

2. The Applicant shall comply also with such federal, state and municipal laws, statutes, orders and regulations, if any, as may be legally applicable to the work or the performance thereof or its employees therein. The Applicant shall consult with the Port Authority Code Compliance Office (hereinafter, the "Code Compliance Office") with respect to the applicability of any and all laws, statutes, enactments, ordinances, resolutions and regulations and as to the procedure to be followed before taking any other action with respect thereto, and shall follow the instructions and procedure prescribed by said Code Compliance Office with respect thereto.

3. The Applicant (if such Applicant is not the Net Lessee) shall procure and maintain injury and property damage liability insurance in its own name in at least the limits specified in the preamble to this Application and Workmen's Compensation insurance; or if the work is to be done by an independent contractor, the Applicant shall require such contractor to procure and maintain such insurance in the contractor's name. A certificate evidencing such insurance shall be furnished to the Port Authority Code Compliance Office prior to the commencement of the work.

4. The Applicant (if such Applicant is not the Net Lessee) shall indemnify and hold harmless the Net Lessee, the Port Authority, its Commissioners, officers, agents and employees, against and from (a) the risk of injuries (including wrongful death) or damage direct or consequential, to it or them or to its or their property arising out of or in connection with the performance of the work, and (b) the risk of claims end demands by third persons, arising or alleged to arise out of the performance of the work, whether such risks arise out of acts or omissions of the Applicant, its contractors, the Port Authority, the Net Lessee or otherwise. (See Rider "F" for revisions to this paragraph).

5. The Applicant shall notify the Code Compliance Office prior to the commencement of the work.

6. A Permit to Occupy or Use shall be issued to the Applicant by the Code Compliance Office upon request of the Applicant on completion of the work hereunder in accordance with the Terms and Conditions hereof and inspection thereof by the Code Compliance Office. Issuance of such certificate shall not preclude the Port Authority from showing that Applicant has failed to comply with his obligations hereunder nor shall it release Applicant from such obligations.

Rider "A" To Tenant Construction Or Alteration
Revised 02/01

TENANT:_____ **APPLICATION NO.:**_____
CONTRACT WTC - _____ **LEASE NO.:**_____
W.O.:_____

Additional Terms and Conditions

The agreement between the Applicant and materialman, contractor or subcontractor shall contain the following provisions:

That upon notice from the Port Authority, the Contractor shall halt any and all construction which in the opinion of the Port Authority is not, or would not be, in conformity with the approved Contract Documents, and that construction will not proceed until the Contractor's proposal to correct the work and procedures have been approved by the Port Authority.

This Application shall be deemed withdrawn by the Applicant in the event performance of the Work covered hereunder has not been commenced within one (1) year after the approval date shown the lower right corner of the TAA Application (Form 531). In such event, the Contractor shall not commence performance of any work until the Applicant has submitted a new application to the Code Compliance Office for its approval and has received a copy of such Application duly signed in Part Two thereof on behalf of the Code Compliance Office.

A fee will be imposed by the Code Compliance Office for the review of Tenant Alteration or Construction Applications as per the following schedule, which represents fees similar to those of New York City for filing alteration plans in privately owned buildings.

Construction Dollars	
Up to $1,000	$ 75
$1,001 to $2,000	$100
$2,001 to $3,000	$120
$3,001 to $4,000	$140
$4,001 to $5,000	$160

In excess of $5,000, the fee is $160 plus $10.30 per $1,000 or fraction thereof above $5,000.

Name of Applicant: _____

Applicant's Signature: _____ Date: _____

Name of Contractor: _____

Contractor's Signature: _____ Date: _____

WORLD TRADE CENTER
TENANT CONSTRUCTION OR ALTERATION APPLICATION

Tenant:	**Lease No.: WT-**
Contract No.: WTC -	**Tenant Alteration Application No.:**
Filing Fee No.:	

Rider "B"
Claims of Third Persons

The contractor undertakes to pay all claims lawfully made against him by subcontractors, materialmen and workmen and all claims lawfully made against him by other third party persons arising out of or in connection with or because of the performance of this Contract and to cause all subcontractors to pay all such claims lawfully made against them.

If the Contractor fails to pay any such claim lawfully made against him, or any subcontractor or the aforesaid contingencies is likely to arise, then the owner shall have the right, in its discretion, to withhold out of any payment (final or otherwise and even though such payment has already been certified as due) such sums as the owner may deem ample to assure the payment of such claims and to apply such sums in such manner as the owner may deem proper to satisfy such claims. All sums so applied shall be deducted from the owner's compensation. omission by the owner to withhold out of any payment, final or otherwise, a sum of any of the above contingencies, even though such contingency has occurred at the time of such payment, shall not be deemed to indicate that the owner does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the owner to withhold and apply monies, nor any exercise, or attempted exercise of, or omission to exercise, such rights by the owner shall create any obligation of any kind to such materialmen, subcontractors, workmen or other third persons.

Until actual payment to the Contractor, his right to any amount to be paid under this Contract (even though such amount has already been certified as due) shall be subordinate to the rights of the owner under this numbered clause.

No Port Authority Obligations

No obligations, or liabilities to the Contractor are assumed, or intended to be assumed by the Port Authority.

Indemnity

A. The Contractor shall indemnify and hold harmless the Port Authority, its Commissioners, Officers, Agents and Employees, against and from.

1. The risk of injuries (including wrongful death), or damage direct or consequential, to it or them or to its or their property, arising out of, or in connection with the performance of the work, and,

2. The risk of claims and demands by third persons, arising, or alleged to arise out of the performance of the work, whether such risks arise out of acts, or omissions of the Contractor, or the Port Authority, or otherwise.

B. If so directed the Contractor shall at its own expense defend any suit based upon any such claim, or demand (even if such suit, claim or demand is groundless, false or fraudulent) and in handling such, it shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, Officers, Agents or Employees, the governmental nature of the Port Authority or the provision of all statutes respecting suits against Port Authority.

Initialed:

Applicant: _____ **Date:** _____

Contractor: _____ **Date:** _____

WORLD TRADE CENTER
TENANT CONSTRUCTION OR ALTERATION APPLICATION

Tenant:	**Lease No.: WT-**
Contract No.: WTC -	**Tenant Alteration Application No.:**
Filing Fee No.:	

Rider "C"

A. General Requirements

1. The contact person at the Code Compliance Office for this T.A.A. is _____, located at _____, Telephone: 212-435-____.

2. In case of start of construction via an approved Tenant Alternation Application, or otherwise, it shall be the responsibility of the Tenant, or his Consultant to comply with any additional requirements resulting from Port Authority review.

3. Only the Contractor whose signature appears on this Application and his subcontractors, will be permitted to begin at the construction site after approval of his Certification of insurance. Any other Contractor who may be required to perform work under this Application will not be permitted to work at the construction site until he provides a separate Certification of Insurance whish is approved by the Port Authority.

4. All work under this Tenant Alteration Application will be subject to Code Compliance Office inspection to ensure that it is in conformance with approved Contract Drawings, Specifications and Shop Drawings.

5. Upon completion of this work, and issuance of the Permit to Occupy one (1) complete set of reproducible Contact film, wash-off type "As-built" drawings (drawings should not be folded), conformed Specifications, all Shop Drawings, catalog cuts, etc., verified and approved by the responsible Architect/Engineer of Record, must be submitted to the Code Com-

pliance Office. In addition, one (1) copy of thee AutoCAD compatible computer files that were used to prepare the drawings shall be submitted on CD Rom for Port Authority records.

6. The Contractor shall submit affidavits attesting to the fire retardancy of all wood construction, temporary or permanent, prior to installation, per New York City Building Code Section 27-328, to the Code Compliance Office.

7. All new electrical/telephone outlet coring of floor slabs in any World Trade Center building shall be installed in accordance with the Port Authority Manual.

8. Life Safety Systems

   (a) The Tenant's Consultant responsible for the preparation of Contract Documents shall provide wiring diagrams, installation procedures and applicable Shop Drawings for all new and existing life safety systems to be modified. The drawings shall indicate locations of cable terminations, sequence of operation, and specifications of all the component parts. All the life safety systems shall be connected to the World Trade Center Multiplex System. Systems involving more than one floor shall give a floor by floor fire indication to the Multiplex System. The applicable system shall include, but not be limited to, smoke detection, pre-action systems, and Halon. The documents required herein shall be submitted for Port Authority review at the time that other required Tenant Alteration Application documents are submitted.

   (b) The Contractor shall perform preliminary testing of all fire and life safety equipment and systems to ensure that each component of every system functions in accordance with the approved Contract Documents, including, but not limited to all wiring and connections, floor alarms, tamper alarms, electrical controls, smoke detectors, automatic dampers, interlock devices, air testing of piping, and other testing, as directed by

the Port Authority. An approved substitute for Halon, e.g., air carbon dioxide, or other inert gas, or a suitable Freon may be used as a test medium during the preliminary testing of a Halon installation. All final testing shall be performed in the presence of sub-contractor's personnel and the Code Compliance Office.

(c) Prior to occupancy of the premises, and prior to issuance of a Permit to Use or Occupy the Tenant shall furnish to the code Compliance Office, a copy of an executed Agreement between the Tenant and a Contractor who shall be responsible for inspection and maintenance, as required by the New York City Fire Prevention Code of new and/or existing tenant life safety system, including but not limited to, smoke detection, pre-action sprinkler systems and Halon suppression systems. This Agreement may not be canceled, terminated, or modified without written advance request to the Code Compliance Office.

9. It is required that existing demising walls be checked for penetrations and sealed to restore their fire rating. In addition, all existing structural steel fireproofing shall be patched where material is missing, as required by the Code Compliance Office. The materials used for sealing penetrations and patching fireproofing shall be as approved by the Port Authority.

10. It shall be the responsibility of the Tenant's consultant to see to it that the following requirement is met:

All electrical work to be performed, including all electrical devices to which, or from which, any electrical connection or disconnections are to be made, shall be shown on the Electrical Drawings.

11. The Contractor shall remove all electrical devices, including all conduits and wiring specified on the drawings, to be no longer in use.

12. Materials containing PVC shall be used in accordance with the Port Authority Manual.

B. Special Requirements: The following Items, numbers 26 through 29, are not applicable to Communications Systems Installations.

26. Upon completion and testing of the HVAC Systems, five (5) copies of the Balancing Report must be submitted to the Code Compliance Office. The testing must be performed in the presence of the Code Compliance Office.

27. Whenever the support system for any suspended ceiling is to be altered or replaced, as a result of any work authorized by this Alteration Application, the Tenant's Architect, or Engineer, whose seal appears thereon, shall provide details of the ceiling support systems which conform to the standards set forth in the applicable Section of the New York City Building Codes and in the Port Authority Tenant Construction Review Manual. Where these standards establish different or conflicting requirements, the more stringent requirement will prevail.

28. Audibility of the Fire Alarm Communications System must be maintained, as required by New York City Building Code Sections 27-972 and 27-975. After construction is completed, and as part of the final inspection, an audibility test must be performed in the presence of the Code Compliance Office. If the test results are unsatisfactory, it is then the responsibility of the Contractor to correct the problem with the additional speakers and/or amplifiers, as required.

29. If sprinklers are being installed, four (4) black and whites and one (1) reproducible copy of Shop Drawing(s) and Hydraulic Calculations stamped "Approved" by the Architect/Engineer of Record must be submitted to the Code Compliance Office for approval.

30. The drawings dated or revised dated, as referred to on the Application form area the only drawings released for construction by the approval of this Tenant Alteration Application. Additional drawings, or the above mentioned drawings with new revision dates are not approved for construction unless approved in writing, which is signed and issued by the Code

Compliance Office. No other drawings are permitted to be used on the construction site.

31. Delivery of material to the World Trade Center via the Barclay Street ramp entrance is limited to trucks and trailers not exceeding 11'-9" in height unloaded.

32. The Contractor shall notify the Tenant's Architect/Engineer of Record and the Code Compliance Office of any floor penetrations that are not shown on the contract drawings. Any necessary remedial closing of penetrations shall be as directed and supervised by the Tenant's Architect/Engineer in accordance with the requirements of Item 15 above.

33. Certification by the Registered Architect, or Professional Engineer, whose seal and signature appear on the Tenant Alteration shall be submitted to the Code Compliance Office for issuance of a Permit to Occupy or Use prior to occupancy. Such Certification shall declare that the construction work has been satisfactorily completed for occupancy in accordance with the approved plans and specifications and all jurisdictional building codes. The Registered Architect, or Professional Engineer, referred to herein shall be prohibited from having any association, or other affiliation with the Contractor.

Initialed:

Applicant: _____ **Date:** _____

Contractor: _____ **Date:** _____

WORLD TRADE CENTER
TENANT CONSTRUCTION OR ALTERATION APPLICATION

Tenant:	**Lease No.: WT-**
Contract No.: WTC -	**Tenant Alteration Application No.:**
Filing Fee No.:	

Rider "F"
General Requirements:

A. 1. The Applicant shall not commence performance of any of the said work prior to the receipt by Applicant of a copy of this Application duly signed in Part Two hereof on behalf of The Port Authority of New York & New Jersey. Upon receipt thereof, the Applicant and Contractor agrees to perform said work in accordance with the following "Information to be Furnished by Applicant" and to comply with, and be bound by all requirements and conditions set forth below under the remarks, if any, in Part two hereof, and the terms and conditions set forth on the reverse hereof, and any Riders attached.

2. Minimum Insurance Limits, unless specified to be greater, bodily injury $2,000,000.00 each person; $2,000,000.00 each occurrence, property damage $500,000.00 each accident, $500,000.00 aggregate.

Terms and Conditions:

3. The Applicant (if such Applicant is not the Net Lessee) and Contractor shall indemnify and hold harmless the Port Authority, its Commissioners, Officers, Agents and Employees, against and from:

(a) The risk of any and all claims of injuries (including wrongful death), or damage direct, or consequential, to it, or them, or to its, or their property, arising out of, or in connection with the performance of the work, and;

(b) The risk of claims and demands by third persons arising, or alleged to arise out of the performance of the work, whether such risks arise out of acts, or omissions of the Applicant, its Contractors, the Port Authority, or otherwise, except where indemnity would be precluded by New York State General Obligations Law.

Initialed:

Applicant: _____ **Date:** _____

Contractor: _____ **Date:** _____

EXHIBIT C

INTENTIONALLY OMITTED

EXHIBIT D

SECURITY STANDARDS

WTC SECURITY STANDARDS 4/12/01

The Port Authority's World Trade Center security program is based upon the Kroll Threat Assessment and Security Master Plan. The Port Authority security program is multi-layered, starting with perimeter protection, sub-grade access control and parking restrictions. The second layer is lobby access control; the third layer is tenant controls in their demised premises. The last layer is command and control. Additionally, there are special considerations pertaining to key control.

Key Elements of the Port Authority's Program

Element: **Perimeter protection must be adequate to withstand vehicular or individual threats to the complex from external locations.**

As implemented by the PA:

- Concrete-filled planters and steel gates that resist a defined impact.
- Perimeter CCTV system with stopped vehicle detection capability.
- On-street parking restrictions.
- Bomb-resistant trash receptacles.
- Perimeter patrols.

Element: **Restrict Subgrade access to authorized individuals.**

As implemented by the PA:

- Card-controlled turnstile access to Subgrade passenger elevators with guard monitoring.
- Proximity or magnetic stripe identification card monitored by guard or operator in freight elevator.
- Subgrade access doors monitored by CCTV, intercoms and/or alarms.
- Controlled access from PATH (including special arrangements for ADA passenger access) and Marriott into WTC areas.

Element: **Restrict Subgrade vehicular access to vehicles and responsible individuals with proper identification or authorization.**

As implemented by the PA:

- Parking is limited to tenants located at the WTC and their employees, subject to a background investigation (e.g., criminal (federal/state/national), SSAN, DMV and credit). Tenant, not individual, must be invoiced.
- All entrances and exits are protected by movable anti-ram barriers and bullet-resistant guard booths, and are monitored by CCTV.
- Parking access requires a match of vehicle's proximity card identification and driver's WTC identification.
- 24 x 7 monitoring of parking access control system.
- On-street inspection of delivery vehicles is augmented by PA Police bomb-sniffing dogs. Inspection certificate is issued each time.
- Delivery personnel issued new photo ID with magnetic swipe stripe on each visit; bills of lading and driver's licenses also photographed.
- Postal and package delivery personnel issued extended use proximity identification cards.

(cont.)

Element: **Lobby access to office buildings must be controlled at all times, principally through an electronic turnstile system.**

As implemented by the PA:

- A turnstile-based lobby access control system is in place for both tenant employees and visitors. Turnstile access is monitored 24 x 7 by security guards.
- Tenant employees and long-term visitors are issued proximity photo identification cards, which can be used during normal business hours, or as coded if off-hour access is authorized.
- Daily or short-term visitors are issued magnetic swipe photo identification cards, which can be used for access during normal business hours, or as coded if off-hour access is authorized.
- Visitor access is granted to a single building for specified time periods ranging from 30 minutes (messengers) up to one year (long-term visitors); the default time period is one day.
- Escort privileges are granted to a limited number of Port Authority and tenant employees. These employees can escort an unlimited number of visitors without the need to stand in line or present identification.
- Concierge Desk is used by some tenants for VIP access.
- Turnstile access operation is monitored by CCTV with capability to detect breaches (e.g., jumping over glass barriers).
- Main access to the Windows on the World is unimpeded, except under elevated threat levels when packages are inspected via x-ray, tagged, and, when warranted, subject to bomb detection screening.
- Main access to the Observation Deck requires screening with a magnetometer, full package inspection, and hand stamping.
- Tenants are authorized to have their own security systems, which must meet Port Authority standards. Arrangements are made to permit tenants to use Motorola proximity card readers to permit one-card access to the WTC and to their premises.

Element: **Maintain security of base building key system.**

As implemented by the PA:

- All keys and cylinders are ASSA UL437-rated, and are proprietary to the WTC, with integral bar coding.
- All keys are made by PA locksmiths on site.
- Keys are issued only to authorized personnel from a dedicated, hardened, bullet-resistant key room in the Subgrade.
- All keys are connected to secure key rings.
- All key rings and key boxes issued (e.g., to cleaning staff) are weighed upon issuance and return.

Element: **Monitor operations of security program at all times.**

As implemented by the PA:

- Two command centers (Security Command Center and Operations Control Center) are located remotely from one another at the WTC.
- Centers are staffed 24 x 7.
- Security organization reports to a senior manager.

Element: **Modify operations in response to changes in threat level.**

- PA Police determine elevated threat level conditions.
- Elevated levels require application of additional resources and procedures.

EXHIBIT E

TENANT CONSTRUCTION REVIEW MANUAL

On file with the Port Authority

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 One World Trade Center, New York, New York 10048.

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 One 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 AND 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 One World Trade Center, 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 (as the same has been or 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 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:

1. 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.

2. 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 Lessee, any instru-

ment 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 omissions 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.

3. 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.

4. 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
One World Trade Center
New York, New York 10048
Attention: General Counsel
Fax: (212) 435-6913

If to Space Tenant: _____
_____
_____
Fax:

Attention:

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.

5. 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).

6. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

7. 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.

8. 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 H

INTENTIONALLY OMITTED

EXHIBIT I

INTENTIONALLY OMITTED

EXHIBIT J

WAIVER

THIS WAIVER is executed as of the 16th day of July, 2001, by _____ _____, a _____, having an office at _____ ("Lessee").

W I T N E S S E T H :

WHEREAS, the Lessee is the lessee under a certain Agreement of Lease, dated as of _____, 2001 (the "Lease"), with The Port Authority of New York and New Jersey, as lessor (the "Port Authority"), pursuant to which 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); and

WHEREAS, the Lease sets forth certain circumstances whereby the 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 2001before 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 K-1

PORT AUTHORITY LICENSE AGREEMENT

TRADEMARK LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "Agreement"), made as of _____ _____, 2001 (the "Commencement Date") by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Licensor"), 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, having an office and place of business at One World Trade Center, New York, New York 10048 and _____ ____ (hereinafter called the "Licensee"), a _____ _____, having an office and place of business at _____ _____.

WITNESSETH, THAT:

WHEREAS, Licensor owns, currently uses, and/or intends to use certain Marks (as hereinafter defined);

WHEREAS, Licensor is entering into, simultaneously herewith, an Agreement of Lease with Licensee (the "Lease Agreement") covering the leasing to Licensee of a portion of that facility in New York City known as the World Trade Center consisting of the Premises (as hereinafter defined), and Licensee desires to license from Licensor and Licensor desires to license to Licensee the right to use the Marks, respectively, in connection with the operation of the Premises, on certain terms and conditions more specifically set forth herein; and

WHEREAS, simultaneously herewith, Licensor is entering into other lease agreements with certain other lessees, which license agreements (the "Other Licenses") are substantially in the form of this Agreement;

NOW, THEREFORE, in consideration of the covenants and mutual agreements of the parties hereto, Licensor and Licensee hereby covenant and agree as follows:

I. ARTICLE - DEFINITIONS

A. Certain Definitions - For all purposes of this Agreement, the following terms shall have the following meanings:

1. "Agreement" shall have the meaning provided in the Preamble.

2. "Closing Date" shall mean July 16, 2001.

3. "Commencement Date" shall have the meaning provided in the Preamble.

4. "Lease Agreement" shall have the meaning provided in the Preamble.

5. "License" shall have the meaning provided in paragraph II.B.

6. "License Term" shall have the meaning provided in paragraph III.A.

7. "Licensee" shall have the meaning provided in the Preamble.

8. "Licensor" shall have the meaning provided in the Preamble.

9. "Marks" shall mean any marks used or intended to be used by Licensor in connection with the Premises as of the Commencement Date for which Licensor has rights to license to Licensee, which marks may include, without limitation, those applications and registrations (for the respective services listed therein) depicted in Exhibit A.

10. "Non-Stylized Form" shall mean any representation solely in upper case letters, or with initially capitalized letters, in any standard typeface or font (including a cursive typeface or font).

11. "Notice" shall have the meaning provided in paragraph VII.A.

12. "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.

13. "Premises" shall have the meaning provided in Exhibit B.

II. ARTICLE - LICENSE

A. Ownership of Marks

1. Licensee acknowledges and agrees that nothing in this Agreement shall give Licensee any right, title, or interest in the Marks, other than the limited, non-exclusive right to use the Marks for the License Term, subject to the terms and conditions of this Agreement. Licensee agrees not to initiate or undertake any acts inconsistent with the foregoing.

B. Grant of Non-Exclusive License. Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee and Licensee hereby accepts a royalty-free, fully paid-up, worldwide non-exclusive license ("License") to use the Marks in connection with the Premises, including but not limited to operating, promoting, advertising, identifying (including but not limited to in directories and on signage) and maintaining the Premises under the Marks; it being understood that, Licensor shall not be granting licenses to use the Marks

that as of the Commencement Date are used (or, if not in use, are intended by Licensor for use) solely in connection with the Premises or premises related to Other Licenses, or sublicense the use of the mark WORLD TRADE CENTER, to denote properties other than the Premises or other parts of the facility in New York City currently known as the World Trade Center.

Licensee shall:

(1) use the Marks only in Non-Stylized Form or in such stylized form as may be approved in writing by Licensor, or as used by Licensor in connection with the Premises as of the Commencement Date;

(2) not affix or purport to authorize the affixation of the Marks to any goods for commercial distribution (or for non-commercial distribution in more than limited quantities), unless and until Licensee has submitted a specimen of such goods to Licensor in advance of its use for Licensor's written consent, and Licensor has given such consent, not to be unreasonably withheld or delayed, provided that once Licensor has approved a type of good, no specimen thereof will need to be resubmitted unless and until Licensee makes a material modification thereto (and further provided that Licensee may affix the Marks in the Non-Stylized Form to brochures and all printed or electronic materials relating to the normal business operation, promotion, or advertising of any portion of the Premises);

(3) not use the Marks in connection with the advertising, sale or promotion of any facility other than the Premises, it being understood, however, that Licensee may use the Marks in a factually accurate manner in such advertising, sale or promotion to denote the Premises even in connection with materials that include references to other properties;

(4) not use the Marks or any colorable imitation thereof as a mark or in any other way (other than fair use as understood under the Lanham Act) subsequent to the License Term; and

(5) not use the Marks in combination or conjunction with any other term or device without securing the prior written consent of Licensor; provided, however, that Licensor expressly consents herein to Licensee Westfield's use of the Marks (other than WINDOWS ON THE WORLD) in the Non-Stylized Form in

conjunction with the marks "Westfield" and "Westfield Shoppingtown."

C. Reservation of Rights Not Licensed

1. The rights granted to Licensee in the Marks are limited in time and substantive scope solely to the express terms of the non-exclusive License granted under this Agreement. All rights not expressly licensed pursuant to paragraph II.B above are expressly reserved. Licensee shall use the Marks only insofar as permitted under the License.

2. Without limiting the generality of subparagraph II.C.1 above, nothing in this Agreement shall be construed to authorize Licensee to use or purport to authorize use of the Marks in connection with any facility, business, or enterprise, other than the Premises.

D. Enforcement of Licensed Rights. As between Licensor and Licensee, Licensor has and shall continue to have for the License Term the exclusive initial right and option (but not the obligation) to initiate and control any litigation or other proceeding or action taken involving any of the Marks (whether or not in combination with one or more other words or devices) or any colorable imitation thereof at the sole discretion of Licensor. Unless such enforcement is against Licensee, the expenses of any such enforcement, including proceedings relating thereto, shall be paid by Licensor. Any and all recoveries from any lawsuit, other proceeding or action, or settlement shall go solely to Licensor; provided, however, that if (i) Licensor initiates such litigation, other proceeding or action at the written request of Licensee, Licensee shall pay Licensor's reasonable costs, attorneys' fees and other expenses in connection with such litigation, other proceeding or action, in accordance with typical cost, fee and expense levels for litigation of this type by firms of national reputation in New York City, U.S.A., or (ii) Licensor decides not to initiate such litigation, other proceeding or action, Licensee shall have the right, as between Licensor and Licensee, at Licensee's own cost and expense to initiate such litigation, other proceeding or action, provided that Licensee (x) obtains Licensor's prior written consent, not to be unreasonably withheld, and (y) consults with Licensor throughout regarding such litigation, proceeding, or action. In connection with subpart (i) above, Licensor shall reimburse Licensee for such costs, attorneys' fees and expenses paid by it to Licensor to the extent those items are covered by any monetary recovery received by Licensor as a result of the litigation, other proceeding or action, or settlement. As between Licensor and Licensee, Licensor shall have the sole and exclusive right of approval in its sole discretion to settle, compromise, or otherwise deal with any dispute (other than one with Licensee) relating to any of the Marks; except for those disputes undertaken by Licensee pursuant to subpart (ii) above concerning which, as between Licensor and Licensee, Licensee shall have such right of approval in consultation with Licensor. Licensee agrees to notify Licensor promptly of any actual or suspected infringement, dilution, or unfair competition relating to any of the Marks by a third party which may come to its attention and Licensee further agrees upon the request of Licensor to assist Licensor, at the sole expense of Licensor, in enforcing any of the Marks against such party.

III. ARTICLE - TERM AND TERMINATION OF AGREEMENT

A. Term. The term of this Agreement shall be for the term of the Lease Agreement, unless terminated pursuant to the provisions of this Agreement prior to the Expiration Date (the "License Term").

B. Material Breach. In the event of any material breach of any provision hereof on the part of Licensee which remains uncured ninety (90) calendar days after Notice of the alleged breach is received by Licensee, this Agreement and the License and all other rights and forbearances granted hereunder to Licensee shall terminate. Such termination shall be effective as of noon on the first calendar day immediately following the end of said ninety (90) calendar day period. For purposes of illustration, and not by way of limitation, a material breach would occur due to any breach by Licensee of the provisions of paragraphs IV.A and IV.B of this Agreement which:

1. arises from materially exceeding the scope of the License granted under paragraph II.B of this Agreement;

2. presents a substantial risk of materially impairing the value of the Marks or the goodwill of the business symbolized by the Marks; or

3. presents a substantial risk of materially impairing the ability to protect the Marks from infringement, unfair competition, or dilution by third parties.

C. Other Grounds. In addition to the foregoing, this Agreement, the License and all rights and forbearances granted hereunder to Licensee shall automatically terminate:

1. in the event the Lease Agreement is terminated;

2. unless transferred in accordance with the Lease Agreement, in the event Licensee is no longer the lessee under the Lease Agreement; or

3. in the event Licensee becomes insolvent or bankrupt, or its affairs are placed in the hands of a receiver, trustee, or assignee for the benefit of creditors.

D. Cessation of Use. Licensee agrees to cease, immediately upon expiration or termination of this Agreement, production of new materials which bear any of the Marks or any colorable imitation thereof. Notwithstanding Section II.B(4), for all use of the Marks or any colorable imitations thereof (other than fair use as understood under the Lanham Act) by or on behalf of Licensee which cannot with reasonable efforts be ceased coincident with the end of the License Term, within one hundred and eighty (180) days of expiration or termination of this Agreement all such use of the Marks or any colorable imitation by or on behalf of

Licensee shall be ceased, including, without limitation, any and all display, publication, and broadcasting of the Marks and any colorable imitations thereof or materials incorporating the Marks or any colorable imitation thereof.

IV. ARTICLE - QUALITY STANDARDS

A. Quality Standards. In addition to the other quality standards set forth herein, Licensor and Licensee agree that the quality of all services rendered under the Marks, and all related advertising, promotional, and other materials or presentations displaying the Marks (including without limitation on-line or other electronic presentations) shall comply with the standards of quality as maintained in connection with the Premises as of the Closing Date, and shall conform in all respects to the obligations of Licensee under the then applicable provisions of the Lease Agreement. Licensee shall submit to Licensor, from time to time, upon request of Licensor, detailed descriptions of all services provided and activities conducted under the Marks.

B. Quality Maintenance

1. Licensee agrees:

(1) to permit reasonable inspection of the operation of the Premises, and uses of the Marks, during normal business hours and at reasonable intervals on not less than three (3) business days' notice; and

(2) not to use or knowingly permit the use of the Premises or any portion thereof for any illegal purpose.

V. ARTICLE - INDEMNIFICATION

A. Indemnification by Licensee. Except for any damages due to (i) the gross negligence or willful misconduct of Licensor or (ii) any claim challenging Licensor's right to use the Marks, Licensee agrees to and shall indemnify, defend, and hold harmless Licensor, as well as Licensor's officers, directors, and employees, from and against any and all damages of any nature or kind whatsoever, including without limitation reasonable attorneys' fees, liability, awards, costs, judgments, orders or decrees based on or arising out of any claim, suit, threat, cause of action, demand or proceeding arising out of Licensee's material breach of the terms of this Agreement, or out of any services or goods provided or activity conducted by Licensee or any servant, agent, or employee thereof under, otherwise in connection with, or as a result of the use of any of the Marks.

B. Indemnification by Licensor. Except for any damages due to the gross negligence or willful misconduct of Licensee, Licensor agrees to and shall indemnify, defend and

hold harmless Licensee, as well as Licensee's officers, directors, and employees from and against any and all damages of any nature or kind whatsoever, including without limitation reasonable attorneys' fees, liability, awards, costs, judgments, orders or decrees based on or arising out of any claim, suit, threat, cause of action, demand or proceeding arising out of Licensor's material breach of the terms of this Agreement.

VI. ARTICLE - EQUITABLE REMEDIES

A. Injunctive Relief. Licensee acknowledges that the Marks and the goodwill associated therewith constitute a valuable property interest of Licensor and that Licensor would suffer substantial, irreparable damage and would be without adequate remedy at law in the event of use of the Marks by or on behalf of Licensee other than in conformance with the terms and conditions of this Agreement. Accordingly, notwithstanding any cure rights set forth herein on behalf of Licensee or other remedies available to Licensor at law, Licensor shall be entitled to immediate injunctive relief for any infringement of any of Licensor's rights in the Marks or any unauthorized use of the Marks, or any colorable imitation of the Marks, by or on behalf of Licensee; or at any time to the extent that Licensee fails to fulfill any of its obligations under Articles II, III, and IV of this Agreement, provided, however, that the foregoing shall be without prejudice to Licensee's defending against the same on the basis that no such infringement, unauthorized use, or failure has occurred.

VII. ARTICLE - MISCELLANEOUS

A. Notices. 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 so delivered being deemed to have been received at the time delivered), (ii) sent by overnight mail, postage prepaid (any Notice so delivered) being deemed to have been received at the time delivered, or (iii) transmitted by telecopier with confirmation of receipt (sender's confirmation of a successful transmission) (any Notice so sent being deemed to have been received on the date of transmission, if a business day, or the first succeeding business day, subsequent thereto), addressed to the respective parties as follows:

if to Licensor:

The Port Authority of New York and New Jersey
One World Trade Center
New York, New York 10048
Attention: General Counsel
Tel: (212) 435-6910
Fax: (212) 435-6913

if to Licensee: _____

_____

_____

Attention:_____
Tel: _____
Fax:_____

A party may designate by Notice in writing given to the other(s) in the manner herein specified a new or other address to which Notices shall thereafter be so given.

B. Construction and Application of Terms. This Agreement does not constitute Licensee as the agent or representative of Licensor for any purpose whatsoever. Neither a partnership nor any joint venture is hereby created. All designations of time herein contained shall refer to the time system then officially in effect in the City of New York. This Agreement may not be amended except by a document signed by Licensor and Licensee.

C. Consents; Approvals. Any written request for consent or approval hereunder shall be deemed granted if the party receiving such request does not deny such request in writing within thirty (30) days following receipt of such request.

D. Disclaimer. Nothing in this Agreement shall be deemed to constitute a warranty or representation by Licensor that the Marks are available for use, or that use of the Marks does not infringe the rights of one or more others. LICENSOR MAKES NO WARRANTY, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, WITH RESPECT TO THE MARKS. Notwithstanding the foregoing, Licensor represents and warrants that it has not received written notice claiming that the use of the Marks as currently used by Licensor in connection with the Premises infringes the trademark rights or other intellectual property rights of a third party.

E. Binding Effect; Successors and Assigns; Licensing; Survival. This Agreement shall be binding upon and inure to the benefit of Licensor's respective successors and assigns. Licensee may not assign, transfer, or convey (including by operation of law) this Agreement to any Person other than those successors and assigns of Licensee with respect to the Lease Agreement as expressly permitted under the Lease Agreement. Licensee shall not sublicense the Marks, this Agreement, or any of its rights hereunder, without the prior written consent of Licensor, which consent shall not be unreasonably withheld. Licensee's obligations under Articles II and V, and Licensor's obligations under Article V, shall survive termination of this Agreement or the License.

F. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, United States of America.

G. Non-Waiver. The failure of either party to exercise any right, power, or option available to it under this Agreement, or to insist upon strict compliance with the terms hereof, shall not constitute a waiver of the terms and conditions of this Agreement with respect to any other or subsequent breach thereof, nor a waiver by a party hereto of its rights at any time thereafter to require exact and strict compliance with all the terms hereof. The rights or remedies hereunder are cumulative to any other rights or remedies which may be granted by law.

H. Entire Agreement. This Agreement represents the entire understanding and agreement between Licensor and Licensee with respect to the subject matter hereof, and supersedes all other negotiations, understandings and representations (if any) made by and between such parties.

IN WITNESS WHEREOF, Licensor and Licensee have hereunto set their hands and seals as of the day and year first above written.

Licensor:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By:_____
Name:_____
Its:_____

Licensee:

_____

By:_____
Name:_____
Its:_____

EXHIBIT A TO LICENSE AGREEMENT

MARKS

1. ON STAGE! AT THE TWIN TOWERS, U.S. Ser. No. 75-670,845.
2. ON STAGE! AT THE TWIN TOWERS (and Design), U.S. Ser. No. 75-701,509.
3. WELCOME TO THE WORLLD, U.S. Reg. No. 2,015,141.
4. WELCOME TO THE WORLLD (and Design), U.S. Reg. No. 2,017,213.
5. DECK & DINE, U.S. Reg. No. 1,957,398, U.S. Reg. No. 1,957,398.
6. WINDOWS ON THE WORLD, U.S. Reg. No. 1,339,744.
7. Twin Towers Design, U.S. Ser. No. pending.

EXHIBIT B TO LICENSE AGREEMENT

DESCRIPTION OF PREMISES

EXHIBIT C TO LICENSE AGREEMENT

PRE-APPROVED FORM

EXHIBIT K-2

PORT AUTHORITY AND WTCA LICENSE AGREEMENTS

TRADEMARK LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "Agreement"), made as of _____ _____, 2001 (the "Commencement Date") by and between THE WORLD TRADE CENTERS ASSOCIATION, INC. (hereinafter called the "Licensor"), a Delaware Corporation, having an office and place of business at One World Trade Center, New York, New York 10048 and _____(hereinafter called the "Licensee"), a _____, having an office and place of business at _____ _____.

WITNESSETH, THAT:

WHEREAS, Licensor is an international organization committed to fostering the growth of global trade, having members throughout the world;

WHEREAS, the Licensee is the lessee of the Port Authority (as hereinafter defined) for a portion of that facility in New York City known as the World Trade Center consisting of the Premises (as hereinafter defined) under a lease for a term expiring on July 15, 2100, and Licensee desires to license from Licensor and Licensor desires to license to Licensee the right to use certain Marks (as hereinafter defined) owned by Licensor in connection with the operation of the Premises, on certain terms and conditions more specifically set forth herein; and

WHEREAS, simultaneously herewith, Licensor is entering into other license agreements with certain other lessees of the Port Authority (as hereinafter defined), which license agreements are substantially in the form of this Agreement;

NOW, THEREFORE, in consideration of the covenants and mutual agreements of the parties hereto, Licensor and Licensee hereby covenant and agree as follows:

I. ARTICLE - DEFINITIONS

A. Certain Definitions - For all purposes of this Agreement, the following terms shall have the following meanings:

1. "Agreement" shall have the meaning provided in the Preamble.

2. "Closing Date" shall mean July 16, 2001.

3. "Commencement Date" shall have the meaning provided in the Preamble.

4. "License Term" shall have the meaning provided in paragraph III.A.

5. "Licensed Property" shall mean and be limited solely to the Marks and the Registrations (as defined below).

6. "License" shall have the meaning provided in paragraph II.B.

7. "Licensee" shall have the meaning provided in the Preamble.

8. "Licensor" shall have the meaning provided in the Preamble.

9. "Marks" shall mean the terms and/or designations (including word marks, logo marks, and names, as appropriate) "WORLD TRADE CENTER", "WTC", and the Map Design Logo (as depicted in Exhibit A).

10. "Non-Stylized Form" shall mean any representation solely in upper case letters, or with initially capitalized letters, in any standard typeface or font (including a cursive typeface or font).

11. "Notice" shall have the meaning provided in paragraph VII.A.

12. "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, and the Port Authority.

13. "Port Authority" shall mean The Port Authority of New York and New Jersey, 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.

14. "Premises" shall have the meaning provided in Exhibit B.

15. "Registration(s)" shall mean any and all registrations of any of the Marks and applications therefor owned by Licensor which may subsist or be pending at any time during the License Term.

II. ARTICLE - LICENSE

A. Ownership of Licensed Property

1. Licensee acknowledges and agrees that all right, title and interest in and to all of the Licensed Property and all goodwill of the business symbolized by the Marks is and shall at all times be owned solely and exclusively by Licensor, its successors and assigns

and that nothing in this Agreement shall give Licensee any right, title, or interest in any of the Licensed Property, other than the limited, non-exclusive right to use the Marks for the License Term, subject to the terms and conditions of this Agreement. In consequence of Licensor's ownership of the Licensed Property and said goodwill, Licensee shall not initiate or undertake any acts inconsistent with such ownership.

2. Licensee further acknowledges and agrees that all use of the Marks by Licensee shall be on behalf of and shall inure solely and exclusively to the benefit of Licensor insofar as the ownership of and rights in and to the Registrations, the Marks, and the goodwill of the business symbolized thereby are concerned.

B. Grant of Non-Exclusive License. Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee and Licensee hereby accepts a royalty-free, fully paid-up, worldwide non-exclusive license ("License") to use the Marks (i) in connection with the Premises, including but not limited to operating, promoting, advertising, identifying (including but not limited to in directories and on signage) and maintaining the Premises under the Marks, and (ii) in the corporate names "1 World Trade Center LLC," "2 World Trade Center LLC," "4 World Trade Center LLC," "5 World Trade Center LLC," "World Trade Center Properties LLC," "Silverstein WTC Properties LLC," "Silverstein WTC LLC," "Westfield WTC LLC," and "Westfield WTC Properties LLC;" it being understood that, subject to the license rights of the Port Authority and those in privity with it under the Marks, Licensor shall not be granting licenses to use the Marks to denote properties in New York City other than (i) the Premises or (ii) other parts of the facility in New York City currently known as the World Trade Center.

Licensee shall:

(1) use the marks "WORLD TRADE CENTER" and "WTC" only in Non-Stylized Form or in such stylized form as may be approved in writing by Licensor or as was used in connection with the Premises prior to the Commencement Date;

(2) not affix or purport to authorize the affixation of the Marks or any of them to any goods for commercial distribution (or for non-commercial distribution in more than limited quantities), unless and until Licensee has submitted a specimen of such goods to Licensor in advance of its use for Licensor's written consent, and Licensor has given such consent, not to be unreasonably withheld or delayed, provided that once Licensor has approved a type of good, no specimen thereof will need to be resubmitted unless and until Licensee makes a material modification thereto and further provided that Licensee may affix the marks "WORLD TRADE CENTER" and "WTC" in the Non-Stylized Form to brochures

and all printed or electronic materials relating to the normal business operation, promotion, or advertising of any portion of the Premises;

(3) not use the Marks in connection with the advertising, sale or promotion of any facility other than the Premises, it being understood, however, that Licensee may use the Marks in a factually accurate manner in such advertising, sale or promotion to denote the Premises even in connection with materials that include references to other properties;

(4) not use the Marks or any colorable imitation thereof as a mark or in any other way (other than fair use as understood under the Lanham Act) subsequent to the License Term; and

(5) not use the Marks in combination or conjunction with any other term or device without securing the prior written consent of Licensor, which consent shall not be unreasonably withheld; provided, however, that Licensor expressly consents herein to (i) the use of the Marks in conjunction with the numbers "One," "Two," "Four," or "Five," and (ii) Licensee Westfield's use of the Marks in the Non-Stylized Form in conjunction with the term "The Mall at" and the marks "Westfield" and "Westfield Shoppingtown." Licensor acknowledges and agrees that the depiction set forth in Exhibit C complies with the foregoing (ii).

(6) not use any of the Marks in a manner that will genericize any of such Marks.

C. Reservation of Rights Not Licensed

1. The rights granted to Licensee in the Licensed Property are limited in time and substantive scope solely to the express terms of the non-exclusive License granted under this Agreement. All rights not expressly licensed pursuant to paragraph II.B above are expressly reserved to Licensor. Licensee shall use the Licensed Property only insofar as permitted under the License.

2. Without limiting the generality of subparagraph II.C.1 above, nothing in this Agreement shall be construed to authorize Licensee to use or purport to authorize use of any of the Licensed Property in connection with any facility, business, or enterprise, other than the Premises.

D. Enforcement of Licensed Rights. As between Licensor and Licensee, Licensor has and shall continue to have for the License Term the exclusive initial right and option (but not the obligation) to initiate and control any litigation or other proceeding or action taken involving any of the Marks (whether or not in combination with one or more other words or devices) or any colorable imitation thereof at the sole discretion of Licensor. Unless such enforcement is against Licensee, the expenses of any such enforcement, including proceedings relating thereto, shall be paid by Licensor. Any and all recoveries from any lawsuit, other proceeding or action, or settlement shall go solely to Licensor; provided, however, that if (i) Licensor initiates such litigation, other proceeding or action at the written request of Licensee, Licensee shall pay Licensor's reasonable costs, attorneys' fees and other expenses in connection with such litigation, other proceeding or action, in accordance with typical cost, fee and expense levels for litigation of this type by firms of national reputation in New York City, U.S.A., or (ii) Licensor decides not to initiate such litigation, other proceeding or action, Licensee shall have the right, as between Licensor and Licensee, at Licensee's own cost and expense to initiate such litigation, other proceeding or action, provided that Licensee (x) obtains Licensor's prior written consent, not to be unreasonably withheld, and (y) consults with Licensor throughout regarding such litigation, proceeding, or action. In connection with subpart (i) above, Licensor shall reimburse Licensee for such costs, attorneys' fees and expenses paid by it to Licensor to the extent those items are covered by any monetary recovery received by Licensor as a result of the litigation, other proceeding or action, or settlement. As between Licensor and Licensee, Licensor shall have the sole and exclusive right of approval in its sole discretion to settle, compromise, or otherwise deal with any dispute (other than one with Licensee) relating to any of the Marks; except for those disputes undertaken by Licensee pursuant to subpart (ii) above concerning which, as between Licensor and Licensee, Licensee shall have such right of approval in consultation with Licensor. Licensee agrees to notify Licensor promptly of any actual or suspected infringement, dilution, or unfair competition relating to any of the Marks by a third party which may come to its attention and Licensee further agrees upon the request of Licensor to assist Licensor, at the sole expense of Licensor, in enforcing any of the Marks against such party.

III. ARTICLE - TERM OF AGREEMENT

A. Term. The term of this Agreement (the "License Term") shall be for the term of Licensee's lease (the "Lease Term") of the Premises, which expires on July 15, 2100 unless such Lease Term is extended in accordance with the terms of the lease such that said expiration is commensurately deferred; provided, however, that if the lease is terminated in accordance with its terms prior to July 15, 2100, this Agreement shall be deemed to have expired simultaneously with the termination of the lease.

B. Material Breach. Subject to Section VI.A hereof, in the event of any material breach of any provision hereof on the part of Licensee which remains uncured sixty (60) calendar days after Notice of the alleged breach is given by Licensor, Licensor may bring an action in law or in equity with respect to such breach. Licensor's exclusive remedies with

respect to a breach of any provision of this Agreement shall be monetary damages and injunctive relief against such continued violation. Any such breach by Licensee shall be deemed a partial breach of this Agreement, and Licensor may not terminate this Agreement for such partial breach.

C. Cessation of Use. Licensee agrees to cease, immediately upon expiration of this Agreement, production of new materials which bear any of the Marks or any colorable imitation thereof. Notwithstanding Section II.B(4), for all use of the Marks or any colorable imitation thereof (other than fair use as understood under the Lanham Act) by or on behalf of Licensee which cannot with reasonable efforts be ceased coincident with the end of the License Term, within one hundred and eighty (180) days of expiration of this Agreement all such use of the Marks or any colorable imitation by or on behalf of Licensee shall be ceased, including, without limitation, any and all display, publication, and broadcasting of any of the Marks or any colorable imitation thereof or materials incorporating any of the Marks or any colorable imitation thereof.

IV. ARTICLE - QUALITY STANDARDS

A. Quality Standards. In addition to the other quality standards set forth herein, Licensor and Licensee agree that the quality of all services rendered under any of the Licensed Property, and all related advertising, promotional, and other materials or presentations displaying the Marks or any of them (including without limitation on-line or other electronic presentations) shall comply with the standards of quality as maintained in connection with the Premises as of the Closing Date, and shall conform in all respects to the obligations of Licensee under the then applicable provisions of the Lease Agreement. Licensee shall submit to Licensor, from time to time, upon request of Licensor, detailed descriptions of all services provided and activities conducted under the Licensed Property.

B. Quality Maintenance

1. Licensee agrees:

(1) to permit reasonable inspection of the operation of the Premises, and uses of the Licensed Property, during normal business hours and at reasonable intervals on not less than three (3) business days' notice; and

(2) not to use or knowingly permit the use of the Premises or any portion thereof for any illegal purpose.

V. ARTICLE - INDEMNIFICATION

A. Indemnification by Licensee. Except for any damages due to (i) the gross negligence or willful misconduct of Licensor or (ii) any claim challenging Licensor's ownership and/or Licensor's use of the Marks, Licensee agrees to and shall indemnify, defend, and hold harmless Licensor, as well as Licensor's officers, directors, and employees, from and against any and all damages of any nature or kind whatsoever, including without limitation reasonable attorneys' fees, liability, awards, costs, judgments, orders or decrees based on or arising out of any claim, suit, threat, cause of action, demand or proceeding arising out of Licensee's material breach of the terms of this Agreement, or out of any services or goods provided or activity conducted by Licensee or any servant, agent, or employee thereof under, otherwise in connection with, or as a result of any of the Licensed Property.

B. Indemnification by Licensor. Except for any damages due to the gross negligence or willful misconduct of Licensee, Licensor agrees to and shall indemnify, defend and hold harmless Licensee, as well as Licensee's officers, directors, and employees from and against any and all damages of any nature or kind whatsoever, including without limitation reasonable attorneys' fees, liability, awards, costs, judgments, orders or decrees based on or arising out of any claim, suit, threat, cause of action, demand or proceeding arising out of Licensor's material breach of the terms of this Agreement.

VI. ARTICLE - EQUITABLE REMEDIES

A. Injunctive Relief. Licensee acknowledges that the Registrations, the Marks and the goodwill associated therewith constitute a valuable property interest of Licensor and that Licensor would suffer substantial, irreparable damage and would be without adequate remedy at law in the event of use of any of the Licensed Property by or on behalf of Licensee other than in conformance with the terms and conditions of this Agreement. Accordingly, notwithstanding any cure rights set forth herein on behalf of Licensee or other remedies available to Licensor at law, Licensor shall be entitled to immediate injunctive relief against any infringement of any of Licensor's rights in any of the Licensed Property or any unauthorized use of any of the Marks, or any other part of the Licensed Property, or any colorable imitation of any of the foregoing, by or on behalf of Licensee, or if at any time Licensee fails to fulfill any of its obligations under Articles II, III, and IV of this Agreement; provided, however, that the foregoing shall be without prejudice to Licensee's defending against the same on the basis that no such infringement, unauthorized use, or failure has occurred.

VII. ARTICLE - MISCELLANEOUS

A. Notices. Each notice, demand, request, consent, approval, or other communication required or permitted hereunder ("Notice") shall be in writing, with a copy to the Port Authority, 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 so delivered being deemed to have been received at the time delivered), (ii) sent by overnight mail, postage prepaid (any Notice so delivered being deemed to have been received at the time delivered), or (iii)

transmitted by telecopier with confirmation of receipt (sender's confirmation of a successful transmission) (any Notice so sent being deemed to have been received on the date of transmission, if a business day, or the first succeeding business day, subsequent thereto), addressed to the respective parties as follows:

if to Licensor: _____
_____
_____
_____
Attention:_____
Tel: _____
Fax:_____

if to Licensee: _____
_____
_____
_____
Attention:_____
Tel: _____
Fax:_____

with a copy of each Notice to the Port Authority:

The Port Authority of New York and New Jersey
One World Trade Center
New York, New York 10048
Attention: General Counsel
Tel: (212) 435-6910
Fax: (212) 435-6913

A party may designate by Notice in writing given to the other(s) in the manner herein specified a new or other address to which Notices shall thereafter be so given.

B. Construction and Application of Terms. This Agreement does not constitute Licensee as the agent or representative of Licensor for any purpose whatsoever. Neither a partnership nor any joint venture is hereby created. All designations of time herein contained shall refer to the time system then officially in effect in the City of New York. This Agreement may not be amended except by a document signed by Licensor and Licensee, and in the case of an amendment to the provision in paragraph VII.A concerning Notice to the Port Authority or to this paragraph VII.B or paragraph VII.E, by the Port Authority also. This Agreement shall not alter the Port Authority's license rights under the Marks.

C. Consents; Approvals. Any written request for consent or approval hereunder shall be deemed granted if the party receiving such request does not deny such request in writing within thirty (30) days following receipt of such request.

D. Disclaimer. Nothing in this Agreement shall be deemed to constitute a warranty or representation by Licensor that any of the Licensed Property is available for use, or that use of any of the Licensed Property does not infringe the rights of one or more others. LICENSOR MAKES NO WARRANTY, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, WITH RESPECT TO THE LICENSED PROPERTY.

E. Binding Effect; Successors and Assigns; Sublicensing; Survival. This Agreement shall be binding upon and inure to the benefit of Licensor's respective successors and assigns. Licensee may not assign, transfer, or convey (including by operation of law) this Agreement or sublicense the Marks or other Licensed Property to any Person without the prior written consent of Licensor; provided, however, that Licensee (and Licensee's permitted successors and assigns) shall have the right to assign this Agreement or sublicense the Marks and the other Licensed Property, in either case, in whole or in part, to any Person who succeeds to Licensee's interest as lessee of all or any portion of the Premises, provided that such assignee, sublicensee or successor agrees in writing to be bound by all of the terms and conditions of this Agreement. Licensee's obligations under Articles II and V, and Licensor's obligations under Article V, shall survive expiration of this Agreement or the License.

F. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, United States of America.

G. Non-Waiver. The failure of either party to exercise any right, power, or option available to it under this Agreement, or to insist upon strict compliance with the terms hereof, shall not constitute a waiver of the terms and conditions of this Agreement with respect to any other or subsequent breach thereof, nor a waiver by a party hereto of its rights at any time thereafter to require exact and strict compliance with all the terms hereof. The rights or remedies hereunder are cumulative to any other rights or remedies which may be granted by law.

H. Entire Agreement; Duly Authorized. This Agreement represents the entire understanding and agreement between Licensor and Licensee with respect to the subject matter hereof, and supersedes all other negotiations, understandings and representations (if any) made by and between such parties.

IN WITNESS WHEREOF, Licensor and Licensee have hereunto set their hands and seals as of the day and year first above written.

Licensor:

THE WORLD TRADE CENTERS ASSOCIATION

By:_____
Name:_____
Its:_____

Licensee:

_____

By:_____
Name:_____
Its:_____

EXHIBIT A TO LICENSE AGREEMENT

GRAPHIC DEPICTION OF THE MARK

WORLD TRADE CENTER

WTC

[Map Design Logo Depiction]

EXHIBIT B TO LICENSE AGREEMENT

DESCRIPTION OF PREMISES

EXHIBIT C TO LICENSE AGREEMENT

PRE-APPROVED FORM

EXHIBIT R

RULES AND REGULATIONS

FOR THE WORLD TRADE CENTER

Rules and Regulations applicable to all Persons at the World Trade Center, not subject to modification by the Net Lessees' Association without the prior written consent of the Port Authority:

1. **Entry restrictions**. All Persons shall use the common areas and facilities in the World Trade Center solely for purposes of ingress and egress, and no Person shall cause any obstruction of or loiter in any such common area or facility. No Person shall intentionally interfere with the safe, orderly flow of vehicular or passenger traffic. No Person shall be permitted to sleep, lie down or sit on the floor, ledges, platforms, steps or escalators nor erect any unauthorized permanent or temporary structure. No Person shall enter upon any court or roof area or parking area unless specifically so authorized by lease, permit, license or other agreement with the Net Lessees' Association or a Lessee. In addition, no Person shall spit, urinate or defecate on any part of the World Trade Center other than in a urinal or toilet intended for that purpose. The Lessees (as to their respective Premises) and the Net Lessees' Association (as to Common Areas) may exclude from buildings at the World Trade Center, all Persons who do not present a valid pass to the World Trade Center or one of its buildings. Any area barricaded, roped off or otherwise restricted,

shall be presumed to be closed to the public, and members of the public are prohibited from entering said areas without the express permission of the Lessees (as to their respective Premises) and the Net Lessees' Association (as to Common Areas).

2. **No Gambling**. No Person shall gamble or conduct or engage in any game of chance at the World Trade Center unless such game of chance is permitted by local, state and federal law and has been approved by the Port Authority and the Lessees.

3. **Intellectual Property**. No Person may for commercial use make drawings or take still photographs or motion pictures within the World Trade Center without permission of the Port Authority and the Lessees.

4. **Bathing**. No Persons other than authorized Persons or employees of the Lessees in designated areas shall bathe, shower, shave, launder or change clothes or remain undressed in any public restroom, sink, washroom on or within the World Trade Center.

5. **Authorization required for commercial activity, entertainment or solicitation of funds**. No Person at the World Trade Center (other than Space Tenants within the Mall and other Persons permitted to do so by a Lessee at its Premises), unless duly authorized in writing by the Port Authority and the Lessees, shall: (a) sell, or offer for sale any articles of merchandise or carry on any other commercial activity; (b) solicit any business or trade, or perform or offer to perform

any service including, without limitation thereto, the carrying of baggage for hire, the shining of shoes or bootblacking; or (c) entertain or offer to entertain any Persons by any method including, without limitation thereto, by singing, dancing or playing any musical instrument or (d) canvass, peddle, or solicit funds for any purpose.

6. **Alcoholic Beverage Restrictions**. No Person shall drink or carry any open alcoholic beverage on any part of the World Trade Center; provided, however, that this section shall not apply to those premises or areas wherein the consumption of alcoholic beverages is permitted pursuant to the provisions of a Space Lease or other written agreement with a Lessee (as to its Premises) or the Net Lessees' Association (as to Common Areas).

7. **Permission required for posting or distribution of printed matter, etc.** No Person shall post, distribute, exhibit, inscribe, paint or affix (nor shall any Person cause, direct or order the putting, distributing, exhibiting, inscribing, painting or affixing of) signs, advertisements, circulars, notices, posters or printed or written or pictorial matter or articles or objects of any kind at, in, on or to any part of the Common Areas of the World Trade Center without the prior written consent of the Net Lessees' Association. In the event of the violation of the foregoing, the Net Lessees' Association may remove the same without any liability and may charge the expense and cost incurred for such removal to the Person or Persons violating this rule.

8. **Property Damage**. No Person shall deface, mark, break or otherwise damage any part of the World Trade Center or any property thereat. No Person shall remove, alter or deface any barricade, fence or sign at the World Trade Center.

9. **Duty of Care**. All Persons at the World Trade Center shall exercise the utmost care to avoid and prevent injury to persons and damage to property. Neither any inclusion in nor any omission from these Rules and Regulations shall be construed to relieve any person from exercising the utmost care to avoid and prevent injury to persons and damage to property.

10. **Lost articles to be turned over to Port Authority and the Lessees**. Persons finding lost articles at the World Trade Center shall turn them over to a Port Authority policeman or to the office of the Net Lessees' Association. Articles which are not claimed by the owner within 90 days may be turned over to the finders thereof, unless found by employees of the Lessees or the Port Authority.

11. **Animals and pets, barred, exception**. No Person except a police officer or other person authorized by the Port Authority, the Net Lessees' Association or a Lessee shall enter in or upon the World Trade Center with any animal or pet of any kind except a "seeing eye" dog or an animal properly confined for shipment.

12. **Smoking, operation of cutting torches and like devices restricted**. No Person shall smoke or carry lighted cigars, cigarettes, pipes, matches or any naked flame in any place where smoking is specifically prohibited by signs (provided, that smoking shall be permitted in those premises or areas where smoking is permitted pursuant to the provisions of a Space Lease or other written agreement with a Space Tenant (as to its premises)), and no Person shall operate at the World Trade Center an oxyacetylene torch, electric arc or similar flame or spark-producing device, cook or light a fire or otherwise create a fire or life/safety hazard on any part of the World Trade Center. No Person shall tamper with or permit to be done anything which may interfere with the effectiveness or accessibility of any fire prevention, warning or extinguisher equipment at the World Trade Center or use the same for any purpose other than fire fighting or fire prevention. Tags showing date of last inspection attached to units of fire extinguishing and fire fighting equipment shall not be removed therefrom.

13. **Transportation, storage, etc. of certain materials and substances prohibited**. No Person shall store, keep, carry, handle, use, dispense or transport at, in or upon the World Trade Center, or bring into the World Trade Center for any purpose:

(a) any flammable, combustible, explosive, corrosive, oxidizing, poisonous, compressed or otherwise potentially dangerous or destructive fluid, gas,

chemical substance or material, at such time or place or in such manner or condition as to endanger or as to be likely to endanger Persons or property; or

(b) any firearms or any other weapons, except Persons carrying firearms pursuant to and in compliance with law and all licenses and permits in connection therewith including such of the following as may be on official duty: authorized peace officers, post office, customs or express carrier employees or members of the armed forces of the United States; or

(c) radioactive materials, including without limitation the following:

(1) source material (as defined in Standards for Protection Against Radiation, promulgated by the Nuclear Regulatory Commission, Title 10, Code of Federal Regulations, Part 20), including but not limited to uranium, thorium, or any combination thereof (but not including the "unimportant quantities of source material" set forth in 10 CFR 40.13);

(2) special nuclear material (as defined in Standards for Protection Against Radiation, promulgated by the Nuclear Regulatory Commission, Title 10, Code of Federal Regulations, Part 20) including, but not limited to, plutonium, uranium 233, uranium enriched in the isotope 233 or in the isotope 235, or any material artificially enriched by any of the foregoing;

(3) nuclear reactor fuel elements that are partially expended or irradiated;

(4) new nuclear reactor fuel elements;

(5) radioactive waste material; or

(6) any radioactive material moving under an interstate Commerce Commission special permit or Nuclear Regulatory Commission permit and escort.

14. **Use of premises for lodging, sleeping or immoral purposes prohibited**. No occupant of space at the World Trade Center shall use the same for lodging or sleeping purposes or for any immoral purposes.

15. **Right reserved to inspect freight, articles, packages, etc. brought in or out**. The Port Authority reserves the right of Port Authority police to inspect all freight and other articles including hand-carried packages brought into or out of the World Trade Center and to exclude therefrom all articles which violate any of these Rules and Regulations.

16. **Disabled, abandoned or illegally parked vehicles subject to removal**. The Port Authority and each Lessee may remove or may require the Net Lessees' Association to remove from any area at the World Trade Center any vehicle which is disabled, abandoned, parked in violation of these Rules and Regulations, or which presents an operational problem to any area at the World Trade Center, at the

operator's or owner's expense and without liability for damage which may result in the course of such moving.

17. **Abandonment of Property Prohibited**. No Person shall abandon any property at the World Trade Center. Exclusive of Space Tenants and those occupying portions of the World Trade Center through Space Tenants, acting properly under applicable Space Leases, no Person for himself, herself or another, either temporarily or permanently, shall store, deposit or leave any personal property at any part of the World Trade Center without the approval of the Net Lessees' Association or a Lessee. No person shall store bundles, paper, cloth, cardboard or any other material in solid, liquid or gas form that could in any way pose a fire or life/safety hazard or obstruct or hinder passage without the prior written approval of the Net Lessees' Association or a Lessee.

18. **Operation of Motor Vehicles**. No Person shall operate a vehicle at the World Trade Center in a careless or negligent manner or in disregard of the rights and safety of others, or without due caution or circumspection, or at a speed in excess of speed limits posted in the area where the vehicle is being operated, or in any event at a speed in excess of fifteen (15) miles per hour, or at any speed or in a manner which endangers unreasonably or is likely to endanger unreasonably persons or property, or while the driver thereof is under the influence of intoxicating liquor, or any narcotic or habit-forming drug or if such vehicle is so constructed,

equipped or loaded as to endanger unreasonably or be likely to endanger unreasonably persons or property, or unless (a) the driver thereof is duly authorized to operate such vehicle on State or municipal highways; and (b) such vehicle is registered in accordance with the provisions of law.

19. **Duty of driver of vehicle involved in accidents**. The driver of any vehicle involved in an accident at the World Trade Center which results in injury or death to any person or damage to any property shall immediately stop such vehicle at the scene of the accident, render such assistance as may be needed, and give his name, address, and operator's license and registration number to the person injured or to any officer or witnesses of the accident. The operator of such vehicle shall make a report of such accident in accordance with the law of the State of New York.

20. **Odors**. No Space Tenant shall permit any odors originating within its premises to emanate into any other portion of the Building in which its premises are located; provided, that this provision shall not apply to Space Tenants operating restaurant facilities to the extent that the emanation of odors is consistent with the use provisions of their respective Space Leases. .

21. **Deliveries**. Each Lessee shall have the right to require that all messengers and other Persons delivering packages, papers and other materials to a Space Tenant within its Premises (a) be directed to deliver such packages, papers and

other materials to a person designated by the Lessee who will distribute the same to the Space Tenant or (b) be escorted by a Person designated by the Lessee to deliver the same to the Space Tenant.

22. **Cleaning Accommodations**. Each Space Tenant shall, at its own expense, provide artificial lighting in its premises for the Lessees' agents contractors and employees while performing janitorial or other cleaning services and making repairs or alterations within said premises.

23. **Definitions**. As used in these Rules and Regulations, capitalized terms which are not otherwise defined shall have the respective meanings ascribed thereto in the Reciprocal Easement and Operating Agreement of the World Trade Center Net Lessees' Association, by and between the Port Authority, the Lessee, and the Other Lessees.

EXHIBIT S

INTENTIONALLY OMITTED

EXHIBIT T

OPEN SURFACE AREA OF PLAZA

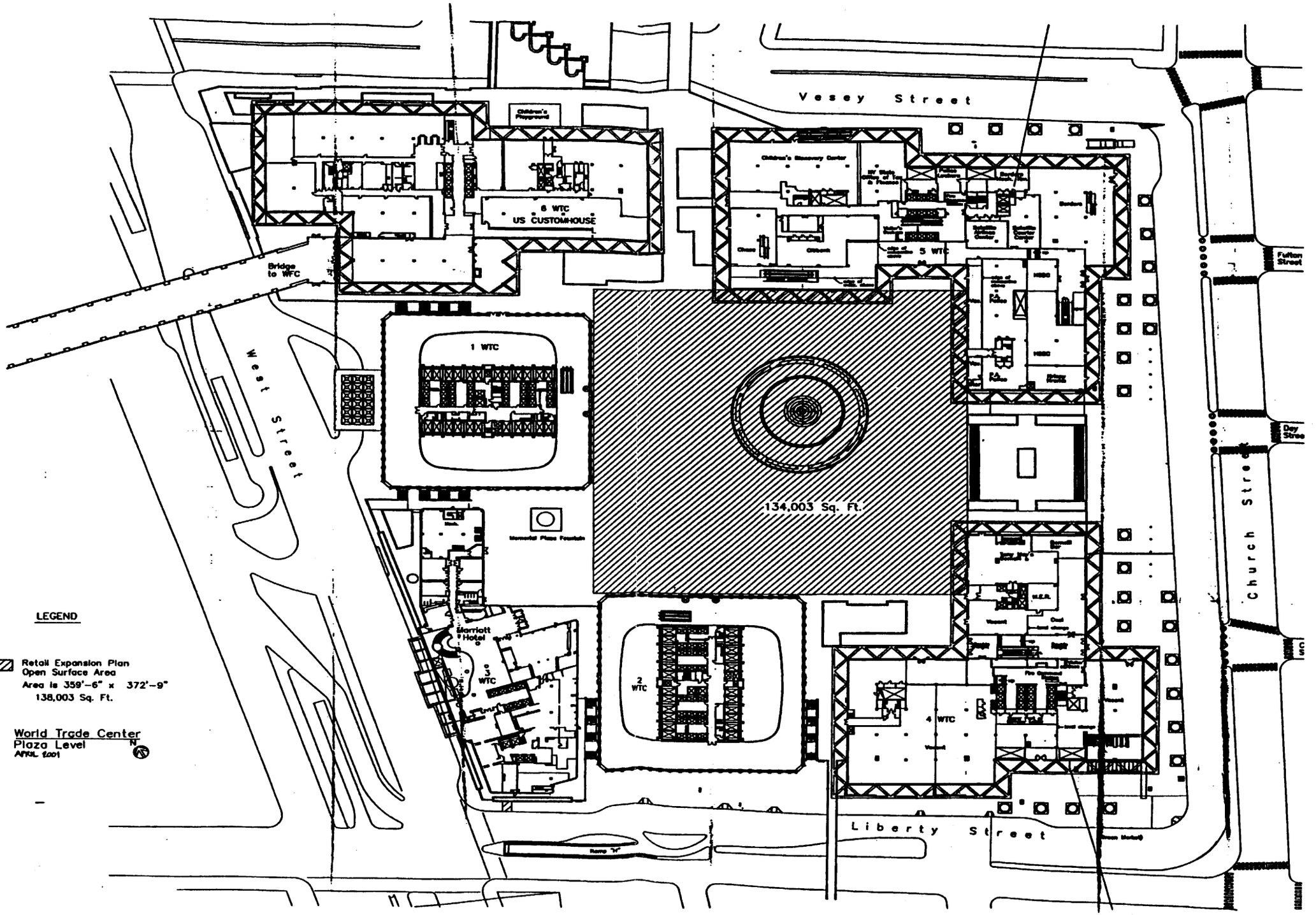

Vesey Street
6 WTC
US CUSTOMHOUSE
Bridge to WFC
West Street
1 WTC
134,003 Sq. Ft.
Fulton Street
Church Street
Liberty Street
Marriott Hotel
3 WTC
2 WTC
4 WTC
5 WTC
LEGEND
Retail Expansion Plan
Open Surface Area
Area is 359'-6" x 372'-9"
138,003 Sq. Ft.
World Trade Center
Plaza Level
APRIL 2001
N

EXHIBIT X

ELEVATOR SHAFTS AND ELEVATOR PITS

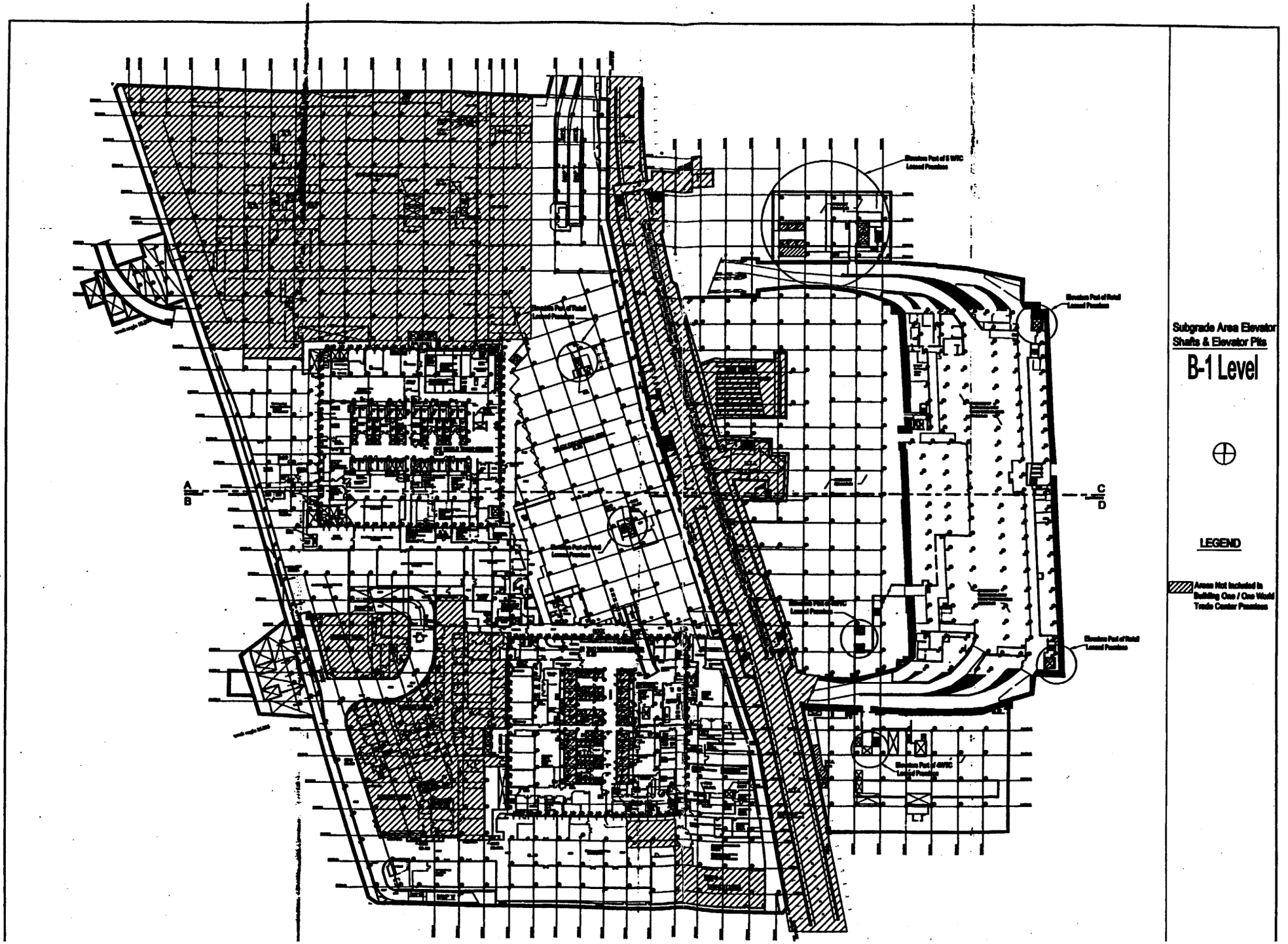
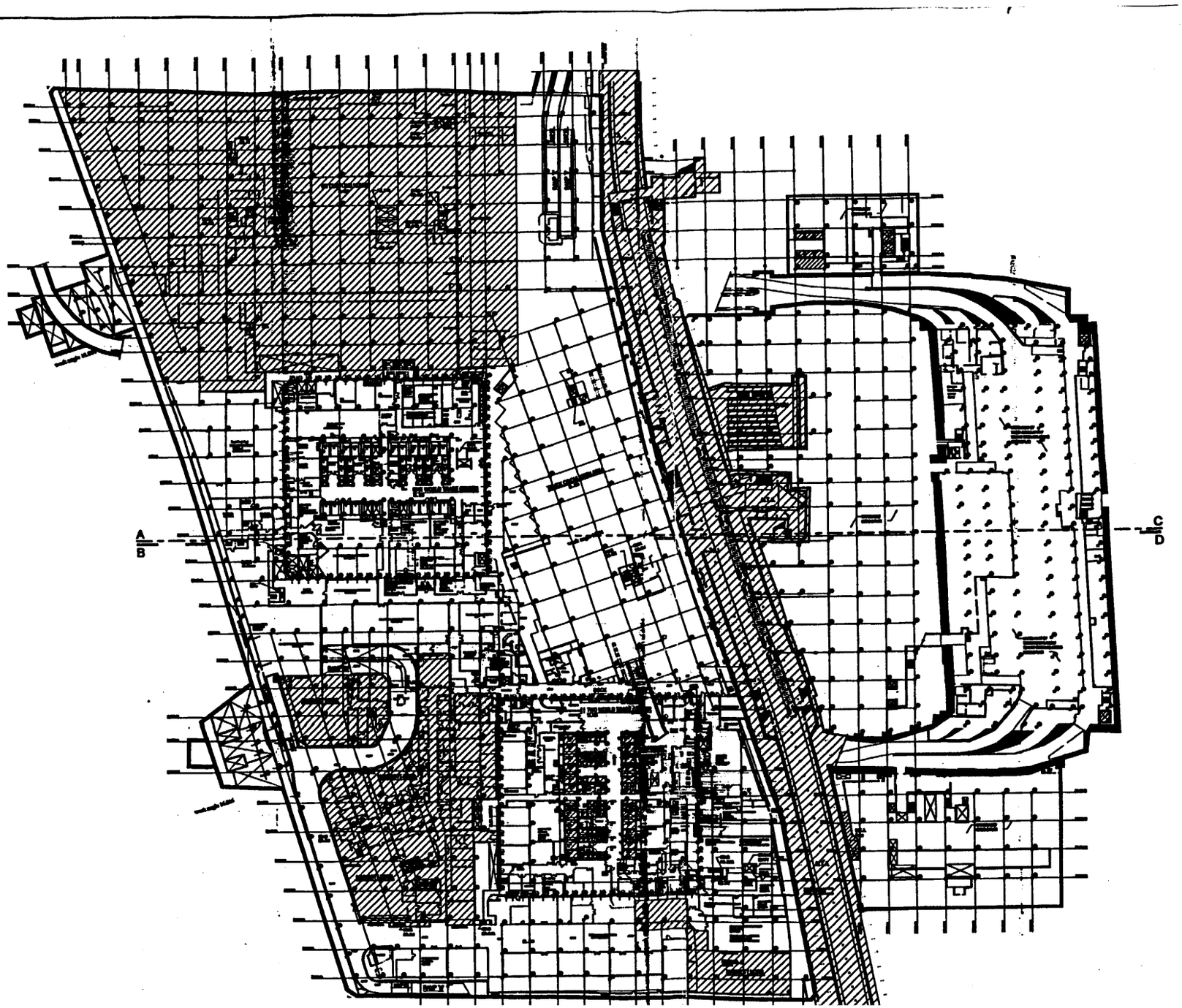

Elevators Part of 5 WTC Leased Premises
Elevators Part of Retail Leased Premises
Elevators Part of Retail Leased Premises
Elevators Part of Retail Leased Premises
Elevators Part of WTC Leased Premises
Elevators Part of WTC Leased Premises
A
B
C
D
Subgrade Area Elevator Shafts & Elevator Pits
B-1 Level
LEGEND
Areas Not Included in Building One / One World Trade Center Premises

EXHIBIT X-1

EXCLUDED SUBGRADE PREMISES

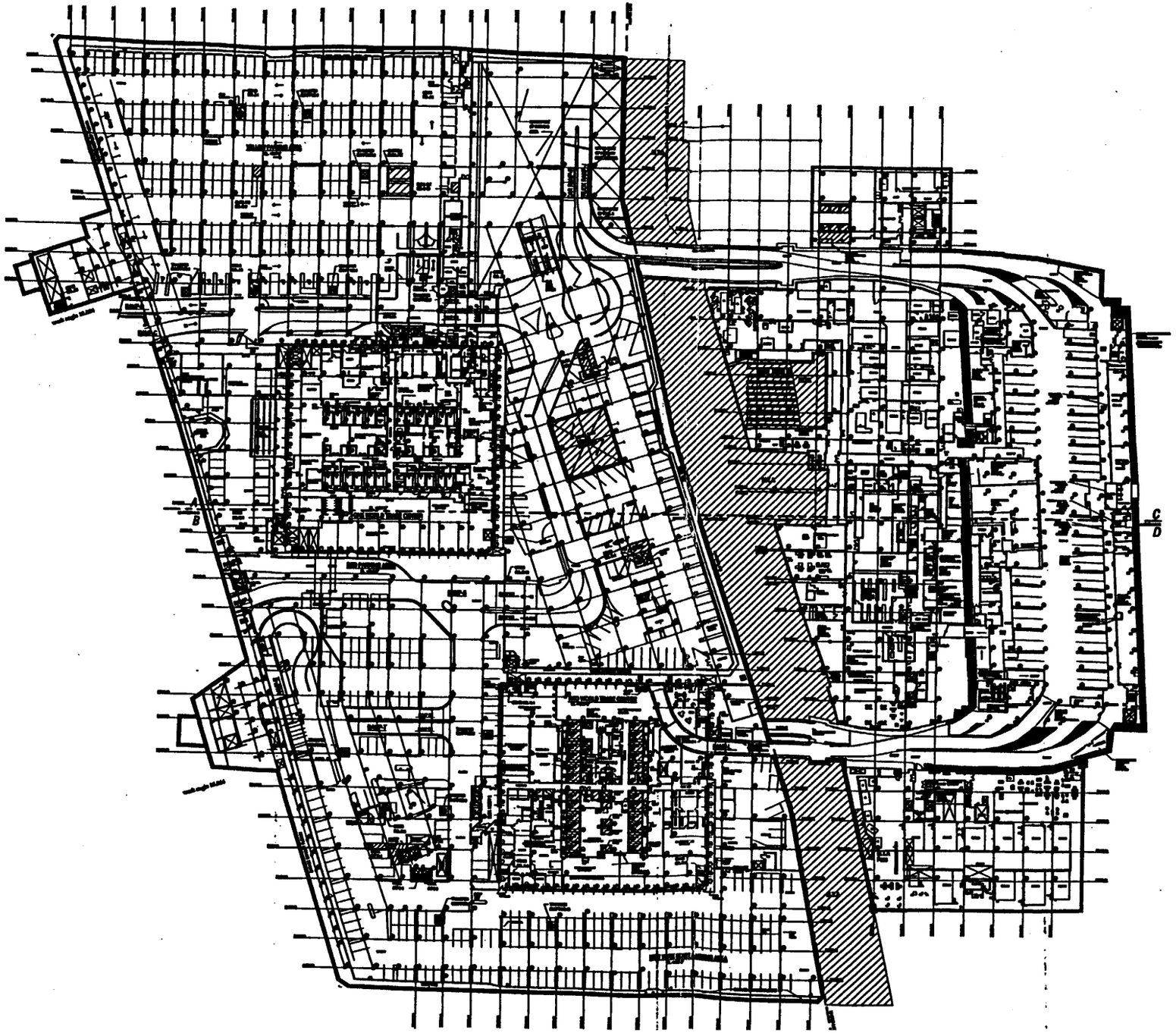


SCHEMATIC DRAWINGS OF SUBGRADE

B-1 Level

LEGEND

Areas Not Included In Building One / One World Trade Center Premises

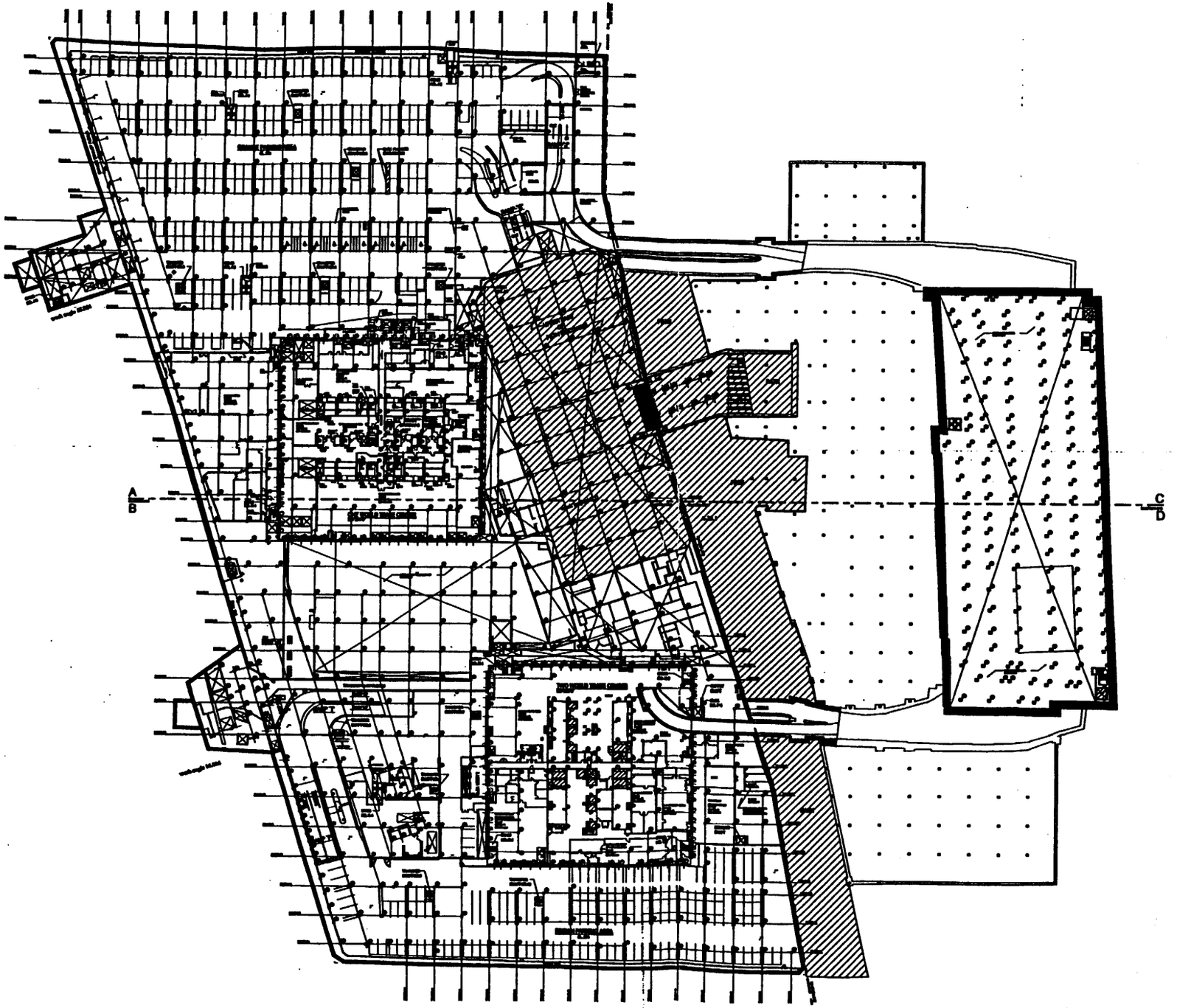


SCHEMATIC DRAWINGS
OF SUBGRADE

B-2 Level

LEGEND

Areas Not Included In Building One / One World Trade Center Premises

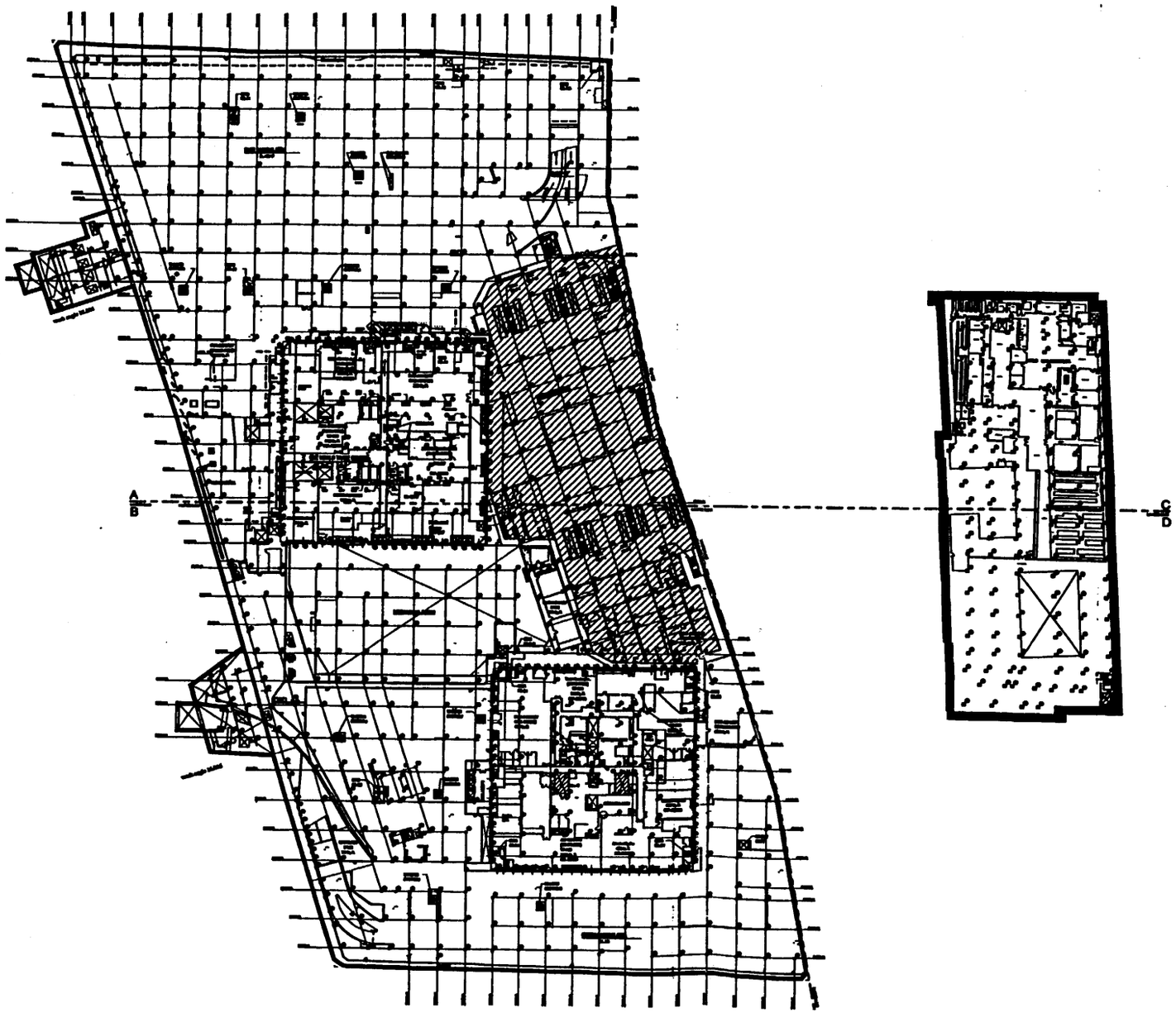


SCHEMATIC DRAWINGS
OF SUBGRADE

B-3 Level

LEGEND

Areas Not Included In Building One / One World Trade Center Premises

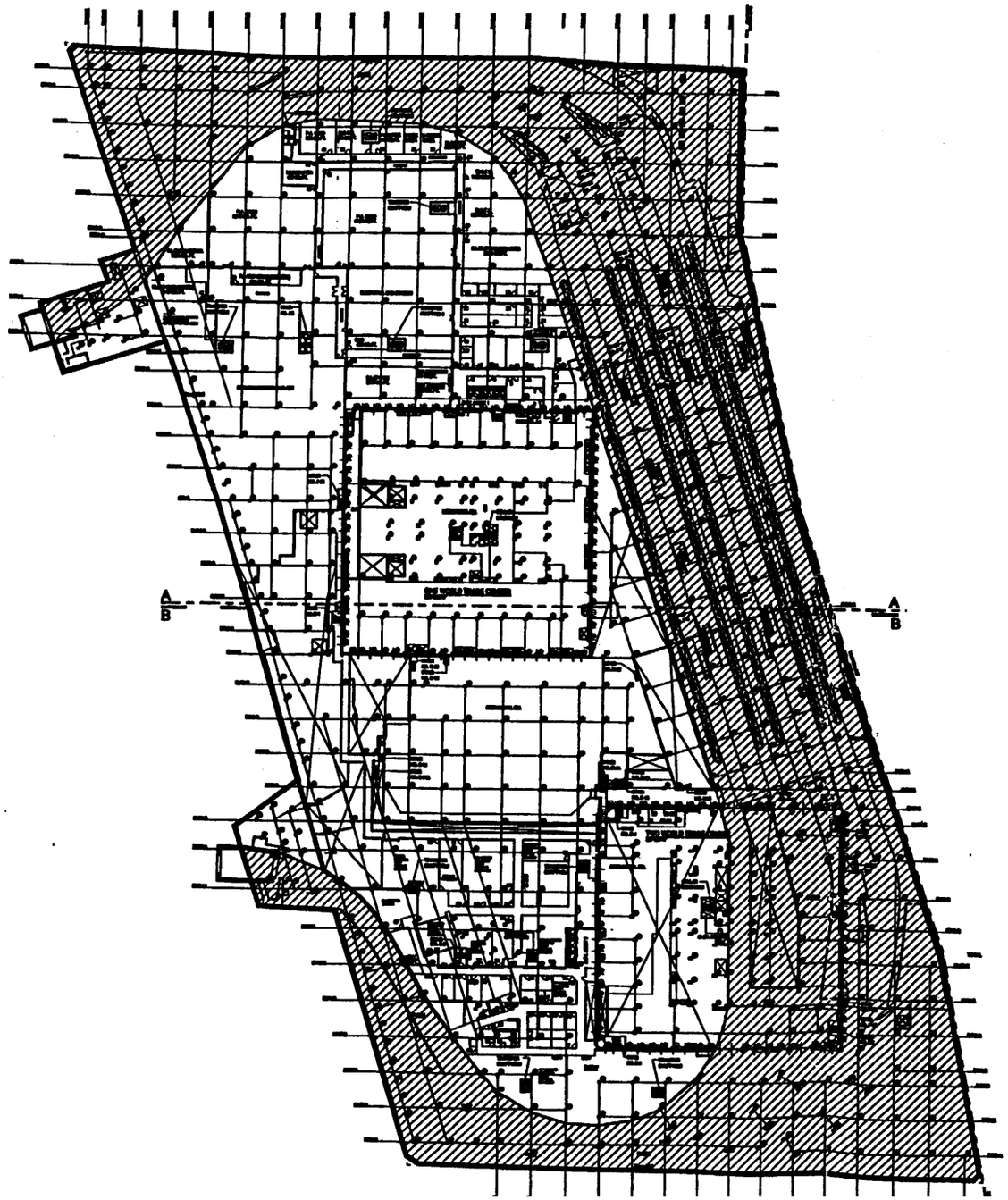


SCHEMATIC DRAWINGS
OF SUBGRADE

B-4 Level

LEGEND

Areas Not Included in Building One / One World Trade Center Premises

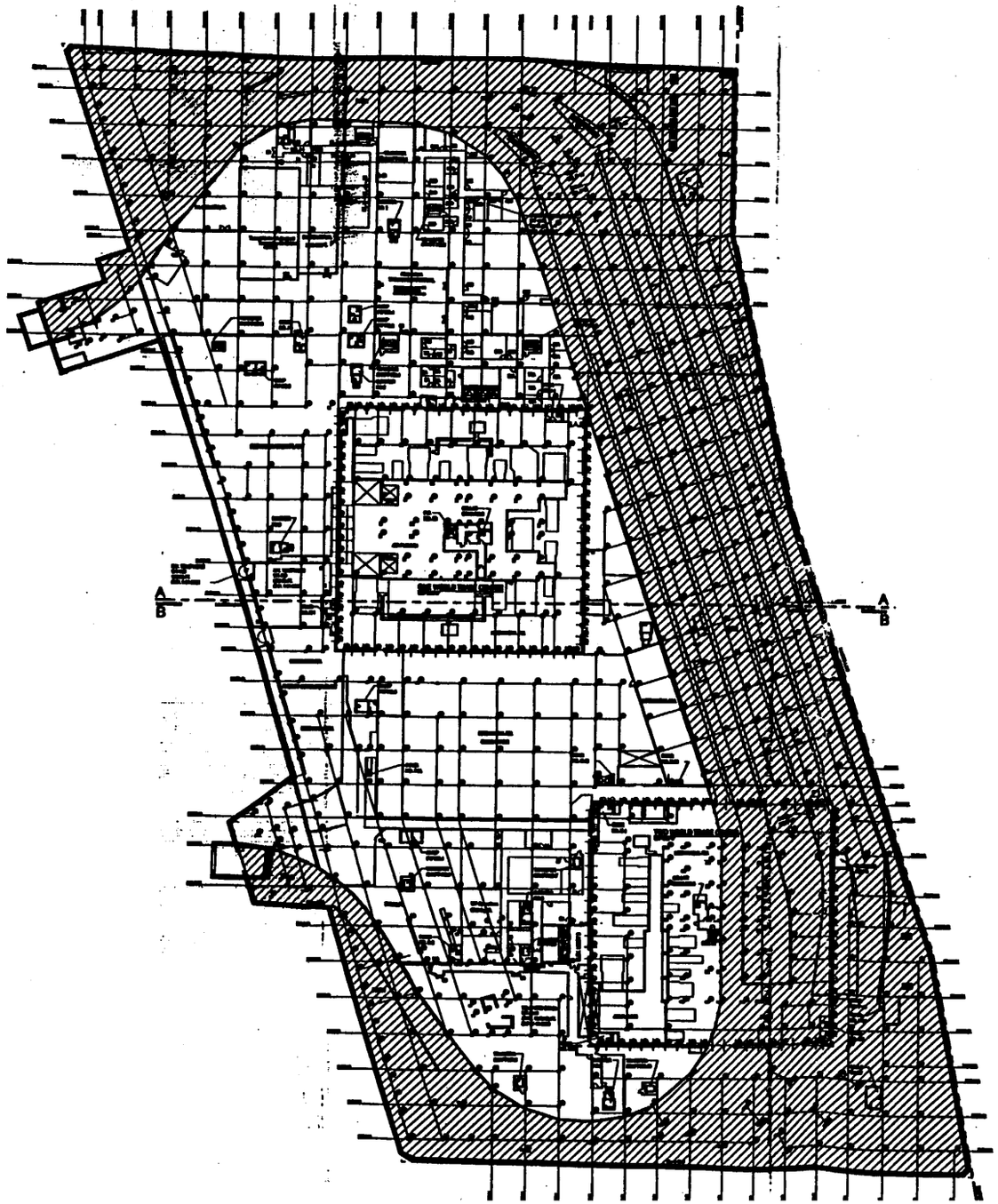


SCHEMATIC DRAWINGS
OF SUBGRADE

B-5 Level

LEGEND

Area Not Included In Building One / One World Trade Center Premises



SCHEMATIC DRAWINGS
OF SUBGRADE

B-6 Level

LEGEND

Areas Not Included In Building One / One World Trade Center Premises

SCHEDULE 1.34

BASE AMOUNT BUILDINGS[1]

1 Chase Manhattan Plaza

1 New York Plaza

80 Pine Street

22 Whitehall Street

140 Broadway

59 Maiden Lane

180 Maiden Lane

115 Broad Street

1 Liberty Plaza

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[1] Each of the buildings noted above are located within the Borough of Manhattan.

SCHEDULE 2.2

Artwork

Artist	Title of Artwork	Location	Appraised Value
Koenig, Fritz	"Sphere For Plaza Fountain"	Plaza	$1,000,000.00*
Nagare, Masayuki	"World Trade Center Sculpture" (Cloud Fortress)	Plaza	$1,000,000.00*
Rosati, James	"Ideogram"	Plaza	$650,000.00*
Nevelson, Louise	"Skygate - New York"	One World Trade Center - Mezzanine	$750,000.00*
Miro, Joan	"World Trade Center Tapestry"	Two World Trade Center - Mezzanine	$2,000,000.00*
Samson, Lancelot	"Union"	Two World Trade Center - Mezzanine	$30,000.00**
Slonem, Hunt	"Fan Dancing With The Birds"	One World Trade Center - 43rd Floor	$30,000.00**

* Appraised Value in 1999

** Appraised Value in 1995

SCHEDULE 4

COMPARABLE BUILDINGS[1]

180 Maiden Lane

140 Broadway

One Liberty Plaza

199 Water Street

One New York Plaza

757 Fifth Avenue

1285 Sixth Avenue

9 West 57th Street

51 West 52nd Street

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[1] Each of the buildings noted above are located within the Borough of Manhattan.

SCHEDULE 5.1(a)

Base Rent
One World Trade Center

Lease Year	Yearly Base Rent	Monthly Base Rent
1-5	$44,019,800.00	$3,668,317.00
6-10	$52,494,200.00	$4,374,517.00
11-15	$68,501,400.00	$5,708,450.00
16-20	$83,567,000.00	$6,963,917.00
21-25	$95,807,800.00	$7,983,983.00
26-30	$98,868,000.00	$8,239,000.00
31-35	$183,612,000.00	$15,301,000.00
36-40	$218,922,000.00	$18,243,500.00
41-45	$242,462,000.00	$20,205,167.00
46-50	$272,475,500.00	$22,706,292.00
51-55	$307,456,882.00	$25,621,407.00
56-60	$348,197,560.00	$29,016,463.00
61-65	$395,614,652.00	$32,967,888.00
66-70	$450,771,226.00	$37,564,269.00
71-75	$514,900,778.00	$42,908,398.00
76-80	$589,431,242.00	$49,119,270.00
81-85	$676,020,308.00	$56,335,026.00
86-90	$776,588,366.00	$64,715,697.00
91-95	$893,361,832.00	$74,446,819.00
96-99	$1,028,921,630.00	$85,743,469.00

EXHIBIT 5.1(b)

FEDERAL INCOME TAX RENTAL

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
8/1/2001	30,229,254
9/1/2001	30,229,254
10/1/2001	30,229,254
11/1/2001	30,229,254
12/1/2001	30,229,254
1/1/2002	30,229,254
2/1/2002	30,229,254
3/1/2002	30,229,254
4/1/2002	30,229,254
5/1/2002	30,229,254
6/1/2002	30,229,254
7/1/2002	30,229,254
8/1/2002	30,229,254
9/1/2002	30,229,254
10/1/2002	30,229,254
11/1/2002	30,229,254
12/1/2002	30,229,254
1/1/2003	30,229,254
2/1/2003	30,229,254
3/1/2003	30,229,254
4/1/2003	30,229,254
5/1/2003	30,229,254
6/1/2003	30,229,254
7/1/2003	30,229,254
8/1/2003	30,229,254
9/1/2003	30,229,254
10/1/2003	30,229,254
11/1/2003	30,229,254
12/1/2003	30,229,254
1/1/2004	30,229,254
2/1/2004	30,229,254
3/1/2004	30,229,254
4/1/2004	30,229,254
5/1/2004	30,229,254
6/1/2004	30,229,254
7/1/2004	30,229,254
8/1/2004	30,229,254
9/1/2004	30,229,254
10/1/2004	30,229,254
11/1/2004	30,229,254
12/1/2004	30,229,254
1/1/2005	30,229,254
2/1/2005	30,229,254
3/1/2005	30,229,254
4/1/2005	30,229,254
5/1/2005	30,229,254
6/1/2005	30,229,254
7/1/2005	30,229,254
8/1/2005	30,229,254
9/1/2005	30,229,254
10/1/2005	30,229,254
11/1/2005	30,229,254
12/1/2005	30,229,254
1/1/2006	30,229,254
2/1/2006	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
3/1/2006	30,229,254
4/1/2006	30,229,254
5/1/2006	30,229,254
6/1/2006	30,229,254
7/1/2006	30,229,254
8/1/2006	30,229,254
9/1/2006	30,229,254
10/1/2006	30,229,254
11/1/2006	30,229,254
12/1/2006	30,229,254
1/1/2007	30,229,254
2/1/2007	30,229,254
3/1/2007	30,229,254
4/1/2007	30,229,254
5/1/2007	30,229,254
6/1/2007	30,229,254
7/1/2007	30,229,254
8/1/2007	30,229,254
9/1/2007	30,229,254
10/1/2007	30,229,254
11/1/2007	30,229,254
12/1/2007	30,229,254
1/1/2008	30,229,254
2/1/2008	30,229,254
3/1/2008	30,229,254
4/1/2008	30,229,254
5/1/2008	30,229,254
6/1/2008	30,229,254
7/1/2008	30,229,254
8/1/2008	30,229,254
9/1/2008	30,229,254
10/1/2008	30,229,254
11/1/2008	30,229,254
12/1/2008	30,229,254
1/1/2009	30,229,254
2/1/2009	30,229,254
3/1/2009	30,229,254
4/1/2009	30,229,254
5/1/2009	30,229,254
6/1/2009	30,229,254
7/1/2009	30,229,254
8/1/2009	30,229,254
9/1/2009	30,229,254
10/1/2009	30,229,254
11/1/2009	30,229,254
12/1/2009	30,229,254
1/1/2010	30,229,254
2/1/2010	30,229,254
3/1/2010	30,229,254
4/1/2010	30,229,254
5/1/2010	30,229,254
6/1/2010	30,229,254
7/1/2010	30,229,254
8/1/2010	30,229,254
9/1/2010	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
10/1/2010	30,229,254
11/1/2010	30,229,254
12/1/2010	30,229,254
1/1/2011	30,229,254
2/1/2011	30,229,254
3/1/2011	30,229,254
4/1/2011	30,229,254
5/1/2011	30,229,254
6/1/2011	30,229,254
7/1/2011	30,229,254
8/1/2011	30,229,254
9/1/2011	30,229,254
10/1/2011	30,229,254
11/1/2011	30,229,254
12/1/2011	30,229,254
1/1/2012	30,229,254
2/1/2012	30,229,254
3/1/2012	30,229,254
4/1/2012	30,229,254
5/1/2012	30,229,254
6/1/2012	30,229,254
7/1/2012	30,229,254
8/1/2012	30,229,254
9/1/2012	30,229,254
10/1/2012	30,229,254
11/1/2012	30,229,254
12/1/2012	30,229,254
1/1/2013	30,229,254
2/1/2013	30,229,254
3/1/2013	30,229,254
4/1/2013	30,229,254
5/1/2013	30,229,254
6/1/2013	30,229,254
7/1/2013	30,229,254
8/1/2013	30,229,254
9/1/2013	30,229,254
10/1/2013	30,229,254
11/1/2013	30,229,254
12/1/2013	30,229,254
1/1/2014	30,229,254
2/1/2014	30,229,254
3/1/2014	30,229,254
4/1/2014	30,229,254
5/1/2014	30,229,254
6/1/2014	30,229,254
7/1/2014	30,229,254
8/1/2014	30,229,254
9/1/2014	30,229,254
10/1/2014	30,229,254
11/1/2014	30,229,254
12/1/2014	30,229,254
1/1/2015	30,229,254
2/1/2015	30,229,254
3/1/2015	30,229,254
4/1/2015	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
5/1/2015	30,229,254
6/1/2015	30,229,254
7/1/2015	30,229,254
8/1/2015	30,229,254
9/1/2015	30,229,254
10/1/2015	30,229,254
11/1/2015	30,229,254
12/1/2015	30,229,254
1/1/2016	30,229,254
2/1/2016	30,229,254
3/1/2016	30,229,254
4/1/2016	30,229,254
5/1/2016	30,229,254
6/1/2016	30,229,254
7/1/2016	30,229,254
8/1/2016	30,229,254
9/1/2016	30,229,254
10/1/2016	30,229,254
11/1/2016	30,229,254
12/1/2016	30,229,254
1/1/2017	30,229,254
2/1/2017	30,229,254
3/1/2017	30,229,254
4/1/2017	30,229,254
5/1/2017	30,229,254
6/1/2017	30,229,254
7/1/2017	30,229,254
8/1/2017	30,229,254
9/1/2017	30,229,254
10/1/2017	30,229,254
11/1/2017	30,229,254
12/1/2017	30,229,254
1/1/2018	30,229,254
2/1/2018	30,229,254
3/1/2018	30,229,254
4/1/2018	30,229,254
5/1/2018	30,229,254
6/1/2018	30,229,254
7/1/2018	30,229,254
8/1/2018	30,229,254
9/1/2018	30,229,254
10/1/2018	30,229,254
11/1/2018	30,229,254
12/1/2018	30,229,254
1/1/2019	30,229,254
2/1/2019	30,229,254
3/1/2019	30,229,254
4/1/2019	30,229,254
5/1/2019	30,229,254
6/1/2019	30,229,254
7/1/2019	30,229,254
8/1/2019	30,229,254
9/1/2019	30,229,254
10/1/2019	30,229,254
11/1/2019	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
12/1/2019	30,229,254
1/1/2020	30,229,254
2/1/2020	30,229,254
3/1/2020	30,229,254
4/1/2020	30,229,254
5/1/2020	30,229,254
6/1/2020	30,229,254
7/1/2020	30,229,254
8/1/2020	30,229,254
9/1/2020	30,229,254
10/1/2020	30,229,254
11/1/2020	30,229,254
12/1/2020	30,229,254
1/1/2021	30,229,254
2/1/2021	30,229,254
3/1/2021	30,229,254
4/1/2021	30,229,254
5/1/2021	30,229,254
6/1/2021	30,229,254
7/1/2021	30,229,254
8/1/2021	30,229,254
9/1/2021	30,229,254
10/1/2021	30,229,254
11/1/2021	30,229,254
12/1/2021	30,229,254
1/1/2022	30,229,254
2/1/2022	30,229,254
3/1/2022	30,229,254
4/1/2022	30,229,254
5/1/2022	30,229,254
6/1/2022	30,229,254
7/1/2022	30,229,254
8/1/2022	30,229,254
9/1/2022	30,229,254
10/1/2022	30,229,254
11/1/2022	30,229,254
12/1/2022	30,229,254
1/1/2023	30,229,254
2/1/2023	30,229,254
3/1/2023	30,229,254
4/1/2023	30,229,254
5/1/2023	30,229,254
6/1/2023	30,229,254
7/1/2023	30,229,254
8/1/2023	30,229,254
9/1/2023	30,229,254
10/1/2023	30,229,254
11/1/2023	30,229,254
12/1/2023	30,229,254
1/1/2024	30,229,254
2/1/2024	30,229,254
3/1/2024	30,229,254
4/1/2024	30,229,254
5/1/2024	30,229,254
6/1/2024	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
7/1/2024	30,229,254
8/1/2024	30,229,254
9/1/2024	30,229,254
10/1/2024	30,229,254
11/1/2024	30,229,254
12/1/2024	30,229,254
1/1/2025	30,229,254
2/1/2025	30,229,254
3/1/2025	30,229,254
4/1/2025	30,229,254
5/1/2025	30,229,254
6/1/2025	30,229,254
7/1/2025	30,229,254
8/1/2025	30,229,254
9/1/2025	30,229,254
10/1/2025	30,229,254
11/1/2025	30,229,254
12/1/2025	30,229,254
1/1/2026	30,229,254
2/1/2026	30,229,254
3/1/2026	30,229,254
4/1/2026	30,229,254
5/1/2026	30,229,254
6/1/2026	30,229,254
7/1/2026	30,229,254
8/1/2026	30,229,254
9/1/2026	30,229,254
10/1/2026	30,229,254
11/1/2026	30,229,254
12/1/2026	30,229,254
1/1/2027	30,229,254
2/1/2027	30,229,254
3/1/2027	30,229,254
4/1/2027	30,229,254
5/1/2027	30,229,254
6/1/2027	30,229,254
7/1/2027	30,229,254
8/1/2027	30,229,254
9/1/2027	30,229,254
10/1/2027	30,229,254
11/1/2027	30,229,254
12/1/2027	30,229,254
1/1/2028	30,229,254
2/1/2028	30,229,254
3/1/2028	30,229,254
4/1/2028	30,229,254
5/1/2028	30,229,254
6/1/2028	30,229,254
7/1/2028	30,229,254
8/1/2028	30,229,254
9/1/2028	30,229,254
10/1/2028	30,229,254
11/1/2028	30,229,254
12/1/2028	30,229,254
1/1/2029	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
2/1/2029	30,229,254
3/1/2029	30,229,254
4/1/2029	30,229,254
5/1/2029	30,229,254
6/1/2029	30,229,254
7/1/2029	30,229,254
8/1/2029	30,229,254
9/1/2029	30,229,254
10/1/2029	30,229,254
11/1/2029	30,229,254
12/1/2029	30,229,254
1/1/2030	30,229,254
2/1/2030	30,229,254
3/1/2030	30,229,254
4/1/2030	30,229,254
5/1/2030	30,229,254
6/1/2030	30,229,254
7/1/2030	30,229,254
8/1/2030	30,229,254
9/1/2030	30,229,254
10/1/2030	30,229,254
11/1/2030	30,229,254
12/1/2030	30,229,254
1/1/2031	30,229,254
2/1/2031	30,229,254
3/1/2031	30,229,254
4/1/2031	30,229,254
5/1/2031	30,229,254
6/1/2031	30,229,254
7/1/2031	30,229,254
8/1/2031	30,229,254
9/1/2031	30,229,254
10/1/2031	30,229,254
11/1/2031	30,229,254
12/1/2031	30,229,254
1/1/2032	30,229,254
2/1/2032	30,229,254
3/1/2032	30,229,254
4/1/2032	30,229,254
5/1/2032	30,229,254
6/1/2032	30,229,254
7/1/2032	30,229,254
8/1/2032	30,229,254
9/1/2032	30,229,254
10/1/2032	30,229,254
11/1/2032	30,229,254
12/1/2032	30,229,254
1/1/2033	30,229,254
2/1/2033	30,229,254
3/1/2033	30,229,254
4/1/2033	30,229,254
5/1/2033	30,229,254
6/1/2033	30,229,254
7/1/2033	30,229,254
8/1/2033	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
9/1/2033	30,229,254
10/1/2033	30,229,254
11/1/2033	30,229,254
12/1/2033	30,229,254
1/1/2034	30,229,254
2/1/2034	30,229,254
3/1/2034	30,229,254
4/1/2034	30,229,254
5/1/2034	30,229,254
6/1/2034	30,229,254
7/1/2034	30,229,254
8/1/2034	30,229,254
9/1/2034	30,229,254
10/1/2034	30,229,254
11/1/2034	30,229,254
12/1/2034	30,229,254
1/1/2035	30,229,254
2/1/2035	30,229,254
3/1/2035	30,229,254
4/1/2035	30,229,254
5/1/2035	30,229,254
6/1/2035	30,229,254
7/1/2035	30,229,254
8/1/2035	30,229,254
9/1/2035	30,229,254
10/1/2035	30,229,254
11/1/2035	30,229,254
12/1/2035	30,229,254
1/1/2036	30,229,254
2/1/2036	30,229,254
3/1/2036	30,229,254
4/1/2036	30,229,254
5/1/2036	30,229,254
6/1/2036	30,229,254
7/1/2036	30,229,254
8/1/2036	30,229,254
9/1/2036	30,229,254
10/1/2036	30,229,254
11/1/2036	30,229,254
12/1/2036	30,229,254
1/1/2037	30,229,254
2/1/2037	30,229,254
3/1/2037	30,229,254
4/1/2037	30,229,254
5/1/2037	30,229,254
6/1/2037	30,229,254
7/1/2037	30,229,254
8/1/2037	30,229,254
9/1/2037	30,229,254
10/1/2037	30,229,254
11/1/2037	30,229,254
12/1/2037	30,229,254
1/1/2038	30,229,254
2/1/2038	30,229,254
3/1/2038	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
4/1/2038	30,229,254
5/1/2038	30,229,254
6/1/2038	30,229,254
7/1/2038	30,229,254
8/1/2038	30,229,254
9/1/2038	30,229,254
10/1/2038	30,229,254
11/1/2038	30,229,254
12/1/2038	30,229,254
1/1/2039	30,229,254
2/1/2039	30,229,254
3/1/2039	30,229,254
4/1/2039	30,229,254
5/1/2039	30,229,254
6/1/2039	30,229,254
7/1/2039	30,229,254
8/1/2039	30,229,254
9/1/2039	30,229,254
10/1/2039	30,229,254
11/1/2039	30,229,254
12/1/2039	30,229,254
1/1/2040	30,229,254
2/1/2040	30,229,254
3/1/2040	30,229,254
4/1/2040	30,229,254
5/1/2040	30,229,254
6/1/2040	30,229,254
7/1/2040	30,229,254
8/1/2040	30,229,254
9/1/2040	30,229,254
10/1/2040	30,229,254
11/1/2040	30,229,254
12/1/2040	30,229,254
1/1/2041	30,229,254
2/1/2041	30,229,254
3/1/2041	30,229,254
4/1/2041	30,229,254
5/1/2041	30,229,254
6/1/2041	30,229,254
7/1/2041	30,229,254
8/1/2041	30,229,254
9/1/2041	30,229,254
10/1/2041	30,229,254
11/1/2041	30,229,254
12/1/2041	30,229,254
1/1/2042	30,229,254
2/1/2042	30,229,254
3/1/2042	30,229,254
4/1/2042	30,229,254
5/1/2042	30,229,254
6/1/2042	30,229,254
7/1/2042	30,229,254
8/1/2042	30,229,254
9/1/2042	30,229,254
10/1/2042	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
11/1/2042	30,229,254
12/1/2042	30,229,254
1/1/2043	30,229,254
2/1/2043	30,229,254
3/1/2043	30,229,254
4/1/2043	30,229,254
5/1/2043	30,229,254
6/1/2043	30,229,254
7/1/2043	30,229,254
8/1/2043	30,229,254
9/1/2043	30,229,254
10/1/2043	30,229,254
11/1/2043	30,229,254
12/1/2043	30,229,254
1/1/2044	30,229,254
2/1/2044	30,229,254
3/1/2044	30,229,254
4/1/2044	30,229,254
5/1/2044	30,229,254
6/1/2044	30,229,254
7/1/2044	30,229,254
8/1/2044	30,229,254
9/1/2044	30,229,254
10/1/2044	30,229,254
11/1/2044	30,229,254
12/1/2044	30,229,254
1/1/2045	30,229,254
2/1/2045	30,229,254
3/1/2045	30,229,254
4/1/2045	30,229,254
5/1/2045	30,229,254
6/1/2045	30,229,254
7/1/2045	30,229,254
8/1/2045	30,229,254
9/1/2045	30,229,254
10/1/2045	30,229,254
11/1/2045	30,229,254
12/1/2045	30,229,254
1/1/2046	30,229,254
2/1/2046	30,229,254
3/1/2046	30,229,254
4/1/2046	30,229,254
5/1/2046	30,229,254
6/1/2046	30,229,254
7/1/2046	30,229,254
8/1/2046	30,229,254
9/1/2046	30,229,254
10/1/2046	30,229,254
11/1/2046	30,229,254
12/1/2046	30,229,254
1/1/2047	30,229,254
2/1/2047	30,229,254
3/1/2047	30,229,254
4/1/2047	30,229,254
5/1/2047	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
6/1/2047	30,229,254
7/1/2047	30,229,254
8/1/2047	30,229,254
9/1/2047	30,229,254
10/1/2047	30,229,254
11/1/2047	30,229,254
12/1/2047	30,229,254
1/1/2048	30,229,254
2/1/2048	30,229,254
3/1/2048	30,229,254
4/1/2048	30,229,254
5/1/2048	30,229,254
6/1/2048	30,229,254
7/1/2048	30,229,254
8/1/2048	30,229,254
9/1/2048	30,229,254
10/1/2048	30,229,254
11/1/2048	30,229,254
12/1/2048	30,229,254
1/1/2049	30,229,254
2/1/2049	30,229,254
3/1/2049	30,229,254
4/1/2049	30,229,254
5/1/2049	30,229,254
6/1/2049	30,229,254
7/1/2049	30,229,254
8/1/2049	30,229,254
9/1/2049	30,229,254
10/1/2049	30,229,254
11/1/2049	30,229,254
12/1/2049	30,229,254
1/1/2050	30,229,254
2/1/2050	30,229,254
3/1/2050	30,229,254
4/1/2050	30,229,254
5/1/2050	30,229,254
6/1/2050	30,229,254
7/1/2050	30,229,254
8/1/2050	30,229,254
9/1/2050	30,229,254
10/1/2050	30,229,254
11/1/2050	30,229,254
12/1/2050	30,229,254
1/1/2051	30,229,254
2/1/2051	30,229,254
3/1/2051	30,229,254
4/1/2051	30,229,254
5/1/2051	30,229,254
6/1/2051	30,229,254
7/1/2051	30,229,254
8/1/2051	30,229,254
9/1/2051	30,229,254
10/1/2051	30,229,254
11/1/2051	30,229,254
12/1/2051	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
1/1/2052	30,229,254
2/1/2052	30,229,254
3/1/2052	30,229,254
4/1/2052	30,229,254
5/1/2052	30,229,254
6/1/2052	30,229,254
7/1/2052	30,229,254
8/1/2052	30,229,254
9/1/2052	30,229,254
10/1/2052	30,229,254
11/1/2052	30,229,254
12/1/2052	30,229,254
1/1/2053	30,229,254
2/1/2053	30,229,254
3/1/2053	30,229,254
4/1/2053	30,229,254
5/1/2053	30,229,254
6/1/2053	30,229,254
7/1/2053	30,229,254
8/1/2053	30,229,254
9/1/2053	30,229,254
10/1/2053	30,229,254
11/1/2053	30,229,254
12/1/2053	30,229,254
1/1/2054	30,229,254
2/1/2054	30,229,254
3/1/2054	30,229,254
4/1/2054	30,229,254
5/1/2054	30,229,254
6/1/2054	30,229,254
7/1/2054	30,229,254
8/1/2054	30,229,254
9/1/2054	30,229,254
10/1/2054	30,229,254
11/1/2054	30,229,254
12/1/2054	30,229,254
1/1/2055	30,229,254
2/1/2055	30,229,254
3/1/2055	30,229,254
4/1/2055	30,229,254
5/1/2055	30,229,254
6/1/2055	30,229,254
7/1/2055	30,229,254
8/1/2055	30,229,254
9/1/2055	30,229,254
10/1/2055	30,229,254
11/1/2055	30,229,254
12/1/2055	30,229,254
1/1/2056	30,229,254
2/1/2056	30,229,254
3/1/2056	30,229,254
4/1/2056	30,229,254
5/1/2056	30,229,254
6/1/2056	30,229,254
7/1/2056	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
8/1/2056	30,229,254
9/1/2056	30,229,254
10/1/2056	30,229,254
11/1/2056	30,229,254
12/1/2056	30,229,254
1/1/2057	30,229,254
2/1/2057	30,229,254
3/1/2057	30,229,254
4/1/2057	30,229,254
5/1/2057	30,229,254
6/1/2057	30,229,254
7/1/2057	30,229,254
8/1/2057	30,229,254
9/1/2057	30,229,254
10/1/2057	30,229,254
11/1/2057	30,229,254
12/1/2057	30,229,254
1/1/2058	30,229,254
2/1/2058	30,229,254
3/1/2058	30,229,254
4/1/2058	30,229,254
5/1/2058	30,229,254
6/1/2058	30,229,254
7/1/2058	30,229,254
8/1/2058	30,229,254
9/1/2058	30,229,254
10/1/2058	30,229,254
11/1/2058	30,229,254
12/1/2058	30,229,254
1/1/2059	30,229,254
2/1/2059	30,229,254
3/1/2059	30,229,254
4/1/2059	30,229,254
5/1/2059	30,229,254
6/1/2059	30,229,254
7/1/2059	30,229,254
8/1/2059	30,229,254
9/1/2059	30,229,254
10/1/2059	30,229,254
11/1/2059	30,229,254
12/1/2059	30,229,254
1/1/2060	30,229,254
2/1/2060	30,229,254
3/1/2060	30,229,254
4/1/2060	30,229,254
5/1/2060	30,229,254
6/1/2060	30,229,254
7/1/2060	30,229,254
8/1/2060	30,229,254
9/1/2060	30,229,254
10/1/2060	30,229,254
11/1/2060	30,229,254
12/1/2060	30,229,254
1/1/2061	30,229,254
2/1/2061	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
3/1/2061	30,229,254
4/1/2061	30,229,254
5/1/2061	30,229,254
6/1/2061	30,229,254
7/1/2061	30,229,254
8/1/2061	30,229,254
9/1/2061	30,229,254
10/1/2061	30,229,254
11/1/2061	30,229,254
12/1/2061	30,229,254
1/1/2062	30,229,254
2/1/2062	30,229,254
3/1/2062	30,229,254
4/1/2062	30,229,254
5/1/2062	30,229,254
6/1/2062	30,229,254
7/1/2062	30,229,254
8/1/2062	30,229,254
9/1/2062	30,229,254
10/1/2062	30,229,254
11/1/2062	30,229,254
12/1/2062	30,229,254
1/1/2063	30,229,254
2/1/2063	30,229,254
3/1/2063	30,229,254
4/1/2063	30,229,254
5/1/2063	30,229,254
6/1/2063	30,229,254
7/1/2063	30,229,254
8/1/2063	30,229,254
9/1/2063	30,229,254
10/1/2063	30,229,254
11/1/2063	30,229,254
12/1/2063	30,229,254
1/1/2064	30,229,254
2/1/2064	30,229,254
3/1/2064	30,229,254
4/1/2064	30,229,254
5/1/2064	30,229,254
6/1/2064	30,229,254
7/1/2064	30,229,254
8/1/2064	30,229,254
9/1/2064	30,229,254
10/1/2064	30,229,254
11/1/2064	30,229,254
12/1/2064	30,229,254
1/1/2065	30,229,254
2/1/2065	30,229,254
3/1/2065	30,229,254
4/1/2065	30,229,254
5/1/2065	30,229,254
6/1/2065	30,229,254
7/1/2065	30,229,254
8/1/2065	30,229,254
9/1/2065	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
10/1/2065	30,229,254
11/1/2065	30,229,254
12/1/2065	30,229,254
1/1/2066	30,229,254
2/1/2066	30,229,254
3/1/2066	30,229,254
4/1/2066	30,229,254
5/1/2066	30,229,254
6/1/2066	30,229,254
7/1/2066	30,229,254
8/1/2066	30,229,254
9/1/2066	30,229,254
10/1/2066	30,229,254
11/1/2066	30,229,254
12/1/2066	30,229,254
1/1/2067	30,229,254
2/1/2067	30,229,254
3/1/2067	30,229,254
4/1/2067	30,229,254
5/1/2067	30,229,254
6/1/2067	30,229,254
7/1/2067	30,229,254
8/1/2067	30,229,254
9/1/2067	30,229,254
10/1/2067	30,229,254
11/1/2067	30,229,254
12/1/2067	30,229,254
1/1/2068	30,229,254
2/1/2068	30,229,254
3/1/2068	30,229,254
4/1/2068	30,229,254
5/1/2068	30,229,254
6/1/2068	30,229,254
7/1/2068	30,229,254
8/1/2068	30,229,254
9/1/2068	30,229,254
10/1/2068	30,229,254
11/1/2068	30,229,254
12/1/2068	30,229,254
1/1/2069	30,229,254
2/1/2069	30,229,254
3/1/2069	30,229,254
4/1/2069	30,229,254
5/1/2069	30,229,254
6/1/2069	30,229,254
7/1/2069	30,229,254
8/1/2069	30,229,254
9/1/2069	30,229,254
10/1/2069	30,229,254
11/1/2069	30,229,254
12/1/2069	30,229,254
1/1/2070	30,229,254
2/1/2070	30,229,254
3/1/2070	30,229,254
4/1/2070	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
12/1/2074	30,229,254
1/1/2075	30,229,254
2/1/2075	30,229,254
3/1/2075	30,229,254
4/1/2075	30,229,254
5/1/2075	30,229,254
6/1/2075	30,229,254
7/1/2075	30,229,254
8/1/2075	30,229,254
9/1/2075	30,229,254
10/1/2075	30,229,254
11/1/2075	30,229,254
12/1/2075	30,229,254
1/1/2076	30,229,254
2/1/2076	30,229,254
3/1/2076	30,229,254
4/1/2076	30,229,254
5/1/2076	30,229,254
6/1/2076	30,229,254
7/1/2076	30,229,254
8/1/2076	30,229,254
9/1/2076	30,229,254
10/1/2076	30,229,254
11/1/2076	30,229,254
12/1/2076	30,229,254
1/1/2077	30,229,254
2/1/2077	30,229,254
3/1/2077	30,229,254
4/1/2077	30,229,254
5/1/2077	30,229,254
6/1/2077	30,229,254
7/1/2077	30,229,254
8/1/2077	30,229,254
9/1/2077	30,229,254
10/1/2077	30,229,254
11/1/2077	30,229,254
12/1/2077	30,229,254
1/1/2078	30,229,254
2/1/2078	30,229,254
3/1/2078	30,229,254
4/1/2078	30,229,254
5/1/2078	30,229,254
6/1/2078	30,229,254
7/1/2078	30,229,254
8/1/2078	30,229,254
9/1/2078	30,229,254
10/1/2078	30,229,254
11/1/2078	30,229,254
12/1/2078	30,229,254
1/1/2079	30,229,254
2/1/2079	30,229,254
3/1/2079	30,229,254
4/1/2079	30,229,254
5/1/2079	30,229,254
6/1/2079	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
5/1/2070	30,229,254
6/1/2070	30,229,254
7/1/2070	30,229,254
8/1/2070	30,229,254
9/1/2070	30,229,254
10/1/2070	30,229,254
11/1/2070	30,229,254
12/1/2070	30,229,254
1/1/2071	30,229,254
2/1/2071	30,229,254
3/1/2071	30,229,254
4/1/2071	30,229,254
5/1/2071	30,229,254
6/1/2071	30,229,254
7/1/2071	30,229,254
8/1/2071	30,229,254
9/1/2071	30,229,254
10/1/2071	30,229,254
11/1/2071	30,229,254
12/1/2071	30,229,254
1/1/2072	30,229,254
2/1/2072	30,229,254
3/1/2072	30,229,254
4/1/2072	30,229,254
5/1/2072	30,229,254
6/1/2072	30,229,254
7/1/2072	30,229,254
8/1/2072	30,229,254
9/1/2072	30,229,254
10/1/2072	30,229,254
11/1/2072	30,229,254
12/1/2072	30,229,254
1/1/2073	30,229,254
2/1/2073	30,229,254
3/1/2073	30,229,254
4/1/2073	30,229,254
5/1/2073	30,229,254
6/1/2073	30,229,254
7/1/2073	30,229,254
8/1/2073	30,229,254
9/1/2073	30,229,254
10/1/2073	30,229,254
11/1/2073	30,229,254
12/1/2073	30,229,254
1/1/2074	30,229,254
2/1/2074	30,229,254
3/1/2074	30,229,254
4/1/2074	30,229,254
5/1/2074	30,229,254
6/1/2074	30,229,254
7/1/2074	30,229,254
8/1/2074	30,229,254
9/1/2074	30,229,254
10/1/2074	30,229,254
11/1/2074	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
7/1/2079	30,229,254
8/1/2079	30,229,254
9/1/2079	30,229,254
10/1/2079	30,229,254
11/1/2079	30,229,254
12/1/2079	30,229,254
1/1/2080	30,229,254
2/1/2080	30,229,254
3/1/2080	30,229,254
4/1/2080	30,229,254
5/1/2080	30,229,254
6/1/2080	30,229,254
7/1/2080	30,229,254
8/1/2080	30,229,254
9/1/2080	30,229,254
10/1/2080	30,229,254
11/1/2080	30,229,254
12/1/2080	30,229,254
1/1/2081	30,229,254
2/1/2081	30,229,254
3/1/2081	30,229,254
4/1/2081	30,229,254
5/1/2081	30,229,254
6/1/2081	30,229,254
7/1/2081	30,229,254
8/1/2081	30,229,254
9/1/2081	30,229,254
10/1/2081	30,229,254
11/1/2081	30,229,254
12/1/2081	30,229,254
1/1/2082	30,229,254
2/1/2082	30,229,254
3/1/2082	30,229,254
4/1/2082	30,229,254
5/1/2082	30,229,254
6/1/2082	30,229,254
7/1/2082	30,229,254
8/1/2082	30,229,254
9/1/2082	30,229,254
10/1/2082	30,229,254
11/1/2082	30,229,254
12/1/2082	30,229,254
1/1/2083	30,229,254
2/1/2083	30,229,254
3/1/2083	30,229,254
4/1/2083	30,229,254
5/1/2083	30,229,254
6/1/2083	30,229,254
7/1/2083	30,229,254
8/1/2083	30,229,254
9/1/2083	30,229,254
10/1/2083	30,229,254
11/1/2083	30,229,254
12/1/2083	30,229,254
1/1/2084	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
2/1/2084	30,229,254
3/1/2084	30,229,254
4/1/2084	30,229,254
5/1/2084	30,229,254
6/1/2084	30,229,254
7/1/2084	30,229,254
8/1/2084	30,229,254
9/1/2084	30,229,254
10/1/2084	30,229,254
11/1/2084	30,229,254
12/1/2084	30,229,254
1/1/2085	30,229,254
2/1/2085	30,229,254
3/1/2085	30,229,254
4/1/2085	30,229,254
5/1/2085	30,229,254
6/1/2085	30,229,254
7/1/2085	30,229,254
8/1/2085	30,229,254
9/1/2085	30,229,254
10/1/2085	30,229,254
11/1/2085	30,229,254
12/1/2085	30,229,254
1/1/2086	30,229,254
2/1/2086	30,229,254
3/1/2086	30,229,254
4/1/2086	30,229,254
5/1/2086	30,229,254
6/1/2086	30,229,254
7/1/2086	30,229,254
8/1/2086	30,229,254
9/1/2086	30,229,254
10/1/2086	30,229,254
11/1/2086	30,229,254
12/1/2086	30,229,254
1/1/2087	30,229,254
2/1/2087	30,229,254
3/1/2087	30,229,254
4/1/2087	30,229,254
5/1/2087	30,229,254
6/1/2087	30,229,254
7/1/2087	30,229,254
8/1/2087	30,229,254
9/1/2087	30,229,254
10/1/2087	30,229,254
11/1/2087	30,229,254
12/1/2087	30,229,254
1/1/2088	30,229,254
2/1/2088	30,229,254
3/1/2088	30,229,254
4/1/2088	30,229,254
5/1/2088	30,229,254
6/1/2088	30,229,254
7/1/2088	30,229,254
8/1/2088	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
9/1/2088	30,229,254
10/1/2088	30,229,254
11/1/2088	30,229,254
12/1/2088	30,229,254
1/1/2089	30,229,254
2/1/2089	30,229,254
3/1/2089	30,229,254
4/1/2089	30,229,254
5/1/2089	30,229,254
6/1/2089	30,229,254
7/1/2089	30,229,254
8/1/2089	30,229,254
9/1/2089	30,229,254
10/1/2089	30,229,254
11/1/2089	30,229,254
12/1/2089	30,229,254
1/1/2090	30,229,254
2/1/2090	30,229,254
3/1/2090	30,229,254
4/1/2090	30,229,254
5/1/2090	30,229,254
6/1/2090	30,229,254
7/1/2090	30,229,254
8/1/2090	30,229,254
9/1/2090	30,229,254
10/1/2090	30,229,254
11/1/2090	30,229,254
12/1/2090	30,229,254
1/1/2091	30,229,254
2/1/2091	30,229,254
3/1/2091	30,229,254
4/1/2091	30,229,254
5/1/2091	30,229,254
6/1/2091	30,229,254
7/1/2091	30,229,254
8/1/2091	30,229,254
9/1/2091	30,229,254
10/1/2091	30,229,254
11/1/2091	30,229,254
12/1/2091	30,229,254
1/1/2092	30,229,254
2/1/2092	30,229,254
3/1/2092	30,229,254
4/1/2092	30,229,254
5/1/2092	30,229,254
6/1/2092	30,229,254
7/1/2092	30,229,254
8/1/2092	30,229,254
9/1/2092	30,229,254
10/1/2092	30,229,254
11/1/2092	30,229,254
12/1/2092	30,229,254
1/1/2093	30,229,254
2/1/2093	30,229,254
3/1/2093	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
4/1/2093	30,229,254
5/1/2093	30,229,254
6/1/2093	30,229,254
7/1/2093	30,229,254
8/1/2093	30,229,254
9/1/2093	30,229,254
10/1/2093	30,229,254
11/1/2093	30,229,254
12/1/2093	30,229,254
1/1/2094	30,229,254
2/1/2094	30,229,254
3/1/2094	30,229,254
4/1/2094	30,229,254
5/1/2094	30,229,254
6/1/2094	30,229,254
7/1/2094	30,229,254
8/1/2094	30,229,254
9/1/2094	30,229,254
10/1/2094	30,229,254
11/1/2094	30,229,254
12/1/2094	30,229,254
1/1/2095	30,229,254
2/1/2095	30,229,254
3/1/2095	30,229,254
4/1/2095	30,229,254
5/1/2095	30,229,254
6/1/2095	30,229,254
7/1/2095	30,229,254
8/1/2095	30,229,254
9/1/2095	30,229,254
10/1/2095	30,229,254
11/1/2095	30,229,254
12/1/2095	30,229,254
1/1/2096	30,229,254
2/1/2096	30,229,254
3/1/2096	30,229,254
4/1/2096	30,229,254
5/1/2096	30,229,254
6/1/2096	30,229,254
7/1/2096	30,229,254
8/1/2096	30,229,254
9/1/2096	30,229,254
10/1/2096	30,229,254
11/1/2096	30,229,254
12/1/2096	30,229,254
1/1/2097	30,229,254
2/1/2097	30,229,254
3/1/2097	30,229,254
4/1/2097	30,229,254
5/1/2097	30,229,254
6/1/2097	30,229,254
7/1/2097	30,229,254
8/1/2097	30,229,254
9/1/2097	30,229,254
10/1/2097	30,229,254

This form of Schedule 5.1(b) is based on an August 1 closing.
Final Schedule 5.1(b) will be revised to reflect the proper closing date.

Schedule 5.1(b)

See Note 1 (below)

	1 WTC
Month	Allocated Rent Payment Amount
11/1/2097	30,229,254
12/1/2097	30,229,254
1/1/2098	30,229,254
2/1/2098	30,229,254
3/1/2098	30,229,254
4/1/2098	30,229,254
5/1/2098	30,229,254
6/1/2098	30,229,254
7/1/2098	30,229,254
8/1/2098	30,229,254
9/1/2098	30,229,254
10/1/2098	30,229,254
11/1/2098	30,229,254
12/1/2098	30,229,254
1/1/2099	30,229,254
2/1/2099	30,229,254
3/1/2099	30,229,254
4/1/2099	30,229,254
5/1/2099	30,229,254
6/1/2099	30,229,254
7/1/2099	30,229,254
8/1/2099	30,229,254
9/1/2099	30,229,254
10/1/2099	30,229,254
11/1/2099	30,229,254
12/1/2099	30,229,254
1/1/2100	30,229,254
2/1/2100	30,229,254
3/1/2100	30,229,254
4/1/2100	30,229,254
5/1/2100	30,229,254
6/1/2100	30,229,254
7/1/2100	30,229,254

Note 1: The intent of this Schedule is to allocate the total fixed rent payable ratably over the Term. Accordingly, if the total fixed rent reflected on this Schedule does not equal the total fixed rent payable by Net Lessee for purpose of Section 467 of the Internal Revenue Code (including, for example, if any amounts payable pursuant to the Contract to Lease are properly includible as fixed rent payable), then the correct amount of fixed rent payable is allocated ratably over the Term and this Schedule shall automatically (and without any further act of any Person) be deemed to be mathematically adjusted to reflect this allocation.

Schedule 5.3

Senior Mortgage and Mezzanine Loan Descriptions

ONE WORLD TRADE CENTER

"Mezzanine Loan" shall mean that certain loan made as of the date hereof by GMAC Commercial Mortgage Corporation or its Affiliate to the sole members of Lessee, Two World Trade Center Lessee, Four World Trade Center Lessee and Five World Trade Center Lessee, secured by, among other things, a pledge of such sole members' legal and beneficial interests in Lessee, Two World Trade Center Lessee, Four World Trade Center Lessee and Five World Trade Center Lessee (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time).

"Senior Mortgage" shall mean that certain leasehold mortgage securing that certain loan made as of the date hereof by GMAC Commercial Mortgage Corporation or its Affiliate to Lessee, Two World Trade Center Lessee, Four World Trade Center Lessee and Five World Trade Center Lessee (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time).

SCHEDULE 5.5.3

Approved Accounting Firms

1. Friedman, Alpern & Green LLP
2. M.R. Weiser & Co., LLP
3. Goldstein Golub Kessler & Company, PC
4. Eisner & Lubin LLP

Big Five Accounting Firms

1. PricewaterhouseCoopers
2. Deloitte & Touche LLP
3. Andersen
4. Ernst & Young
5. KPMG - Peat Marwick

SCHEDULE 6.2.1

GRANDFATHERED ITEMS

1. One and Two World Trade Center Fire Exit Stair Discharge - Two (2) staircases that discharge at the mezzanine level.

2. Fire Exit Stair Shaft Smoke Vents - The lack of venting of the fire exit stair shafts.

3. 13KV Conduit Encasements - Any 13KV conduits that are currently encased in gypsum board. Any future installations proposed to be encased in gypsum board or other material not specifically prescribed by the Port Authority Manuel would be considered by the Code Compliance Office on a case-by-case basis.

SCHEDULE 6.2.2

DEFERRED REPAIR OBLIGATIONS

1. Electric Closets – The equipment clearances must be modified to conform with the Port Authority Manual upon an alteration within the closet.

2. Electrical Substations – When and if the entire substation is replaced in connection with a catastrophic event, an upgrade to the substation or otherwise, the substation shall be replaced with one which conforms to the Port Authority Manual. Repairs to, or replacement of, dedicated feeders to one (1) tenant off an existing switchboard will not trigger the obligation to upgrade the entire substation.

3. One World Trade Center and Two World Trade Center Fireproofing – The existing policy of the Port Authority to upgrade steel fireproofing to 1 ½" thick (based on UL Guideline G508) on the earlier to occur of (i) a full floor becoming vacant, (ii) a full floor being completely renovated or (iii) for any remaining non-compliance office space, within twenty-five (25) years from the Commencement Date, unless the tenant never does a major alteration, shall be applicable to the Lessee, provided the following standards remain in force:

   (a) all floors in One World Trade Center and Two World Trade Center, including Mechanical Equipment Rooms (once the work described in

paragraph 7 of Schedule 6.2.3 has been completed) and Sky Lobbies, are sprinkled in conformance with the Port Authority Manual and NFPA 13;

(b) the Fire Command Centers in the lobby shall be (i) staffed with a New York City Certified "Fire Safety Director" at all times, and (ii) a total video surveillance system is installed and operating and is being monitored at all times, then the sprinkler plan may exclude the 310 level of both One World Trade Center and Two World Trade Center. There will be no other permanent or temporary uses within the lobby, other than (i) the Command Center(s), visitors' desk(s), and mail boxes, provided each such area contains steel frames with marble fronts and composite/laminate tops, and (ii) temporary holiday displays composed of non-flammable materials;

(c) the Lessee continues the current programs and implements additional programs as necessary to ensure the inspection, testing, and maintenance procedures of and for the sprinkler systems and the components thereof, which include, but are not limited to, the water supply, fire pumps, gravity tanks, piping and valving. These programs shall be designed to comply with the intent of NFPA 25 and the other requirements contained in the Port Authority Manual; and

(d) when the Lessee is performing the testing of the sprinkler system's water flow and alarm transmission, the specific system pressure indicated at the gage downstream of the pressure-reducing valve shall be recorded at the time of such testing, to ensure conformance with the minimums/maximums indicated on the valves.

If the practices described in clauses (a) through (d) above are not adhered to, the Lessee shall immediately begin such fireproofing, even if such work causes the Lessee to relocate the affected Space Tenants.

4. Tenant Separation Walls and Public Corridor Walls – Those walls that do not extend to the ceiling slab must be remedied as part of any alteration work (as defined below) to extend such walls to the ceiling slab. In addition, within one (1) year from the Commencement Date, a survey program should be undertaken to determine which walls do not extend to the ceiling slab and the extent of such non-conformity. Said survey program shall be subject to the reasonable approval of the Code Compliance Office.

Any alteration work that constitutes "minor work or repair," as such terms are defined by the NYC Building Code, shall not trigger an obligation to comply with the first sentence of this item. However, on the earlier to occur of (i) a full floor becoming vacant, or (ii) a full floor being completely renovated, all non-compliant walls on each such floor shall be brought into compliance with

this item. In addition, within twenty-five (25) years from the Commencement Date, all tenant separation walls and public corridor walls shall comply with this requirement.

SCHEDULE 6.2.3

ITEMS THAT MUST BE REMEDIED ON A SPECIFIC SCHEDULE

1. Exit Enclosures - Several Mechanical Equipment Rooms are entered from, and exit out to, the fire stair shaft. "Vestibule" areas with smoke-tight doors for each such Mechanical Equipment Room must be installed within five (5) from the Commencement Date to meet the intent of the Port Authority Manual.

2. Standpipe Hose Stations - The Lessee shall implement a survey program to determine which floors have inadequate fire hose reach, and establish a plan to have these floors meet the standards set forth in the Port Authority Manual within five (5) years from the Commencement Date. For any fire hoses which shall exceed the maximum length stipulated by the Port Authority Manual, the Code Compliance Office shall consult with the Fire Department to determine the adequacy or inadequacy thereof.

3. Mall Egress - Installation of additional exit(s) to the exterior, a smoke purge system, and a signage system, pursuant to the Port Authority's partly performed engineered solution, shall occur within five (5) years from the Commencement Date, and shall be subject to the reasonable approval of the Code Compliance Office.

4. Lobby Carpeting - New carpeting shall be installed in each of the World Trade Center tower lobbies and mezzanines, meeting the requirements prescribed by the Port Authority Manual, within two (2) years from the Commencement Date.

5. Elevator Overruns - The relocation of hoistway equipment to meet current Port Authority Manual requirements for overrun distance on Five World Trade Center (Elevator Cars 7 through 9) shall be completed if the elevator car operating speeds are to exceed 200 FPM.

6. Subgrade B-1 Level/Truck Dock - Within five (5) year from the Commencement Date, the Subgrade B-1 Level/Truck Dock shall be renovated so that such areas meet the requirements set forth in the Port Authority Manual, which renovation shall include the following:

   (a) egress stairs and elevators must have properly sized or ventilated vestibules installed;

   (b) no portion of the floor area shall fall beyond the maximum permissible travel distance to an exit stair;

   (c) the separation between the truck dock and adjacent areas shall have the required three (3)-hour horizontal and vertical construction separations, which includes penetrations in the existing walls by doors, ducts, etc.;

(d) significant portions of the structural steel floor framing fireproofing must be repaired or replaced; and

(e) an upgrade of the entire area's smoke exhaust and ventilation capacity shall be performed to meet the Port Authority Manual guidelines.

7. Sprinkler Systems: Subject to the "MER Sprinkler Alternative" described below, sprinkler systems shall be installed in the Mechanical Equipment Rooms located in One World Trade Center and Two World Trade Center (each, an "MER", and collectively, the "MER's") within ten (10) years from the Commencement Date, so that such rooms are sprinkled in conformance with the Port Authority Manual and NFPA 13.

Notwithstanding the foregoing, in the alternative to installing sprinkler systems in the MERs the Lessee shall comply with the conditions of NYC DOB directive #13, 8/29/75 (the "MER Sprinkler Alternative"). Specifically, smoke and heat detectors shall be installed in all MERs within ten (10) years and the following conditions shall be met and (and continue to exist):

(a) With respect to each room or floor that is designated an MER, the MER shall occupy substantially all the space in that room or floor;

(b) No room or floor designated as an MER shall contain any storage or workspace; and

(c) The smoke and heat detectors installed in each MER shall be connected to the required alarm and communication systems in the World Trade Center.

SCHEDULE 6.10.3

EXAMPLES OF FUTURE SPACE TENANTS TAX EQUIVALENT RENTAL

Sample PILOT Examples

Example # 5
Example of Recovery from Future Tenant A

Assumptions:	
Existing PILOT in 2001	3.67
Growth in existing PILOT per year	3%
Year of lease commencement for Future Tenant A	2005
Lease expiration year for Future Tenant A	2015
Base amount for Future Tenant A	7.88
Market tax base in 2001	7.00
Growth in market taxes	3%

Deal Year	1	2	3	4	5	6	7	8	9	10
Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Market taxes/sq. ft.	$7.00	$7.21	$7.43	$7.65	$7.88	$8.11	$8.36	$8.61	$8.87	$9.13
Future Tenant A's actual base amount	N/A	N/A	N/A	N/A	$7.88	$7.88	$7.88	$7.88	$7.88	$7.88
Actual recovery/sq. ft. from Future Tenant A	N/A	N/A	N/A	N/A	$0.00	$0.24	$0.48	$0.73	$0.99	$1.25
Existing PILOT/sq. ft.	$3.67	$3.78	$3.89	$4.01	$4.13	$4.25	$4.38	$4.51	$4.65	$4.79
Future Tenant A's "shadow" PILOT base amount	N/A	N/A	N/A	N/A	$4.13	$4.13	$4.13	$4.13	$4.13	$4.13
"Shadow" recovery under Existing PILOT agreement	N/A	N/A	N/A	N/A	$0.00	$0.12	$0.25	$0.38	$0.52	$0.66
Actual recovery/sq. ft. from Future Tenant A	N/A	N/A	N/A	N/A	$0.00	$0.24	$0.48	$0.73	$0.99	$1.25
Net Lessee retains	N/A	N/A	N/A	N/A	$0.00	$0.12	$0.25	$0.38	$0.52	$0.66
Net Lessee pays to PA	N/A	N/A	N/A	N/A	$0.00	$0.11	$0.23	$0.35	$0.47	$0.60

SCHEDULE 13.4.1

STRUCTURAL INTEGRITY PROGRAM CYCLES

Structure	Cycles
One World Trade Center, Two World Trade Center, Four World Trade Center, and Five World Trade Center (above the subgrade levels only)	
• Building Components	Eight (8) years
• Exterior Walls	Five (5) years
Concourse and Plaza (including, but not limited to the Mall)	Eight (8) years
Subgrade Levels	
• Parking Levels	Two (2) years (limited inspections)
• Parking Levels	Four (4) years (extensive inspections)
• Slurry Wall	Four (4) years
• Non-Parking Levels	Eight (8) years
River Pump Station	Eight (8) years

SCHEDULE 19.4.1

WORLD TRADE CENTER
PROFESSIONAL CERTIFICATION PROGRAM
PRE-APPROVED CONSULTANTS

1. Professional Certification Program applies only to office space work, retail space and base building work is excluded.
2. Approval applies to the team of prime and subconsultant. A prime consultant may change it's subconsultant only by doing a new submission package for approval.

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
Bellon & Taylor, Architects, Inc. PC 505 Eighth Avenue Suite 1800 New York, N.Y. 10018 Mr. Fernando de la Cruz, Managing Director 212-620-0271			
Corporate Design Collaborative Inc. 148 West 28th Street New York, N.Y. 10001 Mr. E. Caicedo, Principal 212-633-1900			

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
CUH2A 211 Carnegie Center Princeton, N.J. 08540-6298 Mr. D. Finlayson, Principal 609-452-1212			
Richard Dattner, Architect 154 West 57th Street New York, N.Y. 10019 Mr. William Stein, Senior Associate 212-247-2660	Lakhani & Jordon Eng. (MEP) Severud & Associates (Struct)	3/98	
Gensler One Rockefeller Plaza Suite 500 New York, N.Y. 10020 Ms. Margo Grant Walsh, Vice Chairperson 212-492-1400	Thorton Thomasetti (structural) F.M.C. Associates MEP Robert Derector Edwards & Zuck ... MEP The Office of James Ruderman, Structural Syska Hennessy	6/98 6/98 10/98 5/99	Per R.P.

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
Interior Architects, PC 335 Madison Avenue New York, N.Y. 10017 Mr. Anthony Saviano, Technical Director 212-682-6909			
David Elliot Leibowitz, PC 70 West 40th Street New York, N.Y. 10018 Mr. Gilbert Balog, Vice President 212-354-8100			
Skidmore Owings & Merrill, LLP 220 East 42nd Street New York, N.Y. 10017 Mr. John Winkler, CEO 212-309-9500	the following in-house services Architectural, Mechanical, Electrical, Plumbing, Structural and Civil Engineering	3/98	

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
Mayers Schiff Associates 126 Fifth Avenue New York, N.Y. 10011 Mr. Robert Mayers, Executive Vice Pres. 212-807-0400			
Mancini/Duffy Two World Trade Center Suite 2110 New York, N.Y. 10048 Mr. Al D'Elia, President 212-938-1260	Robert Derector Syska & Hennessy Atkinson Koven Feinberg Eng. Cosentini Associates Edwards & Zuck	3/98	
Montroy Anderson Design Group 432 Park Avenue South New York, N.Y. 10016 Mr. Daniel Montroy, Principal 212-481-5900	Cosentini RDA Thornton Thomasetti (structural)	10/96	Approved for work only with the tenant Frenkel

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
S.C.R. Design Organization, Inc. 305 East 46th Street New York, N.Y. 10017 Mr. Jeff Simon, President 212-421-3500	L Z A Syska Hennessy Cosentini Robert Derector		
Swanke Hayden Connell, Ltd. 295 Lafayette Street New York, N.Y. 10012 Mr. Richard Hayden, Principal 212-226-9696	Cosentini Associates	4/98	
John C. Westrick and Associates 2110 Maple Avenue South Plainfield, N.J. 07080 Mr. John Westrick 908-561-4170	Spencer George & Associate WPG Design Group	3/97 12/98	

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
Tuller McNealus Feld & Chu, LLC 596 Broadway New York, N.Y. 10012 Mr. Richard McNealus 212-925-0400	Edwards & Zuck	4/97	
Syska & Hennessy, Inc. 11 West 42nd Street New York, N.Y. 10036-8098 Mr. Vincent Warner 212-921-2300	Perkins & Will	6/97	
WBTL Architects 330 West 42nd Street New York, N.Y. 10036 Ms. Sophie Ladjimi 212-	LERA	7/97	Approved for work only in the Marriot Hotel

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
Milo Klienberg Design Associates, Inc. 11 East 26th Street New York, N.Y. 10010 Mr. 212-532-9800	Robert Derector LEHR Associates	7/97 6/98	
Arthur R. Breuer, PE 24 North Greeley Avenue Chappaqua, N.Y. 10514 Mr. Arthur Breuer 914-238-5433	Klumb-Cirincione	11/97	
Robert Derector Associates 1156 Avenue of the Americas New York, N.Y. 10036 Mr. Martin Konikuff 212-	Linea Three Design Group	11/97	

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
Linea Three Design Group 220 East 23rd Street New York, N.Y. 10010 Ms. Barbara Calamusa 212-	Robert Derector Associates Gilsanz-Murray-Steficek (Struct)	11/97 4/98	
The Phillips Group 11 West 42nd Street New York, N.Y. 10036 Mr. James Doherty 212-768-0800	Thornton, Tomasetti -Struct Meyer, Strang & Jones - MEP Syska & Hennessy - MEP FMC - MEP LERA - Struct	 12/98 12/98	Replaces The Phillips Janson Group 12/97
The Aztec Corporation Woodbridge Place 517 Route One South Iselin, N.J. 08830 Mr. Charles Otis Logan, Jr. President 732-636-8989	Flack & Kurtz	2/98	

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
Fernando R. de la Cruz 225 West 34th Street Suite 1705 New York, N.Y. 10122 212-620-0271	Mansour Engineering	2/98	
Karplus & Nussbaum Architects, P.C. 800 Third Avenue New York, N.Y. 10022 Mr. Seymour Nussbaum 212-826-8818	W.A. DiGiacome Associates LERA	1/98	
Urbahn Associates 1250 Broadway New York, N.Y. 10001 Mr. Marty Stein 212-239-0220	Golsman, Copeland, MEP		

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
Bonsignore Design, Inc. 38 East 29th Street New York, N.Y. 10016 Mr. Richard Bonsignore 212-696-1954	Edwards & Zuck MEP Jaros Baum & Bolles MEP	3/98 5/98	
Edwards & Zuck 330 West 42nd Street New York, N.Y. 10036 Mr. Matthew Bendix 212-736-3400	Genseler Associates	3/98	
Laurence G. Jones Architects 507 Fifth Avenue suite 1200 New York, New York 10017 Mr. Laurence Jones phone 212-290-9260	Avcon Design Group, Inc. MEP	3/98	
John N. Bratichak, Architect 1771 East 46th Street Brooklyn, N.Y. 11234 Mr. John Michael Bratichak 718-252-6980	the following in-house services Architectural, Mechanical, Electrical and Plumbing, Engineering	3/98	

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
Ted Moudis Associates 305 East 46th Street New York, N.Y. 10017 Mr. Ted Moudis 212-308-4000	Robert Derector Associates Cosentini Associates Syska & Hennessy Atkinson Koven Feinberg Eng.	4/98	
Joseph R. Loring and Associates One Pennsylvania Plaza New York, N.Y. 10119-0045 Mr. Barry Maltz 212-563-7400	Mancini/Duffy The Office of David Elliot Leibowitz SCR Design Organization	4/98	
Cetra/Ruddy Incorporated 584 Broadway New York, N.Y. 10012 Ms. Nancy Ruddy 212-941-9801	Flack & Kurtz Dubinsky Consulting Engineers	3/98 6/98	

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
WPG Design Group 85 John Street New York, N.Y. 10038 Mr. Robert Krone 212-566-5848	Westrick – MEP LERA - Strucural	12/98 12/98	
Gertler & Wente 75 Varick Street New York, N.Y. 10013 Mr. Larry Wente 212-219-0338	Westrick – MEP LERA - Strucural	1/99 1/99	
CPG Architects 60 East 42nd Street New York, N.Y. 10165 Mr. Robert Tieni 212-949-5465		9/99	

SCHEDULE 19.4.1

PRIME CONSULTANT	SUB-CONSULTANT(S)	APPROVAL DATE	COMMENTS
OMNI Architects, P.C. 345 Seventh Avenue New York, N.Y. 10001 Mr. Mike Vujosevic 212-594-6230		3/00	
Rivkin/Weisman Architects 15 East 26th Street New York, N.Y. 10010 Mr. William Rivkin 212-689-5400		5/00	
JP Architects 57 East 11th Street New York, N.Y. 10003 Mr. Joseph Goldstein 212-777-7900		12/00	

SCHEDULE 30

PERMITTED EXCEPTIONS

Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Agreement to Enter Into Net Lease.

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.

   b. Easement Agreement dated as of 9/1/1981 between The Port Authority of New York and New Jersey, et al, recorded on 10/27/1981 in Reel 589 Page 868.

      With Respect Thereto:

      (1) Amendment to Agreement made 2/8/1982, recorded 2/3/1984 in Reel 762 Page 45.

      (2) Second Amendment dated as of 1/20/1984, recorded 2/3/1984 in Reel 762 Page 65.

      (3) Agreement dated as of 1/20/1984, recorded 2/3/1984 in Reel 762 Page 52, together with unrecorded agreement dated 2/8/1982 referred to therein.

(4) Un-executed Third Amendment, substantially in the form of the draft delivered to Net Lessee on April 25, 2001.

c. Indenture made 1/31/1968 between The City of New York and The Port Authority, recorded on 2/2/1968 in Record Liber 275 Page 34.

d. 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.

e. Agreement made 6/18/1970 among The City of New York, The Port of New York Authority and Battery Park City Authority, recorded on 10/29/1975 in Reel 354 Page 650.

f. Terms, Covenants, Conditions and Provisions of the Agreement made 8/4/1976 among The City of New York, Fisher Liberty Co., and The Port Authority of New York and New Jersey, recorded on 1/12/1977 in Reel 388 Page 1446.

With Respect Thereto:

(1) Amendment to Agreement dated 1/18/1971 between Fisher Liberty Co. and The City of New York, unrecorded, which is attached in the document referred to in f(2) below.

(2) Second Amendment of Agreement made 8/4/1976 between Fisher Liberty Co. and The City of New York, recorded 1/12/1977 in Reel 388 Page 1406.

g. Reciprocal Easement and Operating Agreement of the World Trade Center made by and between The Port Authority of New York and New Jersey, and 1 World Trade Center LLC, 2 World Trade Center LLC, 4 World Trade Center LLC, 5 World Trade Center LLC and Westfield WTC LLC, dated _____ and recorded _____ in Reel _____ Page _____.

2. Rights of Space Tenants under Space Leases as Tenants only.

3. The Bid Agreement, the Memoranda of Understanding, the NYPA Agreement and the PILOT Agreement.

4. Any state of facts, discrepancies or conflicts of boundary lines or tax lot lines, or encroachments, disclosed by that certain survey, dated as of November 11, 2000, as last revised on May 24, 2001, prepared by Earl B. Lovell – S.P. Belcher, Inc., and any claims related to the fact that the former beds of Greenwich Street, Fulton Street, Dey Street and Cortlandt Street east of the foundation wall, the approximate location of which foundation wall is shown on Map No. Account No. 29910 dated February 23, 1967, have not been conveyed pursuant to an instrument of record.

5. 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.

6. 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.

7. Such other matters as the Title Company shall be willing to omit as exceptions, provided such omission is at no additional cost or expense to Net Lessee and the policy of title insurance obtained by and issued to Net Lessee by its title insurer is at ordinary and customary rates without additional premium or surcharge.

8. All liens placed by Net Lessee.