Torres Rojas, Genara

From: Governor.Henderson@HoustonTX.gov
Sent: Tuesday, August 12, 2014 4:34 PM
To: Duffy, Daniel; American, Heavyn-Leigh
Cc: Torres Rojas, Genara; Van Duyne, Sheree
Subject: Freedom of Information Online Request Form

Information:

First Name: G.J.
Last Name: Henderson
Company: Houston Airport System
Mailing Address 1: 18600 Lee Rd
Mailing Address 2:
City: Humble
State: TX
Zip Code: 77338
Email Address: Governor.Henderson@HoustonTX.gov
Phone: 281-233-1091
Required copies of the records: Yes

List of specific record(s):
RFP for Gas StationMini Mart located 100 Lindburgh Road, Newark, NJ 07114 open in Sept 2010.

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

September 30, 2014

Mr or Ms. G.J. Henderson
Houston Airport System
18600 Lee Rd
Humble, TX 77338

Re: Freedom of Information Reference No. 15214

Dear Mr or Ms. Henderson:

This is in response to your August 12, 2014 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code", copy enclosed) for a copy of the RFP for the Gas Station Mini Mart located 100 Lindburgh Road, Newark, NJ 07114 open in September 2010.

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/15214-C.pdf. Paper copies of the available records are available upon request.

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

Very truly yours,

Heavyn-Leigh American
FOI Officer

Enclosure

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

THE PORT AUTHORITY OF NY & NJ

PURCHASING SERVICES DIVISION
ONE MADISON AVENUE, 7TH FL.
NEW YORK, NY 10010

REQUEST FOR PROPOSAL

TITLE: **MULTI-FUEL VEHICLE SERVICE STATION AT NEWARK LIBERTY INTERNATIONAL AIRPORT**

NUMBER:

SUBMIT PROPOSALS BEFORE THE DUE DATE AND TIME TO THE ABOVE ADDRESS

PROPOSAL DUE DATE: September 12, 2007 **TIME: 2:00 PM**

BUYER NAME: Michell Yonkler, CPPO

PHONE#: (212) 435-3952
EMAIL: myonkler@panynj.gov

1. INFORMATION FOR PROPOSERS ON THIS REQUEST FOR PROPOSALS (RFP)

A. General Information: The Port Authority of New York and New Jersey

The Port Authority of New York and New Jersey ("Port Authority" or "the Authority") is 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. The Port Authority, together with its wholly-owned subsidiaries, provides the region with integrated transportation and trade services and operates facilities in connection therewith, including, but not limited to, three major regional airports, interstate traffic through four bridges and two tunnels, a bus terminal, a bus station, the PATH rapid transit system, the Hoboken-lower Manhattan ferry service, and certain New York/New Jersey port facilities.

The Port Authority hereby invites submission of your proposal to develop and operate a modern, state-of-the-art Multi-Fuel Vehicle Service Station at Newark Liberty International Airport (EWR) as indicated in this Request for Proposals ("RFP").

B. Brief Summary of Scope of Work

The Port Authority is seeking to enter into an agreement with a qualified company to design, construct, operate, maintain and manage a modern, state-of-the-art Multi-Fuel Vehicle Service Station at Newark Liberty International Airport. Construction of the Multi-Fuel Vehicle Service Station should include sufficient fuel pumps for gasoline and diesel fuel. The Port Authority also encourages all Proposers to include: (i) the construction of one or more fuel pumps to dispense a clean burning environmentally friendly alternative fuel such as compressed natural gas, biodiesel, ethanol, hydrogen, etc. in its submission, (ii) an automated car wash, (iii) maintenance bays for automobiles, light pick-up trucks and small vans, (iv) adequate parking for disabled and towed vehicles (to accommodate at least 20 vehicles), (v) provide public restrooms, (vi) space for public telephones (the Proposer will not provide the telephone service), (vii) an air pump for inflating tires, (viii) and the non-exclusive to provide patron and emergency towing services. The Proposer's development plan and conceptual design will constitute the basis for design development and final design for implementation. Changes to the plan will not be accepted, unless agreed to by the Port Authority. The Port Authority reserves the right to approve the architect/engineer of record for the Project.

The Multi-Fuel Vehicle Service Station site is approximately a 1.5-acre site located on the westbound side of Lindbergh Road between Brewster Road and Earhart Road directly across from the Hertz and Avis rental car facilities and between the bridge and on-ramp to the Central Terminal Circulation Road. The site will address the growing demands for a modern state-of-the-art Multi-Fuel Vehicle Service Station by providing adequate parking for disabled and towed vehicles, additional fuel pumps, a carwash, space for the sale of automotive parts, accessories as well as the repairing and servicing of automobiles, light pick-up trucks and small vans.

The premises will be leased to the successful Proposer in its "as is" condition. The Port Authority has conducted an environmental subsurface baseline investigation of the site, which included a site inspection, soil borings, monitoring wells, and the collecting of soil and groundwater samples. The results of the investigation, which will be made available to the successful Proposer, disclosed minimal exceedances and relatively low contaminate concentrations that would not significantly impact the site. The Proposer will not be responsible for the levels of contamination as outlined in the baseline investigation but will otherwise be responsible for all other environmental conditions at the site that exceed the levels of contamination disclosed in the baseline investigation. The Proposer will be responsible for any contamination, which is discovered during the term of the Lease unless the Proposer can prove to the satisfaction of the Port Authority that such contamination existed on the site prior to the effective date of the Lease Agreement.

The premises will be leased for a fifteen-year term commencing upon the execution of a Lease Agreement between the Port Authority and the successful Proposer and shall, unless sooner terminated, expire on the day preceding the fifteenth anniversary of the rental payment start date. The successful Proposer may operate the Multi-Fuel Vehicle Service Station or license the same to a third party. The Proposer will be expected to achieve beneficial occupancy no later than ***6 months from execution of the Lease Agreement***.

Payment of rental under the Lease will commence no later than 180 days following the Commencement Date of the Lease.

The Port Authority will have the right to terminate the letting of the premises on 30 days' notice, at any time, without cause. In the event of such termination, the Port Authority would be obligated to reimburse to the successful Proposer its unamortized capital investment in the premises, as allowed by the Port Authority and utilizing fifteen-year straight line depreciation.

C. Deadline for Receipt of Proposals

The due date specified on the cover page is the Proposal Due Date. Closing of the due date is 2:00 P.M., Eastern Standard Time (EST). The Port Authority assumes no responsibility for delays caused by any delivery service.

D. Submission of Proposals

One reproducible original (containing original signatures and clearly designated as such) and eight (8) copies of the proposal, plus one CD, must be submitted on or before the due date and time in accordance with the information on the cover page of this RFP and sent or delivered to the address specified on the cover page. Each copy of the proposal as well as the parcel(s) used for shipping must be conspicuously marked with the Proposer's name and address along with the title of this RFP, this RFP number and the Proposal Due Date.

E. Communications Regarding this RFP

All communications concerning this RFP should be directed to the Buyer, Mr. Mitchell Yonkler, CPPO. All questions regarding this RFP should be submitted in writing and sent by e-mail to myonkler@panynj.gov no later than 3:00 PM on September 10, 2007.

Mr. Yonkler is authorized only to direct the attention of prospective Proposers to various portions of this RFP so that they may read and interpret such portions themselves.

Neither Mr. Yonkler nor any other employee of the Port Authority is authorized to interpret the provisions of this RFP or give additional information as to its requirements. If interpretation or other information is required, it will be communicated to Proposers by written addenda and such writing shall form a part of this RFP.

F. Proposal Acceptance or Rejection

Acceptance shall be only by mailing to or delivering at the office designated by the Proposer in its proposal, a notice in writing signed by an authorized representative on behalf of the Port Authority specifically stating that the proposal is accepted or by execution of an agreement covering the subject matter of this RFP signed by authorized representatives of the Port Authority and the Proposer. No other act of the Port Authority, its Commissioners, officers, agents, representatives, or employees shall constitute acceptance of a proposal. Rejection of a proposal shall be only by either (a) a notice in writing specifically stating that the proposal is not accepted, signed by an authorized representative of the Port Authority and mailed to or delivered to the Proposer at the office designated in the Proposal, or (b) omission of the Port Authority to accept the proposal within 180 days after the Proposal Due Date. No other act of the Port Authority, its Commissioners, officers, agents, representatives or employees shall constitute rejection of a proposal.

G. Pre-Proposal Site Inspections

A Site Inspection is scheduled on August 23, 2007 starting on the second (2^{nd}) floor of Building 1 at Newark Liberty International Airport at 10:00 A.M. A site inspection allows interested parties to tour and physically inspect the actual site(s) of work prior to the submission of proposals. No questions will be taken during a site inspection.

Attendance is strongly recommended. Information conveyed may be useful to Proposers in preparing their proposals and Proposers not attending assume all risks, which may ensue from non-attendance. Attendees interested in attending shall RSVP to Mr. Louis Falotico telephone (973) 961-6029 no later than 12 noon (EST) on August 20, 2007 to confirm their attendance and/or receive traveling directions.

H. Available Documents

The document(s), specified below, are attached to this RFP as Attachment D, for examination by Proposers:

- Airport Photo of Site
- Site Plan
- Metes and Bounds Description
- Utility Sector Map (A large version of this map will be available at the site inspection)

These documents were not prepared for the purpose of providing information for Proposers on this RFP but they were prepared for other purposes, such as for other leases or for design purposes for this or other leases, and they do not form a part of this RFP. The Port Authority makes no representation or guarantee as to, and shall not be responsible for, their accuracy, completeness or pertinence, and in addition, shall not be responsible for inferences or conclusions drawn there from. They are made available to Proposers merely for the purpose of providing them with such information, whether or not such information may be accurate, complete, and pertinent or of any value to Proposers.

I. Aid to Proposers

The following information and guidelines are provided to assist Proposers in preparing their proposals. The Authority makes no representations or warranties regarding the accuracy and completeness of the information contained herein.

Newark Liberty International Airport

The Port Authority of New York and New Jersey has operated EWR under a lease with the City of Newark since 1948. EWR is located in Essex and Union Counties between the New Jersey Turnpike (accessible from Exits 13A and 14), U.S. Routes 1 & 9 and Interstate 78. The airport is approximately 16 miles by highway from midtown Manhattan. EWR consists of 2,027 acres, including the 425-acre oval Central Terminal Area and provides employment for over 24,000 people. The airport has 14 miles of roadway in its Central Terminal Area providing convenient access to each of the three airline terminals and over 20,000 public and employee parking spaces. AirTrain Newark provides service 24 hours per day between Terminals A, B and C; parking lots P1, P3 and P4; the rental car complex; and the Newark Liberty International Airport Train Station (Northeast Corridor – NEC Station). EWR also generates major economic benefits by providing over 110,000 jobs and $11.3 billion in wages through on and off-airport aviation and indirectly related businesses as well as $11.3 billion annually in economic activity to the New York/New Jersey region.

In 2005, EWR welcomed over 33 million passengers, including 9.3 million international passengers and handled 35% of the region's total cargo activity moving close to 1.0 million tons in 2005. The activity for 2005 is provided for informational purposes only. The Port Authority makes no representation or guarantee that this same level of activity will occur at EWR during the term of the proposed Lease. The Port Authority shall not be responsible for the accuracy, completeness or pertinence of the activity, and in addition, shall not be responsible for inferences or conclusions drawn there from. The activity is made available to Proposers merely for the purpose of providing them with

such information, whether or not such information may be accurate, complete, and pertinent or of any value to Proposers.

The proposed Project represents a unique and challenging opportunity to develop a Multi-Fuel Vehicle Service Station in one of the nation's busiest airports. The Authority is interested in proposals that demonstrate the ability to provide all of the services, skills and capital required for construction and future operation of a new state-of-the-art Multi-Fuel Vehicle Service Station.

Rental Payments to the Port Authority
The Port Authority is seeking both a fixed and participatory rental for the project as further described herein

Fixed Rental
(a) Ground Rental
The Proposer shall pay to the Port Authority a basic annual ground rent made up of two factors, one the "Constant Factor" and the other the Airport Services/Phase 1A Factor is the "Variable Factor." The Constant Factor of the basic annual ground rent shall be $58,352 per acre (in 2007 dollars) escalated annually by one-half the Consumer Price Index or 4%, whichever is greater. The Variable Factor of the basic annual ground rent shall be approximately $94,170 per acre (in 2007 dollars). The Variable Factor shall be adjusted after the close of each calendar year based on the allocated costs of operating at EWR.

(b) Sublease Fees
Proposer will remit to the Port Authority a fee, currently 10% of the sublease rent. Port Authority consent will be required prior to any subleasing activity.

Participatory Rentals
Participatory rentals shall be proposed by the Proposer and may take the form of any or all of, but not limited to, the following:
(a) Percentage of gross receipts of revenues generated by the Proposer from the sale of gasoline, diesel, alternative fuel, motor oil, automotive supplies, tires, parts and accessories, car washes, the permitted repair, maintenance and servicing of automobiles, light pick-up trucks and small vans and towing services.
(b) The Proposer shall pay a percentage rental equivalent to % of all gross receipts.
(c) Other participatory rental arrangements as proposed by the Proposer.

Design and Construction Reviews and Approvals
The successful Proposer will be responsible for conceptual design, design development, preparation of contract documents, construction and construction management of the Project. International Building Code, New Jersey Uniform Construction Code, its bulletins and sub-codes with their Supplements and Referenced Standards, local and federal laws, other applicable codes, and Port Authority Standards (Port Authority Tenant Alteration Procedures and Standards Guide and Port Authority Construction Review Manual – available upon request) will apply to the Project. In addition, the Proposer will

be responsible, prior to the start of construction, for compliance with all Federal Aviation Administration (FAA) environmental review requirements as outlined within the National Environmental Policy Act and FAA's Environmental Handbook (5050.4A). Proposers will also be responsible for securing and complying with any other applicable environmental or other governmental permits/approvals prior to the commencement of construction.

The Port Authority will review all construction documents, drawings, specifications, and design calculations prepared by the Proposer's architects and engineers for compliance with the International Building Code, New Jersey Uniform Construction Code, its bulletins and sub-codes with their Supplements and Referenced Standards, Port Authority Standards and other applicable codes required for architectural compatibility with the airport. Any costs or risks associated with cost overruns, design errors or omissions for the Project will be borne by the successful Proposer.

The Port Authority wishes to consider all feasible approaches for the financing, construction and future operation of the new Project. The Port Authority may choose to reject any proposal that includes elements inconsistent with the goals and guidelines stated in this RFP. The Port Authority is seeking substantial capital investment by private developers in the proposed Project and is not interested in fee management arrangements without capital investment as part of this RFP.

J. Union Jurisdiction

Proposers are advised to ascertain whether any union now represented or not represented at the facility will claim jurisdiction over any aspect of the operations to be performed hereunder. The Proposer's attention is directed to the section of the attached Lease called Labor Harmony.

K. City Payroll Taxes

Proposers should be aware of the payroll tax imposed by the:

City of Newark, New Jersey for services performed in Newark, New Jersey; and

These taxes, if applicable, are the sole responsibility of the Proposer. Proposers should consult their tax advisors as to the effect, if any, of these taxes. The Port Authority provides this notice for informational purposes only and is not responsible for either the imposition or administration of such taxes.

2. SCOPE OF WORK

The Port Authority seeks to facilitate the development of a modern, state-of-the-art, twenty-four hour/seven days per week Multi-Fuel Vehicle Service Station at EWR. This Project will help to accommodate the anticipated growth in limousines, passenger vehicles, light pick-up trucks and small vans serving EWR and the surrounding off-airport area. The service station will be required to provide the following:

- The sale and delivery of gasoline, diesel fuel, alternative fuel (if dispensed) and motor oil;
- An automated car wash for the cleaning of automobiles, light pick-up trucks and small vans;
- The sale and delivery of automotive supplies, tires, parts, and accessories;
- The permitted repair (electrical and mechanical only), maintenance, and servicing of automobiles, light pick-up trucks and small vans (the repair and maintenance of large trucks and tractor trailers will be strictly prohibited);
- Adequate parking for disabled and towed vehicles (to accommodate at least 20 vehicles);
- Public restrooms;
- Space for public telephones (the Proposer will not provide the telephone service);
- An air pump for inflating tires;
- The non-exclusive privilege to provide patron and emergency towing services.

3. PROPOSER PREREQUISITES

Only Proposers who can demonstrate that they comply with the following should submit proposals, as only proposals from such Proposers will be considered:

A. The Proposer shall have had at least five (5) years of continuous experience immediately prior to the date of the submission of its proposal in the design, construction management and operation of a multi-fuel vehicle service station. The Proposer may fulfill this prerequisite if it can demonstrate that the persons or entities owning and controlling the Proposer have had a cumulative total of at least the same number of years and type of direct continuous experience immediately prior to the submission of this proposal as is required of the Proposer, or has owned and controlled other entities which meet the requirement.

B. During the aforementioned five (5) years stated in (A) above, the Proposer shall demonstrate satisfactory performance of at least 1 lease for similar services of similar scope.

4. FINANCIAL INFORMATION

The Proposer will be required to demonstrate that it is financially capable of performing its obligations under the lease resulting from this RFP ("Lease"). The determination of the Proposer's financial qualifications and ability to perform this Lease will be in the sole discretion of the Port Authority. The Proposer shall submit, with its proposal, the following:

A. (1) Certified financial statements, including applicable notes, reflecting the Proposers assets, liabilities, net worth, revenues, expenses, profit or loss and cash flow for the most recent year or the Proposer's most recent fiscal year.

(2) Where the certified financial statements in (1) above are not available, then reviewed or compiled statements from an independent accountant setting forth the aforementioned information shall be provided.

(3) Where neither certified financial statements nor financial statements from an independent accountant are available, as set forth in (1) and (2) above, then financial statements containing such information prepared directly by the Proposer may be submitted; such financial statements, however, must be accompanied by a signed copy of the Proposer's most recent federal income tax return and a statement in writing from the Proposer, signed by an executive officer or his/her designee, that such statements accurately reflect the current financial condition of the Proposer.

B. The name and address of the Proposer's banking institution, chief banking representative handling the Proposer's account, the Proposer's Federal Employer Identification Number (i.e., the number assigned to firms by the Federal Government for tax purposes), the Proposer's Dun and Bradstreet number, if any, the name of any credit service to which the Proposer furnished information and the number, if any, assigned by such service to the Proposer's account.

5. EVALUATION CRITERIA

Only those Proposers meeting the pre-requisites in paragraph three (3) above will be evaluated.

The Port Authority will perform a technical evaluation closely examining all information submitted for completeness and consistency in relation to the submission requirements herein. In determining the quality of the proposals, the Port Authority, after examining each Proposer's reputation for honesty, integrity and reliability, will consider the following factors (Items 1 through 3), listed in order of importance. Revenue to the Port Authority will also be evaluated on a best buy basis.

1. **Development Plan**
   Evaluation of the quality of the design concept and its compatibility with airport operations and surrounding areas. Consideration will also be placed on the feasibility of the design as well as the reasonableness of the development schedule and cost estimate.

2. **Management and Operations Plan**
   Evaluation of the Proposer's plan that evidences a demonstrated ability to: implement the plan; manage the project; support and maintain a first-class facility with high customer service standards; develop procedures for tracking and reporting revenues and cost; develop and implement an effective marketing strategy.

3. **Team Experience**
   Experience and qualification of the Proposer in the design, construction and operation of such facilities (both current and past) at other locations and its ability to operate such facilities in compliance with the Port Authority's requirements.

Revenue to the Port Authority: The financial aspects of the proposal concerning revenue to the Port Authority will be evaluated in order to determine the best value (or best buy) for the Port Authority. The Port Authority may or may not enter into a Lease with the highest revenue generating Proposer.

6. M/WBE SUBCONTRACTING PROVISIONS

The Port Authority of NY & NJ has a long-standing practice of making its business opportunities available to Minority Business Enterprises (MBEs) and Women-owned Businesses (WBEs) and has taken affirmative steps to encourage such firms to seek business opportunities with the Port Authority. The successful Proposer will use every good faith effort to provide for meaningful participation by Port Authority certified M/WBEs as defined in this document, in all purchasing, subcontracting and ancillary service opportunities associated with this contract, including purchase of equipment, supplies and labor services. Good faith efforts include 1) dividing the services and materials to be procured into small portions where feasible, 2) giving reasonable advance notice of specific subcontracting and purchasing opportunities to such firms as may be appropriate, 3) soliciting services and materials from M/WBEs, which may be certified by the Port Authority and 4) insuring that provision is made for timely progress payments to the M/WBEs.

The Port Authority has a list of certified M/WBE firms, which are available to Proposers at their request. The Port Authority makes no representation as to the qualifications and ability of these firms to perform under this contract. The Proposer may use firms, which are not on the list but will be required to submit, to the Port Authority's Small Business Programs (SBP) for certification, the names of M/WBE firms it proposes to use. Only Port Authority certified M/WBE firms may be considered to meet the goals. For inquiries and assistance, please contact SBP at (212) 435-7819.

To the maximum extent feasible and consistent with the Proposer's exercise of good business judgment, the Proposer shall make a good faith effort to include 12% participation by MBE's and 5% participation by WBE's in all procurement, subcontracting and ancillary service opportunities associated with this contract. The Proposer shall submit an M/WBE Participation Plan, (Plan) which shall be evaluated and rated for this procurement. The Plan shall consist of the following:

- Previous M/WBE Participation: Describe any previous or current M/WBE participation, which the Proposer has sponsored.

- Scope of Work: Describe the specific scope of work the M/WBE's will perform.

- Identification of M/WBE's: Provide the name and address of any M/WBE included in the Plan. If none are identified, describe the process for selecting participant firms.

- Level of Participation: Indicate the percentage of M/WBE participation expected to be achieved with the arrangement described in the Plan. Participation percentages shall be monitored throughout the performance of the agreement

7. PROPOSAL SUBMISSION REQUIREMENTS

In order to expedite the Proposal evaluation, the Proposer's response to this RFP should follow the format and order of items, using the same paragraph identifiers, with the Table of Contents sections labeled and numbered as set forth below.

A. Letter of Transmittal

The Proposer should submit a letter on its letterhead, signed by an authorized representative, stating its experience and qualifications in meeting the requirements of this RFP. This letter shall include a statement on whether the Proposer is submitting a proposal as a single entity or a joint venture. In all cases, information required for a single entity is required for each participant in a joint venture.

The Letter of Transmittal shall contain:

(1) Name and address of the Proposer and an original signature on the Letter of Transmittal by an authorized representative on behalf of the Proposer;

(2) Name(s), title(s), and telephone number(s) of the individual(s) who are authorized to negotiate and execute the Lease;

(3) Name, title and telephone number of a contact person to which the Port Authority can address questions or issues related to the RFP;

(4) Name and address of proposed subcontractors, if any;

(5) If a corporation: (a) statement of the names and residences of its officers, and (b) a copy of its Certificate of Incorporation with a written declaration thereto, that the copy furnished is a true copy of the Certificate of Incorporation as of the date of the opening of the Proposals;

If a partnership or a limited liability company: a statement of the names and residences of its principal partners, members, officers or managers indicating which are general and which are special or limited partners or members;

If an individual: a statement of residence;

If a joint venture: information on each of the parties consistent with the information requested above;

Identify any letter submitted by the Proposer, which contains exceptions to the Form of Lease in accordance with section "H" of this RFP entitled "Acceptance of Lease Terms and Conditions".

Identify all subcontractors and their roles.

Identify all non-conformance with technical specifications and your requested substitutions

B. Executive Summary

The Proposer should submit a summary presenting the major features of its proposal and how the proposal satisfies the requirements contained in this RFP, as well as the special competencies and expertise of the Proposer to meet the requirements of this RFP.

C. Agreement on Terms of Discussion Form

The Proposer shall submit a copy of the "Agreement on Terms of Discussion," signed by an authorized representative of the Proposer. The Agreement format is included as Attachment A and shall be submitted by the Proposer without any alterations or deviations. Any Proposer who fails to sign the Port Authority's "Agreement on Terms of Discussion" will not have its proposal reviewed. If the Proposer is a joint venture, an authorized representative of each party must sign the Agreement.

D. Certifications with Respect to the Proposer's Integrity Provisions

The Proposer, by signing the Letter of Transmittal, makes the certifications in the "Proposer's Integrity Provisions" If the Proposer cannot make any such certifications it shall enclose an explanation of that inability.

E. Documentation of Proposer Prerequisites

The Proposer shall submit documentation to demonstrate that it meets all prerequisites.

F. Form and Submission of Proposals

Proposers must submit all requested information. Proposals must be submitted in accordance with the criteria and guidelines contained in the documents that comprise this RFP. Assumptions used in any plans and supporting analysis must be clearly noted. Proposers are encouraged to include any additional information that would assist the Port Authority in understanding and evaluating the Proposer's capabilities and proposal including any events, issues or processes related to the project (including events to which the Port Authority would not necessarily be a party) that the Proposer feels must occur, be resolved, or be completed, before making a full commitment to undertaking the Project through execution of a Lease Agreement.

1. Development Plan

Submit a complete development plan based on the site. The proposed plan must include complete graphics and narrative to fully describe the conceptual design of the Multi-Fuel Vehicle Service Station and development of the site. The site plan should be drawn to one-twentieth scale and all other plans if necessary to one-eighth scale.

The required elements of the submission include:

a. Graphics

i) Preliminary power distribution and communication system requirements; Site Plan (indicating gasoline, diesel and alternative fuel pumps, maintenance bays and vehicular parking area, site lighting, utilities, proposed site ingress and egress, etc.);
ii) Landscaping Plan (may be incorporated in the Site Plan);
iii) Sections and Elevations;
iv) Renderings.

b. Development Cost Estimate

Proposers must provide a development cost estimate that includes all hard and soft costs required to complete the project in the format indicated in Attachment B – Project Cost Estimate Proposal Form – A. Project Capital Investment Schedule.

c. Development Schedule and Construction Phasing

Include a proposed design and construction schedule and phasing plan in sufficient detail to demonstrate your approach to implementing the project. This development schedule must indicate all major activities, milestones, and dependencies necessary to complete the project. Development priorities should be identified and projected development time frames should be indicated in presenting the overall concept.

d. Financing Plan

i) Identify the lead firm or firms for your team in developing and implementing your financial plan for the Project. Briefly, describe the role each such firm would play.

ii) Respond to all of the following items in describing your proposed plan for financing the Project:

(a) Identify each type of funding source you would expect to be available for the Project and, based on your current knowledge of the project, the estimated amount of each that

would be needed. Be precise in your descriptions; for example, if you expect to issue several different types of debt, provide a description of each and the estimated amount of each;

(b) Indicate the financial commitment your team is prepared to make to the Project, and the form of the commitment;

(c) Provide an overall "sources and uses of funds" table for the construction period of the Project which contains the types of funding sources identified above, and show how such funds would be applied to the various Project and financing-related costs.

(d) Provide a schedule clearly demonstrating that sufficient funds will always be available to meet the ongoing construction and other financial requirements of the Project.

iii) Describe the security structure you would propose to develop to support the issuance of any debt or equity securities for the Project:

(a) Describe the "flow of funds" you would propose for the application of revenues derived from the Project to the various payment obligations related to the Project. Please also provide a tabular summary of the flow of funds;

(b) Describe any legal arrangements or covenants you feel would be necessary to support your plan for financing the Project. Indicate whether or not your plan would be viable and whether you would still be willing to proceed with the Project if you were not able to complete such arrangements.

2. Management and Operations Plan

Proposers should identify how they would provide the management, operation and general maintenance for the facility. The Plan should identify measures that will be employed to operate the facility in a manner that minimizes harmful environmental impacts. In addition, the Proposer should identify any significant energy use required as part of the Plan.

Describe the proposed role of each of the Proposer teams' members in the management of each phase of the Project, including planning, design, implementation and operation. The Proposer should clearly indicate the level of management responsibility proposed in the development, management and operation of the Multi-Fuel Vehicle Service Station.

The Proposer must include a detailed narrative description of the management methods and practices that will be used to complete and manage the proposed development. This should include design, construction, a description of the marketing strategies, administration including staffing (including MBE/WBE

compliance) and on site requirements, and a demonstration of how and why such methods and practices would be appropriate and effective.

a. Team Members and Organizational Structure

i) Indicate the form of organization of the entity or proposed entity that would be the party to an agreement with the Port Authority. If the entity is a subsidiary of, or otherwise affiliated with, another organization the Proposer shall indicate such relationships. Indicate the state under whose laws the entity is organized.

ii) Identify all participants in the team and their respective roles, including design, construction, marketing, management, operations, maintenance, legal, and financial firms or individuals, as well as investors and lending institutions.

iii) Submit an organization chart showing all team members, the reporting relationships, the responsibility of each team member, and the proposed interrelationships of the team with the Port Authority during the design, construction, and operation and maintenance of the Project.

3. Team Experience

a. Provide information on all firms on the team, including company profiles, individual resumes of key personnel who would be assigned to this Project, and descriptions of relevant experience. Your submission should include the most recently filed Securities and Exchange Commission (SEC) documents and/or audited financial statements (balance sheet and income statement) for each firm on your team.

b. All principal members of the development team should list the entities that have previously provided substantial project financing to them, including individuals (with title and phone number) who can serve as credit references. Each firm on the submission team must also provide the names and addresses of their primary banking institutions.

c. Provide information that demonstrates the experience and successful track record of the Proposer's team in developing, managing and operating comparable Service Station. Provide existing airport or other major Service Stations projects currently under management including measures used to evaluate performance. Each team should identify appropriate references.

4. Revenue to the Port Authority

The Port Authority expects to receive the following types of payments from the Proposer: 1) ground rent (including the Constant Factor and the Variable Factor, 2) sublease rental fees, if applicable, currently 10% of the sublease rent, and 3) participatory rentals. With respect to such payments of rentals, please provide a delineation and detailed explanation of any and all forms of payments.

a. Indicate where the different types of payments described in the prior paragraph would come in the "flow of funds" priority described in your response to Item F.1.d.iii(a) above. Please note the payments listed above must be made to the Port Authority on a monthly basis. You may reference the table contained in your response to Item F.1.d.iii(a) if you wish.

b. For any proposed payments to the Port Authority that are generated from ongoing operations of the new Multi-Fuel Vehicle Service Station, describe the mechanisms and procedures your team would employ to assure that they are calculated accurately and made on a timely basis. What types of reports will be provided to the Port Authority, and how frequently will they be prepared? What types of electronic data and records will be maintained? How will your systems be designed to accommodate audits by the Port Authority on either a periodic or "spot check" basis?

c. Develop detailed pro forma financial projections, beginning at the estimated Date of Beneficial Occupancy (DBO). Any financial measures provided should be calculated based on this period. These projections should reflect your proposed plan for financing the project and your proposed business arrangement with the Port Authority for operating the facility. Your projections should include the following information for all years:

   i) All revenues
   ii) All operating and maintenance expenses
   iii) Sublease rentals (if any)
   iv) Port Authority ground rent (include the Adjusted Factor and Airport Services/Phase 1A Factor)
   v) Participatory rentals
   vi) Debt service payments on any bonds issued to finance the project and/or any other financial obligation payments
   vii) Reserve for replacements of fixed assets
   viii) Any capital improvements

   You must include a financial pro forma. At a minimum, it should include all line items of the suggested format in Attachment B – Cost Proposal Form – B. Format for Project Cash Flow Pro Forma – Multi-Fuel Vehicle Service Station 15 Project Cash Flow. All pro formas should be provided in hard copy and on diskette in Excel 2000 or compatible files.

G. Acknowledgment of Addenda

If any Addenda are sent as part of this RFP, the Proposer shall complete, sign and include with its Proposal the addenda form(s). In the event any Proposer fails to conform to these instructions, its proposal will nevertheless be construed as though the Addenda had been acknowledged.

H. Acceptance of Lease Terms and Conditions

The Port Authority has attached to this RFP, as Attachment E, the Lease Agreement. The Proposer is expected to agree with the Lease Provisions. However, if the Proposer has any specific exceptions, such exceptions must be set forth in a separate letter which should be identified in the Proposer's Letter of Transmittal. Proposers shall be precluded from raising such issues at a later time.

8. CONDITIONS FOR THE SUBMISSION OF A PROPOSAL

In addition to all other requirements of this RFP, the Proposer agrees to the following conditions for the submission of its Proposal:

A. Changes to this RFP

At any time, in its sole discretion, the Port Authority may by written addenda, modify, correct, amend, cancel and/or reissue this RFP. If an addendum is issued prior to the date Proposals are due, it will be provided to all parties on the Port Authority website. If an addendum is issued after proposals have been received, the addendum will be provided only to those whose Proposals remain under consideration at such time.

B. Proposal Preparation Costs

The Port Authority shall not be liable for any costs incurred by the Proposer in the preparation, submittal, presentation, or revision of its proposal, or in any other aspect of the Proposers pre-agreement activity. No Proposer is entitled to any compensation except under an agreement for performance of services signed by an authorized representative of the Port Authority and the Proposer.

C. Disclosure of Proposal Contents / Use of Ideas and Materials

Proposal information is not generally considered confidential or proprietary. All information contained in the proposal is subject to the "Agreement on Terms of Discussion" attached hereto as Attachment A.

D. Ownership of Submitted Materials

All materials submitted in response to or in connection with this RFP shall become the property of the Port Authority. Selection or rejection of a Proposal shall not affect this right.

E. Contractors and Subcontractors

If a Proposer intends to use contractors and subcontractor(s) the Proposer must identify in its proposal the names of the contractors and subcontractor(s) and the portions of the work contractors and the subcontractor(s) will perform.

F. Conflict of Interest

If the Proposer or any employee, agent or subcontractor of the Proposer may have a possible conflict of interest, or may give the appearance of a possible conflict of interest, the Proposer shall include in its proposal a statement indicating the nature of the conflict. The Port Authority reserves the right to disqualify the Proposer if, in its sole discretion, any interest disclosed from any source could create a conflict of interest or give the appearance of a conflict of interest. The Port Authority's determination regarding any questions of conflict of interest shall be final.

G. Authorized Signature

Proposals must be signed by an authorized corporate officer (e.g., President or Vice President), General Partner, or such other individual authorized to bind the Proposer to the provisions of its Proposal and this RFP.

H. References

The Port Authority reserves the right to contact references, to obtain relevant information from other outside sources, and to consider any such information received. The Port Authority may consult any reference familiar with the Proposer regarding its current or prior operations and projects, financial resources, reputation, performance, or other matters. Submission of a proposal shall constitute permission by the Proposer for the Port Authority to make such inquiries and authorization to third parties to respond thereto.

I. Evaluation Procedures and Negotiation

Only Proposers that meet the prerequisites, if any, may have their Proposals evaluated based on the evaluation criteria set forth in this RFP. The Port Authority may use such procedures that it deems appropriate to evaluate such Proposals. The Port Authority may elect to initiate lease negotiations with one or more Proposers including negotiation of costs/price(s) and any other term or condition, including modifying any requirement of this RFP. The option of whether or not to initiate lease negotiations rests solely with the Port Authority.

J. Taxes and Costs

Sales to the Port Authority are currently exempt from New York and New Jersey State and local sales and compensating use taxes and generally from federal taxation. All costs associated with the Contract must reflect this exemption and be stated in U.S currency.

K. Most Advantageous Proposal/No Obligation to Award

The Port Authority reserves the right to award the Lease to other than the Proposer proposing the lowest price. The Lease will be awarded to the Proposer whose Proposal the Port Authority believes, in its sole discretion, will be the most advantageous to the Port Authority. Neither the release of this RFP nor the acceptance of any response thereto shall compel the Port Authority to accept any proposal. The Port Authority shall not be obligated in any manner whatsoever to any Proposer until a Proposal is accepted by the Port Authority in the manner provided in the Section of this RFP entitled "Proposal Acceptance or Rejection."

L. Omitted

M. Omitted

N. Rights of the Port Authority

(1) The Port Authority reserves all its rights at law and in equity with respect to this RFP including but not limited to the unqualified right, at any time and in its sole discretion, to change or modify this RFP, to reject any and all proposals, to waive defects or irregularities in Proposals received, to seek clarification of proposals, to request additional information, to request any or all Proposers to make a presentation, to undertake discussions and modifications with one or more Proposers, or to negotiate an agreement with any Proposer or third person who, at any time, subsequent to the deadline for submissions to this RFP, may express an interest in the subject matter hereof, to terminate further participation in the Proposal process by a Proposer or to proceed with any Proposal or modified Proposal, which in its judgment will, under all circumstances, best serve the Port Authority's interest. The Port Authority may, but shall not be obliged to, consider incomplete Proposals or to request or accept additional material or information. The holding of any discussions with any Proposer shall not constitute acceptance of a Proposal, and a Proposal may be accepted with or without discussions.

(2) No Proposer shall have any rights against the Port Authority arising from the contents of this RFP, the receipt of Proposals, or the incorporation in or rejection of information contained in any Proposal or in any other document. The Port Authority makes no representations, warranties, or guarantees that the information contained herein, or in any addenda hereto, is accurate, complete, or timely or that such information accurately represents the conditions that would be encountered during the performance of the agreement. The furnishing of such information by the Port Authority shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever and each Proposer, by submitting its proposal, expressly agrees that it has not relied upon the

foregoing information, and that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever. Accordingly, nothing contained herein and no representation, statement or promise, of the Port Authority, its directors, officers, agents, representatives, or employees, oral or in writing, shall impair or limit the effect of the warranties of the Proposer required by this RFP or Lease and the Proposer agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

(3) At any time and from time to time after the opening of the Proposals, the Port Authority may give oral or written notice to one or more Proposers to furnish additional information relating to its proposal and/or qualifications to perform the services contained in this RFP, or to meet with designated representatives of the Port Authority. The giving of such notice shall not be construed as an acceptance of a Proposal. Information shall be submitted within three (3) calendar days after the Port Authority's request unless a shorter or longer time is specified therein.

O. No Personal Liability

Neither the Commissioners of the Port Authority, nor any of them, nor any officer, agent or employee thereof shall be charged personally with any liability by a Proposer or another or held liable to a Proposer or another under any term or provision of this RFP or any statements made herein or because of the submission or attempted submission of a Proposal or other response hereto or otherwise.

ATTACHMENT A

AGREEMENT ON TERMS OF DISCUSSION

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

_____

(Company)

_____

(Signature)

_____

(Title)

_____

(Date)

ATTACHMENT B

PROJECT COST ESTIMATE PROPOSAL FORM

A. Project Capital Investment Schedule

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

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

	Total $		% of Project Total
Total Building			

Total Site Related			
Subtotal Construction			
Planning, Design & Engineering			
General/Administration			
Marketing/Leasing			
Financing			
Other (define)			
Subtotal			
Total Project			

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

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

ATTACHMENT C

PROPOSER REFERENCE FORM

Name of Proposer:_____

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

Include the following information for each reference:

Customer Name:
Address:

Contact Name and Title:
Phone and Fax Numbers of Contact:
Lease date(s):
Lease cost:
Description of work:

Customer Name:
Address:

Contact Name and Title:
Phone and Fax Numbers of Contact:
Lease date(s):
Lease cost:
Description of work:

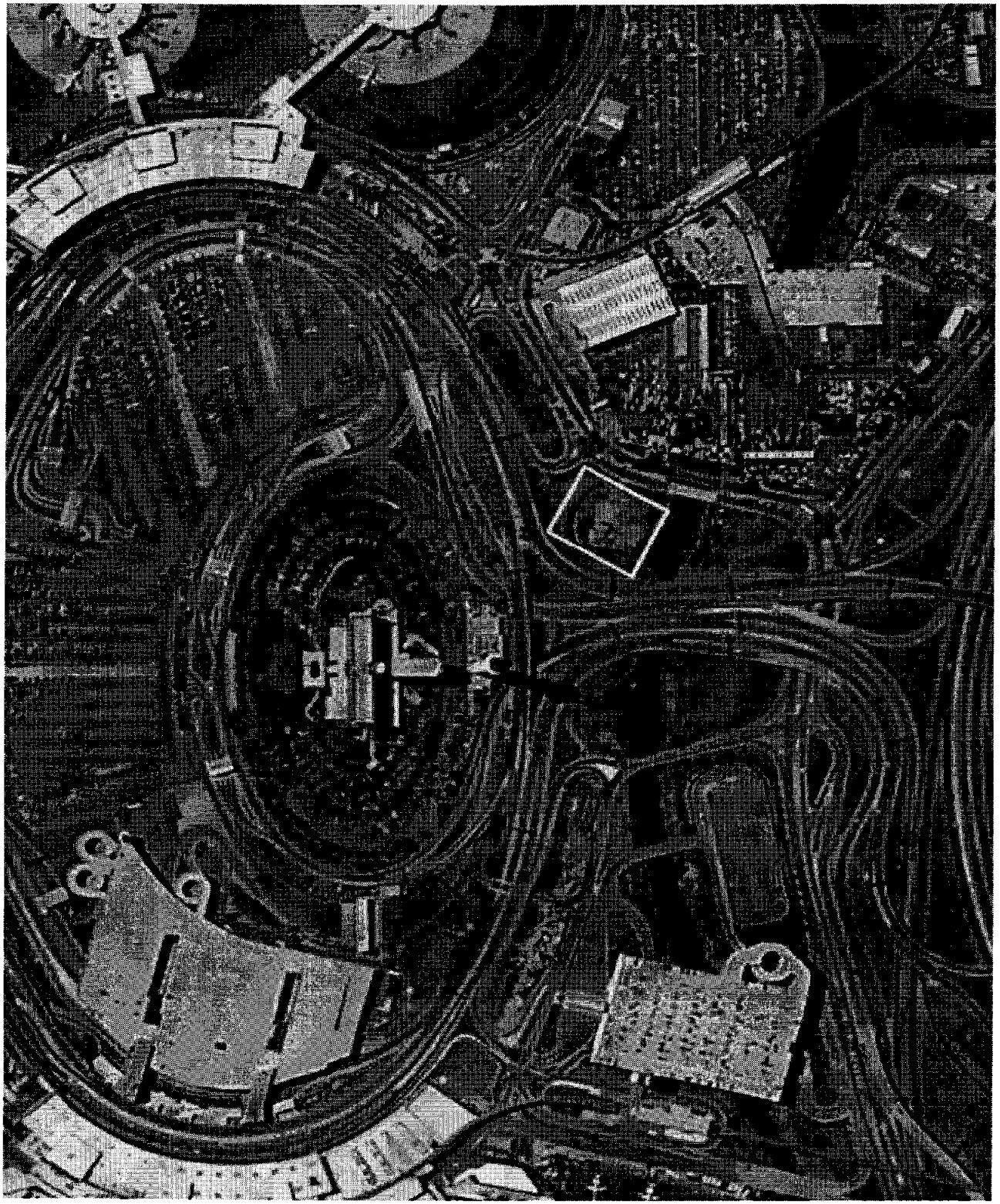
Customer Name:
Address:

Contact Name and Title:
Phone and Fax Numbers of Contact:
Lease date(s):
Lease cost:
Description of work:

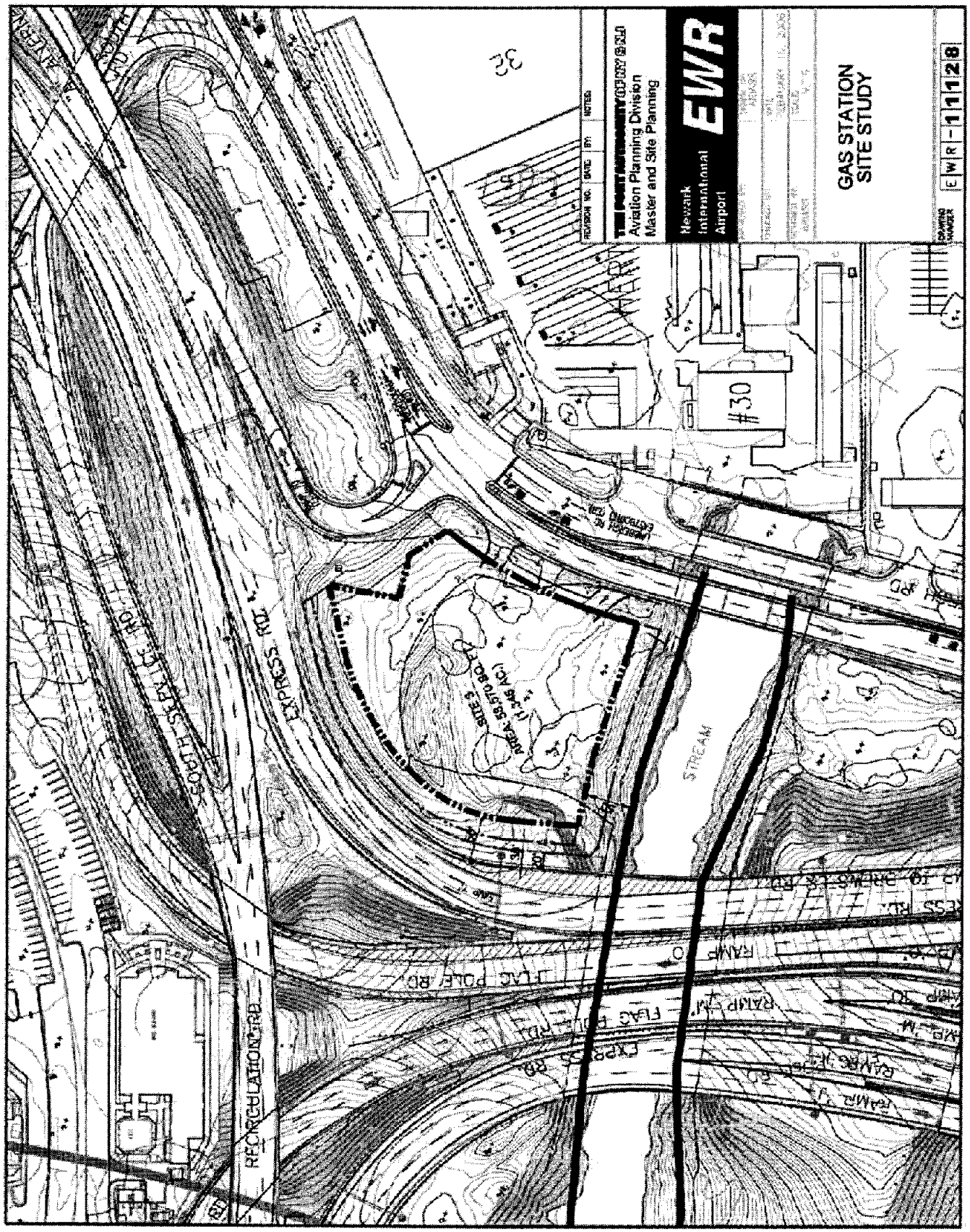
ATTACHMENT D

EXHIBITS

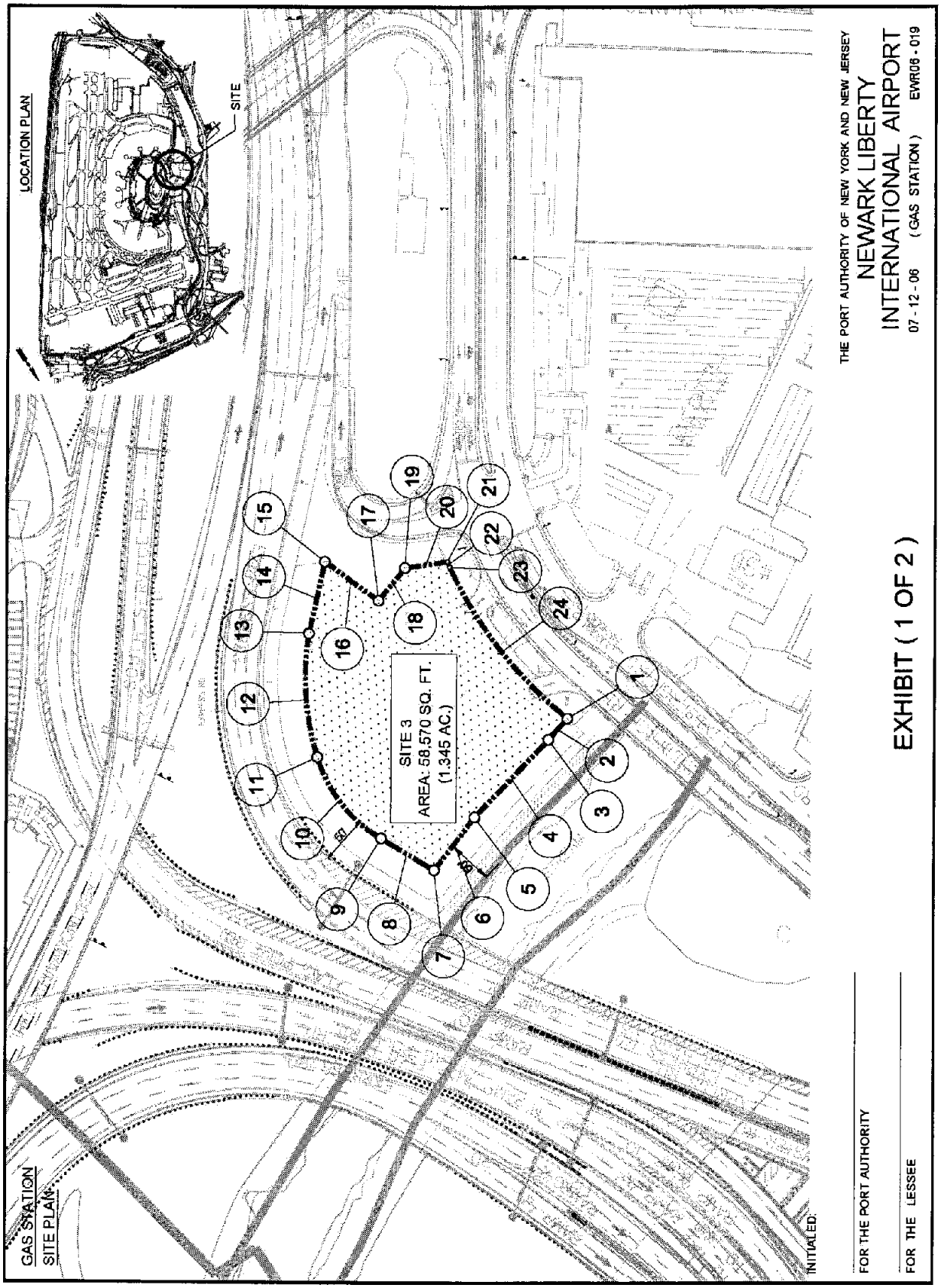
I. Airport Photo of Site



II. Site Plan


GAS STATION
SITE STUDY
EWR-11128
Newark International Airport
EWR
Aviation Planning Division
Master and Site Planning
#30
EXPRESS RD
RECIRCULATION RD
SOUTH SERVICE RD
FLAG POLE RD
STREAM
RAMP

III. Metes and Bounds Description



III. Metes and Bounds Description

DATA TABLE
(BEARINGS, COORDINATES, DISTANCES, RADIUS)

1	S 677,309.193 E 2,133,400.684	13	S 677,217.892 E 2,133,680.756
2	S 47°45' 14.00" E 30.563'	14	N 77°34' 04.00" W 79.219'
3	S 677,331.818 E 2,133,421.233	15	S 677,140.531 E 2,133,683.701
4	S 46°25' 08.00" E 115.169'	16	N 35°37' 32.00" E 71.753'
5	S 677,415.247 E 2,133,500.628	17	S 677,182.326 E 2,133,605.378
6	S 52°31' 11.00" E 71.961'	18	N 51°15' 13.00" W 45.381'
7	S 677,472.352 E 2,133,544.415	19	S 677,146.932 E 2,133,576.974
8	S 30°50' 16.00" W 66.769'	20	N 08°20' 08.00" W 46.187'
9	S 677,438.126 E 2,133,601.744	21	S 677,140.236 E 2,133,576.974
10	L = 114.120' R = 151.255' Δ = 43°13' 45.00" CC = S 677,306.965 E 2,133,526.412	22	N 65°12' 03.00" E 06.344'
		23	S 677,145.995 E 2,133,528.614
11	S 677,350.935 E 2,133,671.135	24	L = 209.164' R = 459.628' Δ = 26°04' 25.00" CC = S 676,951.342 E 2,133,112.239
12	L = 134.633' R = 285.660' Δ = 27°00' 14.00" CC = S 677,264.379 E 2,133,398.904		

NOTE:
COORDINATES, EXPRESSED IN FEET, AND BEARING REFER TO THE GRID SYSTEM OF THE NEWARK, NEW JERSEY TOPOGRAPHICAL BUREAU.

INITIALED:

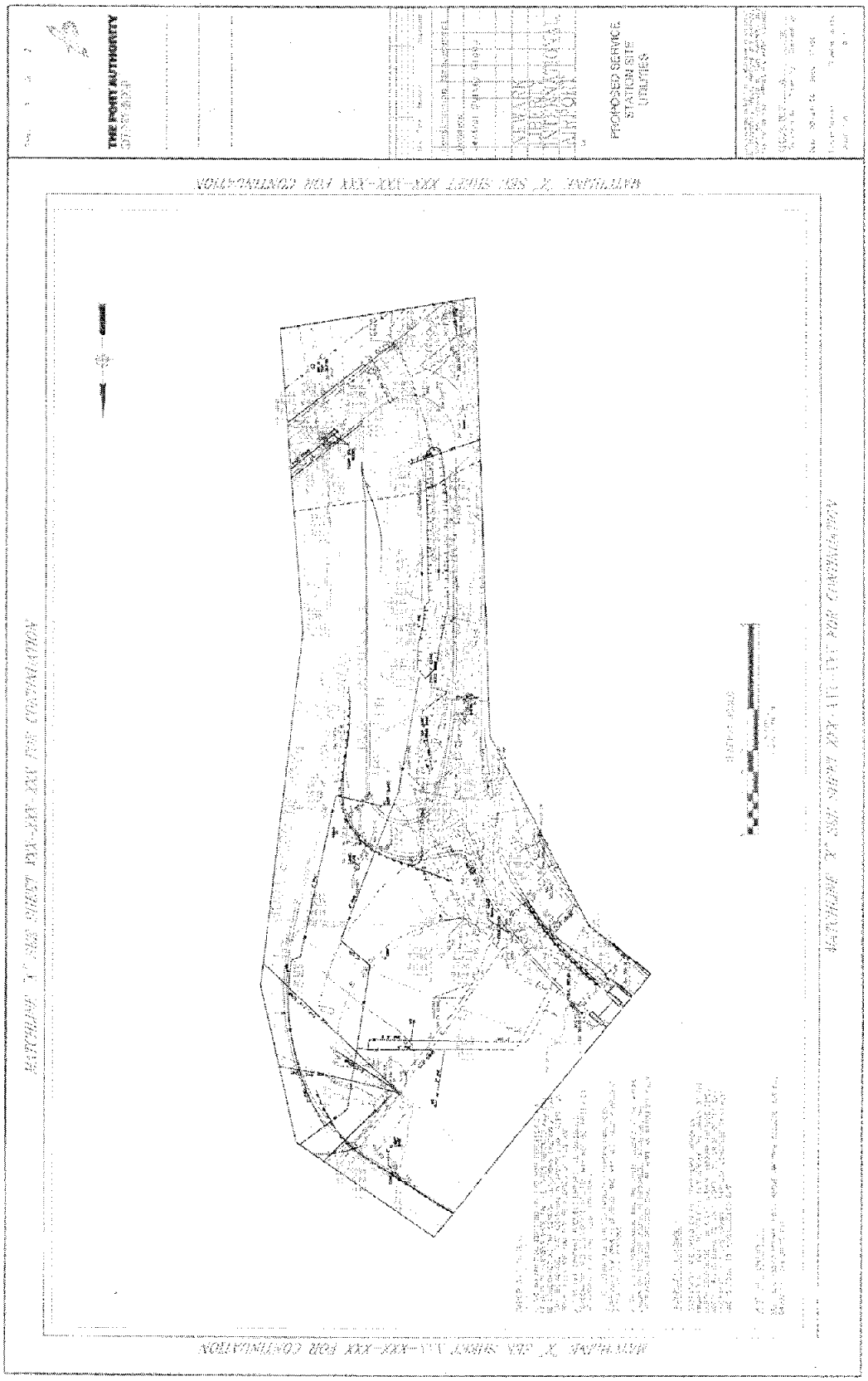
FOR THE PORT AUTHORITY

FOR THE LESSEE

EXHIBIT (2 OF 2)

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
NEWARK LIBERTY
INTERNATIONAL AIRPORT
07 - 12 - 06 (GAS STATION) EWR06 - 019

IV. Utility Sector Map



ATTACHMENT E

LEASE

TABLE OF CONTENTS

Section 1.	Letting	1
Section 2.	Term	2
Section 3.	Rights of User	2
Section 4.	Rental	3
Section 5.	Condition of the Premises	7
Section 6.	Construction by the Lessee	8
Section 7.	Ingress and Egress	20
Section 8.	Compliance with Governmental Requirements	21
Section 9.	Rules and Regulations	22
Section 10.	Various Obligations of the Lessee	22
Section 11.	Prohibited Acts	25
Section 12.	Care, Maintenance, Rebuilding and Repair by the Lessee	28
Section 13.	Insurance	30
Section 14.	Damage to or Destruction of Premises	31
Section 15.	Indemnity and Liability Insurance	32
Section 16.	Signs	35
Section 17.	Obstruction Lights	35
Section 18.	Additional Rent and Charges	35
Section 19.	Rights of Entry Reserved	36
Section 20.	Condemnation	37

Section 21. Assignment and Sublease 41

Section 22. Termination 41

Section 23. Right of Re-entry 43

Section 24. Waiver of Redemption 44

Section 25. Survival of the Obligations of the Lessee 44

Section 26. Reletting by the Port Authority 46

Section 27. Remedies to be Non-Exclusive 46

Section 28. Surrender 46

Section 29. Acceptance of Surrender of Lease 47

Section 30. Effect of Basic Lease 47

Section 31. Removal of Property 47

Section 32. Brokerage 48

Section 33. Limitation of Rights and Privileges Granted 48

Section 34. Notices 48

Section 35. Other Construction by the Lessee 49

Section 36. Place of Payments 49

Section 37. Additional Construction Work 49

Section 38. Construction and Application of Terms 50

Section 39. Non-liability of Individuals 50

Section 40. Non-Discrimination 50

Section 41. Affirmative Action 51

Section 42. The Lessee's Additional Ongoing Affirmative Action - Equal Opportunity Commitment 52

Section 43. Quiet Enjoyment 54

Section 44. Infringement 54

Section 45. Late Charges 54

Section 46. Obligations In Connection with the Variable Rental 55

Section 47. Towing and Emergency Services to be performed by the Lessee 56

Section 48. Sales and Services by the Lessee 63

Section 49. Postponement 65

Section 50. Services 65

Section 51. Utility Lines 67

Section 52. Relationship of the Parties 67

Section 53. Definitions 68

Section 54. Storage Tanks 71

Section 55. Federal Airport Aid 73

Section 56. Lessee's Rights Non-Exclusive 74

Section 57. Thirty Day Termination 74

Section 58. Force Majeure 76

Section 59. Environmental Compliance 76

Section 60. Security Deposit 77

Section 61. Books and Records 79

Section 62. Other Agreements 79

Section 63. Operating Names 79

Section 64. Space Licenses 80

Section 65. Certain Environmental Testing and Clean-up Obligations 82

Section 66. Entire Agreement 82

Exhibits A and Z
Schedules A, E and X

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

Port Authority Lease No.

AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE, made effective as of the __ day of, , 2007 by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority"), a body corporate and politic established by Compact between the States of New York and New Jersey with the consent of the Congress of the United States of America and having an office at 225 Park Avenue South, in the Borough of Manhattan, in the City, County and State of New York 10003, and _____ (hereinafter called "the Lessee"), a corporation of the State of _____, having an office and place of business at , whose representative is _____,

WITNESSETH, That:

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

Section 1. Letting

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

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

Section 2. Term

The term of the letting under this Agreement shall commence on ___ 1, 2007 (the "Commencement Date") and shall, unless sooner terminated, expire on the day preceding the fifteenth (15th) anniversary of the Rental Payment Start Date as defined in Section 4 of the Lease (the "Expiration Date").

Section 3. Rights of User

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

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

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

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

(iv) The sale and delivery of motor oil;

(v) An automated car wash for the cleaning of automobiles, light pick-up trucks and small vans;

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

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

(viii) Parking for disabled and towed vehicles (to accommodate at least 20 vehicles);

(ix) Public restrooms;

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

(xi) An air pump for inflating tires;

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

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

Section 4. Rental

A. Rental Obligation

(1) The Constant Factor of the Annual Ground Rental

(a) The Lessee agrees to pay to the Port Authority for the period from the Rental Payment Start Date, as hereinafter defined, and continuing through the balance of the term of the letting hereunder , both dates inclusive, a Ground Rental for the premises at the annual rate of Two Hundred Five Thousand One Hundred Forty Three Dollars and No Cents ($205,143.00). The aforesaid annual Ground Rental is made up of two factors, one a constant factor in the amount of Seventy Eight Thousand Four Hundred Eight Four Dollars and No Cents ($78,484.00) and the other a variable factor in the amount of One Hundred Twenty Six Thousand Six Hundred Fifty Nine Dollars and No Cents ($126,659.00). The constant factor is subject to escalation and adjustment as provided in subparagraph (b) of this Section 4. . The variable factor aforesaid represents the Airport Services portion of the rental, is hereinafter referred to as "the Airport Services Factor" and is subject to adjustment as provided in subparagraph (c) below. The Lessee shall pay the said annual Ground Rental, in advance, in equal monthly installments on the Rental Payment Start Date and on the first day of each and every month thereafter occurring during such period, provided, however, that, if the Rental Payment Start Date occurs on a day which is other than the first day of a month, the Ground Rental for the portion of the month during which the Rental Payment Start Date occurs following such date shall be the amount of the monthly installment prorated on a daily basis using the actual number of days in the said month.

(b) CPI Adjustments:

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

(1) "CPI" or "Consumer Price Index" shall mean the Consumer Price Index for all Urban Consumers, New York-Northern New Jersey, Long Island, NY- NJ-CT, (All Items

unadjusted 1982-84=100) published by the Bureau of Labor Statistics of the United States Department of Labor.

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

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

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

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

2. The Airport Services Factor of the Annual Ground Rental

(a) The Lessee shall pay to the Port Authority on account of the Airport Services Factor of the annual Ground Rental the amount of One Hundred Twenty Six

Thousand Six Hundred Fifty Nine Dollars and No Cents ($126,659.00). After the close of calendar year and thereafter for each and every calendar year through the term of the letting, the Airport Services Factor shall be adjusted, upwards or downwards, in accordance with the provisions of Schedule A attached hereto and hereby made a part hereof. The constant factor of the Ground Rental shall adjust in accordance with paragraph (1)(b) of this Section (4).

(b) The Lessee understands and agrees that while the term of the Lease shall expire in 2022, the final Airport Services Factor for 2022 may not be determined for some months after the expiration and that the Lessee's obligations to pay any deficiency in the rental for the year 2021 and the applicable portion of 2022 or the Port Authority's obligation to pay a refund in said rental resulting from the determination of the final Airport Services Factor for the years 2021 and 2022 shall survive such expiration of the Lessee and shall remain in full force and effect until such deficiency or refund, if any, is paid. The Lessee hereby specifically acknowledges that neither the survival of the obligation with respect to any such deficiency or refund nor any other provision of this Agreement shall grant or shall be deemed to grant any rights whatsoever to the Lessee to have the term of the Lease extended for any period beyond the Expiration Date

(c) If the letting hereunder shall terminate on a day other than the last day of a calendar month, the installment of Ground Rental payable on the first day of the calendar month in which the effective date of termination shall occur shall be an amount equal to the amount of the applicable installment described in this Section multiplied by a fraction the numerator of which shall be the number of days from the first day of the calendar month in which the effective date of termination shall occur to the effective date of termination, both dates inclusive, and the denominator of which shall be the full number of days in that calendar month. If the monthly installment due on the first day of that month has not been paid the Lessee shall pay the prorated part of the amount of that installment; if the monthly installment has been paid, then the excess thereof shall be credited to the Lessee's obligations.

3. Percentage Rental

(a) The Lessee agrees to pay to the Port Authority an annual percentage rental equivalent to ____ percent (%) (TO BE SUBMITTED BY THE SUCCESSFUL PROPOSER) of all the gross receipts of the Lessee arising during each annual period, as hereinafter defined.

(b) The computation of the annual percentage rental for each annual period or a portion of an annual period as hereinafter provided shall be individual to such annual period or such portion of an annual period and without relation to any other annual period or portion of an annual period.

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

4. As used herein:

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

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

(i) the one hundred eightieth (180) day following the Commencement Date, as defined in Section 2 of this Agreement, or

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

The Lessee recognizes that the occurrence of the Commencement Date shall not be deemed to authorize the Lessee to commence any work in the premises unless the Port Authority's final approval of the Alteration Application and plans and specifications referred to in Section 6 hereof have been obtained by the Lessee. The Lessee further recognizes that its obligation to pay basic rental shall commence on the Rental Payment Start Date established pursuant to subparagraph (b) of this Section whether or not the Lessee is conducting public operations in the premises on such date.

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

first day of the first full calendar month following the month in which the Rental Payment Start Date occurs.

B. Time of Payment and Computation of Amounts

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

(2) The Lessee shall pay the percentage rental as follows: on the 20th day of the first month following the Rental Payment Start Date and on the 20th day of each and every month thereafter the Lessee shall render to the Port Authority a sworn statement showing (i) all of its gross receipts for the preceding month arising out of all its operations in the premises and separately showing the gross receipts for subdivisions (i) through (xii) in Section 3. At such time, the Lessee shall pay an amount to the Port Authority equivalent to the sum of the (applicable, if more than one) percentage amount multiplied by the gross receipts arising in each of the aforesaid categories. Upon request of the Port Authority at any time and from time to time, such statements shall be certified by an independent certified public accountant at the Lessee's expense.

(3) Upon any termination of the letting hereunder (even if stated to have the same effect as expiration), the Lessee shall, within twenty (20) days after the effective date of such termination, make a payment of rental computed as follows: first, if the letting hereunder is terminated effective on a date other than the last day of a calendar month, the basic rental for the portion of that month in which the letting remains effective shall be the amount of the monthly installment of basic rental prorated on a daily basis using the actual number of days in the month, and, if the monthly installment due on the first day of that month has not been paid, the Lessee shall pay the prorated part of the amount of that installment; if the monthly installment has been paid, then the excess thereof shall be credited to the Lessee's other obligations; second, the Lessee shall within twenty (20) days after the effective date of termination, render to the Port Authority a sworn statement separately showing all its gross receipts for the annual period in which the effective date of termination happens to fall; and third, the payment then due on account of the percentage rental for the annual period in which the effective date of termination falls shall be the said percentage of all the gross receipts of the Lessee for such annual period less the amounts previously paid during such annual period.

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

C. Abatement

(a)(i) During the period commencing on the Rental Payment Start Date and continuing through the day preceding the first (1st) anniversary of such date, both dates inclusive, in the event the Lessee shall at any time by the provisions of this Agreement become entitled to an abatement of Ground Rental, the constant factor of the Ground Rental shall be reduced for each calendar day or major fraction thereof that the abatement remains in effect at the constant factor daily rate of $0.003671 for each square foot of land the use of which is denied the Lessee subject to adjustment as provided herein (it being understood that there shall be no abatement of Ground Rental under the Lease for any portion of the premises other than land area or for any portion of the term except as specifically provided in this Agreement).

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

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

(b)(i) In addition, during the period commencing on the Rental Payment Start Date and continuing through the day preceding the first (1st) anniversary of such date, both dates inclusive, the Airport Services Factor of the Ground Rental shall be reduced for each calendar day or major fraction thereof the abatement remains in effect for each square foot of land the use of which is denied the Lessee at the daily rate of $0.005925 (hereinafter the "variable rate") subject to adjustment as provided herein. No abatement of the Airport Services Factor shall be for other than land area.

(ii) After the close of calendar year and after the close of each calendar year thereafter, the Port Authority will adjust the variable rate, upwards or downwards, as provided in Schedule A. The resultant variable rate shall constitute the final variable

abatement rate for the calendar year for which the adjustment is being made. It shall also constitute the tentative variable abatement rate for the calendar year in which such rate is calculated and for the following year until the next succeeding final variable abatement rate is calculated.

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

(iv) The Lessee understands that while the final variable rate for the calendar year in which the expiration date of the Lease falls will not be determined for some months after such expiration and, if in fact there was an abatement during said calendar year, that the Lessee's obligations to pay any excess in the amount by which the Airport Services Factor may have been abated for said calendar year or the Port Authority's obligation to pay any deficiency in said amount resulting from the determination of the final variable rate for said calendar year shall survive such expiration of the Lease and shall remain in full force and effect until such excess of deficiency, if any, is paid. The Lessee hereby specifically acknowledges that neither the survival of the obligation with respect to any such excess or deficiency nor any other provision of the Lease shall grant or shall be deemed to grant any rights whatsoever to the Lessee to have the term of the letting extended for any period beyond the expiration thereof or affect in any way the Port Authority's right to teminate this Agreement as provided herein.

Section 5. Condition of the Premises

(a) The Lessee hereby acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the condition of the premises, or its fitness for use as a multi-fuel vehicle service station. The Lessee, prior to the execution of this Agreement, has thoroughly examined the premises and determined them to be suitable for the Lessee's operation hereunder and the Lessee hereby agrees to take the premises in the condition they are in as of the commencement of the term of the letting hereunder and to assume all responsibility for any and all risks, costs and expenses of any kind whatsoever caused by, arising out of or in connection with, the condition of the premises whether any aspect of such condition existed prior to, on or after the effective date of the letting of the premises hereunder including without limitation all Environmental Requirements and Environmental Damages, and to indemnify and hold harmless the Port Authority for all such risks, requirements, costs and expenses. Without limiting any obligation of the Lessee to commence operations hereunder at the time and in the manner stated elsewhere in this Agreement, the Lessee agrees that no portion of the premises will be used initially or at any time during the letting which is in a condition unsafe or improper for the conduct of the Lessee's

operations hereunder so that there is possibility of injury or damage to life or property. It is hereby understood and agreed that whenever reference is made in this Lease to the condition of the premises as of the commencement of the term thereof, the same shall be deemed to mean the condition of the premises as of the date of this Agreement, and as to the improvements made and the alteration work performed during the term of the Agreement in the condition existing after the completion of the same. The Lessee understands that it will be its responsibility to furnish and install (subject to the provisions of Section 6 of the Lease) all pumps, trade fixtures, accessories, equipment and other property including any necessary removal and demolition and to perform all work as may be necessary to put the multi-fuel service station in first class operating condition for the purposes set forth in Section 3 hereof.

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

Section 6. Construction by the Lessee

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

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

(i) A multi-fuel service station and an automated car wash consisting of approximately **(to be determined by the successful Proposer upon completion of construction plans)** square feet of space;

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

(iii) all necessary or appropriate ground roadways, ramps, sidewalks, vehicular service areas, and pedestrian circulation areas, together with all related and associated areas and facilities (the foregoing being herein sometimes called the "circulation areas");

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

(v) all necessary or required fencing;

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

(2) All of the foregoing work shall be constructed by the Lessee on the site and off the site where required, and where constructed on the site shall be and become a part of the premises under the Lease.

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

(b) (1) The Lessee agrees at its sole cost and expense to design and to construct the multi-fuel service station and automated car wash on the premises as described in paragraph (a) above, such design and construction of the multi-fuel service station and automated car wash being hereinafter referred to as "the construction work".

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

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

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

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

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

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

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

(vii) Not comply with the provisions of the Basic Lease, as defined in the Section of this Agreement, entitled "Definitions", including without limiting the generality thereof, those provisions of the Basic Lease providing that the Port Authority will conform to the enactments, ordinances, resolutions and regulations of the City of Newark and its various departments, boards and businesses in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation to the extent that the Port Authority finds it practicable so to do, or

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

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

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

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

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

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

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

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

(1) The Lessee hereby assumes the risk of loss or damage to all of the construction work prior to the completion thereof and the risk of loss or damage to all property of the Port Authority arising out of or in connection with the performance of the construction work. In the event of such loss or damage, the Lessee shall forthwith repair, replace and make good the construction work and the property of the Port Authority without cost or expense to the Port Authority. The Lessee shall itself and shall also require its contractors to indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees from and against all claims and demands,

just or unjust, of third persons (including employees, officers, and agents of the Port Authority) arising or alleged to arise out of the performance of the construction work and for all expenses incurred by it and by them in the defense, settlement or satisfaction thereof, including without limitation thereto, claims and demands for death, for personal injury or for property damage, direct or consequential, whether they arise from the acts or omissions of the Lessee, of any contractors of the Lessee, of the Port Authority, or of third persons, or from acts of God or of the public enemy, or otherwise, (including claims of the City of New Jersey against the Port Authority pursuant to the provisions of the Basic Lease whereby the Port Authority has agreed to indemnify the City against claims), excepting only claims and demands which result solely from affirmative wilful acts done by the Port Authority, its Commissioners, officers, agents and employees with respect to the construction work.

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

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

The Lessee shall expend not less than ($.) with respect to the construction work. The Lessee shall complete the construction work no later than one hundred eighty (180) days following the Commencement Date as defined in Section 2 of this Agreement.

(3) Prior to entering into a contract for any part of the construction work, the Lessee shall submit to the Port Authority for its approval the names of the contractors to whom the Lessee proposes to award said contracts. The Port Authority shall have the right to disapprove any contractor who may be unacceptable to it. The Lessee shall

include in all such contracts such provisions and conditions as may be reasonably required by the Port Authority. Without limiting the generality of the foregoing all of the Lessee's construction contracts shall provide as follows: "If (i) the Contractor fails to perform any of his obligations under the Contract, including his obligation to the Lessee to pay any claims lawfully made against him by any materialman, subcontractor or workman or other third person which arises out of or in connection with the performance of the Contract or (ii) any claim (just or unjust) which arises out of or in connection with the Contract is made against the Lessee or (iii) any subcontractor under the Contract fails to pay any claims, lawfully made against him by any materialman, subcontractor, workman or other third persons which arises out of or in connection with the Contract or if in the Lessee's opinion any of the aforesaid contingencies is likely to arise, then the Lessee shall have the right, in its discretion, to withhold out of any payment (final or otherwise and even though such payments have already been certified as due) such sums as the Lessee may deem ample to protect it against delay or loss or to assume the payment of just claims of third persons, and to apply such sums in such manner as the Lessee may deem proper to secure such protection or satisfy such claims. All sums so applied shall be deducted from the Contractor's compensation. Omission by the Lessee to withhold out of any payment, final or otherwise, a sum for any of the above contingencies, even though such contingency has occurred at the time of such payment, shall not be deemed to indicate that the Lessee does not intend to exercise its right with respect to such contingency. Neither the above provisions for rights of the Lessee to withhold and apply monies nor any exercise, or attempted exercise of, or omission to exercise such rights by the Lessee shall create any obligation of any kind to such materialmen, subcontractors, workmen or other third persons. Until actual payment is made to the Contractor, his right to any amount to be paid under the Contract (even though such amount has already been certified as due) shall be subordinate to the rights of the Lessee under this provision."

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

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

(5) The Lessee agrees to be solely responsible for any plans and specifications used by it and for any loss or damages resulting from the use thereof, notwithstanding that the same have been approved by the Port Authority and notwithstanding the incorporation therein of Port Authority recommendations or requirements. Notwithstanding the requirement for approval by the Port Authority of the contracts to be entered into by the Lessee or the incorporation therein of Port Authority requirements or recommendations, and notwithstanding any rights the Port Authority may have reserved to itself hereunder, the Port Authority shall have no liabilities or obligations of any kind to any contractors engaged by the Lessee or for any other matter in connection therewith and the Lessee hereby releases and

discharges the Port Authority, its Commissioners, officers, representatives and employees of and from any and all liability, claims for damages or losses of any kind, whether legal or equitable, or from any action or cause of action arising or alleged to arise out of the performance of any construction work pursuant to the contracts between the Lessee and its contractors. Any warranties contained in any construction contract entered into by the Lessee for the performance of the construction work hereunder shall be for the benefit of the Port Authority as well as the Lessee, and the contract shall so provide.

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

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

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

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

(10) The Lessee shall pay or cause to be paid all claims lawfully made against it by its contractors, subcontractors, materialmen and workmen, and all claims lawfully made against it by other third persons arising out of or in connection with or because of the performance of the construction work, and shall cause its contractors and subcontractors to pay

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

(11) (i) The Lessee in its own name as insured and including the Port Authority as an additional insured shall procure and maintain Comprehensive General Liability insurance, including but not limited to premises-operations, products liability-completed operations, explosion, collapse and underground property damages, personal injury and independent contractors, with a broad form of property damage endorsement, and with a contractual liability endorsement covering the obligations assumed by the Lessee pursuant to subparagraphs (1) and (5) of this paragraph (c), and Comprehensive Automobile Liability insurance covering owned, non-owned and hired vehicles. The said Comprehensive General Liability insurance policy shall have a limit of not less than $25,000,000 combined single limit per accident for bodily injury and property damage liability.

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

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

or endorsement shall not limit, vary or affect the protections afforded the Port Authority thereunder as an additional insured.

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

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

(12)The Lessee shall be under no obligation to reimburse the Port Authority for expenses incurred by the Port Authority in connection with its normal review and approval of the original plans and specifications submitted by the Lessee pursuant to this Section. The Lessee however agrees to pay to the Port Authority upon its demand the expenses incurred by the Port Authority in connection with any additional review for approval of any changes, modifications or revisions of the original plans and specifications which may be proposed by the Lessee for the Port Authority's approval. The expenses of the Port Authority for any such additional review and approval shall be computed on the basis of direct payroll time expended in connection therewith plus 100%. Wherever in this Lease reference is made to "direct payroll time", costs computed thereunder shall include a prorata share of the cost to the Port Authority of providing employee benefits, including, but not limited to, pensions, hospitalization, medical and life insurance, vacations and holidays. Such computations shall be in accordance with the Port Authority's accounting principles as consistently applied prior to the execution of this Lease.

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

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

policy or certificate. Renewal policies or certificates shall be delivered to the Port Authority at least fifteen (15) days before the expiration of the insurance which such policies are to renew.

The insurance covered by this paragraph (14) shall be written by companies approved by the Port Authority. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to the form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Lessee shall promptly obtain a new and satisfactory policy in replacement. If at any time the Port Authority so requests, a certified copy of each of the said policies shall be delivered to the Port Authority.

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

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

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

(18)(i) Without limiting any of the terms and conditions of this Lease, the Lessee understands and agrees that it shall put into effect prior to the commencement of any construction work an affirmative action program and Minority Business Enterprise (MBE) program and Women-owned Business Enterprise (WBE) program in accordance with the provisions of Schedule E, attached hereto and hereby made a part hereof. The provisions of said Schedule E of this Lease shall be applicable to the Lessee's contractor or contractors and subcontractors at any tier of construction as well as to the Lessee itself and the Lessee shall include the provisions of said Schedule E within all of its construction contracts so as to make

said provisions and undertaking the direct obligation of the construction contractor or contractors and subcontractors at any tier of construction. The Lessee shall and shall require its said contractor, contractors and subcontractors to furnish to the Port Authority such data, including but not limited to compliance reports relating to the operation and implementation of the affirmative action, MBE and WBE programs called for hereunder as the Port Authority may request at any time and from time to time regarding the affirmative action, Minority Business Enterprises and Women-owned Business Enterprises programs of the Lessee and its contractor, contractors, and subcontractors at any tier of construction, and the Lessee shall and shall also require that its contractor, contractors and subcontractors at any tier of construction make and put into effect such modifications and additions thereto as may be directed by the Port Authority pursuant to the provisions hereof and said Schedule E to effectuate the goals of affirmative action and Minority Business Enterprise and Women-owned Business Enterprise programs.

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

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

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

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

(dd) The contractor will include the provisions of subparagraphs (aa) through (cc) of this paragraph in every subcontract or purchase order in such a

manner that such provisions will be binding upon each subcontractor or vendor as to its work in connection with the contract;

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

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

(2) Notwithstanding the provisions of subparagraph (1) above and in addition thereto, the Port Authority hereby reserves the right from time to time and at any time during the term of the Lease to require the Lessee, subsequent to the completion of the construction work to design and construct at its sole cost and expense such further reasonable structures, fences, equipment, devices and other facilities as may be necessary or appropriate to accomplish the objectives as set forth in the first sentence of said Subparagraph (1). All locations, the manner, type and method of construction and the size of any of the foregoing shall be determined by the Port Authority. The Lessee shall submit for Port Authority approval its plans and specifications covering the required work and upon receiving such approval shall proceed diligently to construct the same. All other provisions of this Section 6 with respect to the construction work shall apply and pertain with like effect to any work which the Lessee is obligated to perform pursuant to this paragraph (d) and upon completion of each portion of such work it shall be and become a part of the construction work. The obligations assumed by the Lessee under this paragraph (d) are a special inducement and consideration to the Port Authority in granting this Lease to the Lessee.

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

(f) (1) When the construction work is substantially completed and ready for use the Lessee shall advise the Port Authority to such effect and shall deliver to the Port Authority a certificate signed by an authorized officer of the Lessee and also signed by the Lessee's licensed architect or engineer certifying that the construction work has been constructed in accordance with the approval plans and specifications and the provisions of this Lease and in

compliance with all applicable laws, ordinances and governmental rules, regulations and orders. Thereafter, the construction work will be inspected by the Port Authority and if the same has been completed as certified by the Lessee and the Lessee's licensed architect or engineer, as aforesaid, a certificate to such effect shall be delivered to the Lessee, subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the Lessee. The Lessee shall not use or permit the use of the construction work or any portion thereof for the purposes set forth in the Lease until such certificate is received from the Port Authority and the Lessee shall not use or permit the use of the construction work or any portion thereof even if such certificate is received if the Port Authority states in any such certificate that the same cannot be used until other specified portions are completed.

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

(3) In addition to and without affecting the obligations of the Lessee under the preceding subparagraphs (1) and (2), when an integral and material portion of the construction work is substantially completed or is properly usable the Lessee may advise the Port Authority to such effect and may deliver to the Port Authority a certificate signed by an authorized officer of the Lessee and also signed by the Lessee's licensed architect or engineer certifying that such portion of the construction work has been constructed in accordance with the approved plans and specifications and the provisions of this Lease and in compliance with all applicable laws, ordinances and governmental rules, regulations and orders, and specifying that such portion of the construction work can be properly used even though the construction work has not been completed and that the Lessee desires such use. The Port Authority may in its sole discretion deliver a certificate to the Lessee with respect to each such portion of the construction work permitting the Lessee to use such portion thereof for the purposes set forth in the Lease. In such event the Lessee may use such portion subject to the condition that all risks thereafter with respect to the construction and installation of the same and any liability therefor for negligence or other reason shall be borne by the Lessee, and subject to the risks as set forth in paragraph (d) hereof in the event that the Port Authority shall not have then approved the complete plans and specifications for the construction work. Moreover, at any time prior to the issuance of the certificate required in subparagraph (1) above for the construction work, the Lessee shall promptly upon receipt of a written notice from the Port Authority cease its use of such portion of the construction work which it had been using pursuant to permission granted in this subparagraph (3).

(g) The Lessee understands that there may be communications and utility lines and conduits located on or under the site which do not, and may not in the future, serve the premises. The Lessee agrees at its sole cost and expense, if directed by the Port Authority so to do, to relocate and reinstall such communications and utility lines and conduits on the site or off the site as directed by the Port Authority and to restore all affected areas (such work being

hereinafter collectively called "the relocation work"). The Lessee shall perform the relocation work subject to and in accordance with all the terms and provisions of this Section 6 and the relocation work shall be and become a part of the construction work, it being understood, however, that the relocation work shall not be or become a part of the premises hereunder.

Section 7. Ingress and Egress

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

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

Section 8. Compliance with Governmental Requirements

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

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

(c) The obligation of the Lessee to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property on the premises. Such provision is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

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

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

Section 9. Rules and Regulations

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

emergency, it will give notice to the Lessee of every such future rule or regulation adopted by it at least five (5) days before the Lessee shall be required to comply therewith.

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

Section 10. Various Obligations of the Lessee

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

(b) The Lessee shall, control the conduct, demeanor and appearance of its employees and invitees and of those doing business with it, and upon objection from the Port Authority concerning the conduct, demeanor or appearance of any such shall immediately take all lawful steps necessary to remove the cause of the objection. If requested by the Port Authority the Lessee shall supply and shall require its employees to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the General Manager of the Airport.

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

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

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

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

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

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

(h) Without limiting any other of the Lessee's operations under the Lease, the Lessee shall provide the General Manager of the Airport at the cost and expense of the Lessee with such information, documentation, records, correspondence, notices, reports, tests, results, and certifications and any other information as the Port Authority shall request in connection with any Environmental Requirements or Environmental Damages, and the Lessee shall promptly acknowledge, swear to, sign or otherwise fully execute the same. The Lessee agrees that any of the foregoing may be filed by the Port Authority with the appropriate governmental authority on behalf of the Lessee at the Lessee's cost and expense. Further, the Lessee agrees unless directed otherwise by the Port Authority, to provide the General Manager of the Airport with copies of all information, documentation, records, correspondence, notice, certifications, reports, test results and all other submissions provided by the Lessee to a governmental authority and by a governmental authority to the Lessee within two (2) business days that the same are made available to or received by the Lessee with respect to any Environmental Requirements.

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

Section 11. Prohibited Acts

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

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

(c) The Lessee shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the drainage and sewer system, water system, communications system, electrical system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses and other systems, if any, installed or located on, under, or in the premises.

(d) The Lessee shall not do or permit to be done any act or thing upon the premises or at the Airport (1) which will invalidate or prevent the issuance of or conflict with any fire insurance, extended coverage or rental insurance policies covering the premises or any part thereof, or the Airport, or any part thereof, or (2) which, in the opinion of the Port Authority, may constitute an extra-hazardous condition, so as to increase the risks normally attendant upon the operations contemplated by Section 3 hereof. The Lessee shall promptly observe, comply with and execute the provisions of any and all present and future rules and regulations, requirements, orders and directions of the Insurance Services Office of New Jersey, or of any other board or organization exercising or which may exercise similar functions, which may pertain or apply to the operations of the Lessee on the premises, and the Lessee shall, subject to and in accordance with the provisions of Section 6 hereof, make any and all structural and non-structural improvements, alterations or repairs of the premises that may be required at any time hereafter by any such present or future rule, regulation, requirement, order or direction. If by reason of any failure on the part of the Lessee to comply with the provisions of this paragraph any fire insurance rate, extended coverage or rental insurance rate on the premises or any part thereof, or on the Airport or any part thereof, shall at any time be higher than it would be if the premises were properly used for the purposes permitted by Section 3 hereof, then the Lessee shall pay to the Port Authority, as an item of additional rental, that part of all insurance premiums paid by the Port Authority which shall have been charged because of such violation or failure by the Lessee.

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

(f) Unless otherwise expressly permitted to do so, the Lessee shall not install, maintain or operate, or permit the installation, maintenance or operation on the premises of any vending-machine or device designed to dispense or sell food, beverages, tobacco, tobacco products or merchandise of any kind, whether or not included in the above categories, or of any restaurant, cafeteria, kitchen, stand or other establishment of any type for the preparation, or dispensing or sale of food, beverages, tobacco, tobacco products or merchandise of any kind, whether or not included in the above categories, or of any equipment or device for the furnishing to the public of service of any kind.

(g) The Port Authority by itself, or by contractors, lessees or permittees, shall have the exclusive right to install, maintain and receive the revenues from all coin-operated or other vending machines or devices installed by it and operated on the premises for the sale of merchandise of all types or for the rendering of services, provided, however, that no such machine or device shall be installed except upon the request of the Lessee. If the Port Authority does not install and maintain any such machine that the Lessee may request, the Lessee shall have the right to do so, provided, however, (1) that the Lessee shall pay or cause to be paid to the Port Authority each month for each machine upon the same basis for the preceding month as any concessionaire, permittee or licensee of the Port Authority then operating machines at the Airport for the sale of similar merchandise or the rendering of similar services, and (2) that in the event the Lessee exercises such right the Port Authority, at any time thereafter, may substitute for the Lessee's machines other machines selling similar merchandise or services operated by the Port Authority or by its licensee, permittee or concessionaire, and thereupon the Lessee shall remove its machines.

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

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

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

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

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

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

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

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

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

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

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

(3) Take good care of the premises and maintain the same at all times in good condition; perform all necessary preventive maintenance, including but not limited to painting (the exterior of the structures on the premises and areas visible to the general public to be painted only in colors which have been approved by the Port Authority); and

make all repairs and replacements, and do all rebuilding, inside and outside, ordinary and extraordinary, structural or otherwise, which repairs, rebuilding and replacements by the Lessee shall be of good quality as to workmanship and material, and to pay promptly the cost and expense of such repairs, rebuilding replacements and maintenance.

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

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

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

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

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

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

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

Section 13. Insurance

(a) The Lessee shall during the term of this Agreement, insure and keep insured to the extent of 100% of the replacement value thereof, all buildings, structures, improvements, installations, facilities and fixtures now or in the future located on the premises against such hazards and risks as may now or in the future be included under the Standard Form of Fire Insurance Policy of the State of New Jersey and also against damage or loss by windstorm, cyclone, tornado, hail, explosion, riot, civil commotion, aircraft, vehicles and smoke, under the Standard Form of Fire Insurance Policy of New Jersey and the form of extended coverage endorsement prescribed as of the effective date of the said insurance by the Rating Organization having jurisdiction, and also covering nuclear property losses and contamination hazards and risks and boiler and machinery hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the Rating Organization having jurisdiction and/or the Superintendent of Insurance of the State of New Jersey and the Lessee shall furthermore provide additional insurance with respect to the premises covering any other property risk that the Port Authority may at any time during the term of this Agreement cover by carrier or self-insurance covered by appropriate reserves at other locations at the Airport upon written notice to the Lessee to such effect.

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

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

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

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

(f) The insurance covered by this Section 13 shall be written by companies approved by the Port Authority. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Lessee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each of said policies shall be delivered to the Port Authority.

Section 14. Damage to or Destruction of Premises

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

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

(c) Major Damage to or Destruction of the Premises. If the premises, or any part thereof shall be destroyed or so damaged by fire, the elements, strikes, riots, civil commotion or other casualty as to be untenantable or unusable for ninety (90) days, or if within ninety (90) days after such damage or destruction the Lessee notifies the Port Authority in writing that in its opinion said premises will be untenantable or unusable for ninety (90) days then: The Lessee

shall proceed with due diligence to make the necessary repairs or replacements to restore such premises in accordance with the plans and specifications for the premises as the same existed prior to such damage or destruction; or with the approval in writing of the Port Authority make such other repairs, replacements or changes as may be desired by the Lessee. If such destruction or damage was covered by insurance, the proceeds thereof shall be made available to and be used by the Lessee for such restoration.

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

(e) The parties hereby stipulate that neither the provisions of Section 227 of the Real Property Law of New York nor those of any other similar statute shall extend or apply to this Agreement.

Section 15. Indemnity and Liability Insurance

(a) (1) The Lessee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal expenses incurred in connection with the defense of) all claims and demands third persons (including employees, officers and agents of the Port Authority including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Lessee in performing or observing any term or provision of this Agreement, or out of the use or occupancy of the premises by the Lessee or by others, with its consent or out of any acts or omissions of the Lessee, its officers, employees, guests, representatives, customers, contractors, invitees, business visitors and other persons who are doing business with the Lessee or who are on the premises with the consent of the Lessee, or arising out of the acts or omissions of the Lessee, its officers and employees elsewhere at the Airport, including claims and demands of the City of Newark from which the Port Authority derives its rights in the Airport, for indemnification, arising by operation of law or through agreement of the Port Authority with the said City.

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

(b) In addition to the obligations set forth in paragraph (a) of this Section and all other insurance required under this Agreement, the Lessee prior to any use or occupancy of the

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

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

(1) Comprehensive Automobile Liability Policy:

(aa) For bodily injury to or wrongful death of one person:	$2,000,000
(bb) For bodily injury to or wrongful death to more than one person in any one occurrence:	$2,000,000
(cc) Property Damage Liability For all damage arising out of injury to or destruction of property in any one occurrence:	$2,000,000

(2) Comprehensive Liability — Minimum Limit

(aa) Bodily Injury Liability

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

(bb) Property Damage Liability
For all damage arising out of injury to or destruction of property in any one occurrence: $2,000,000

(cc) Products Liability/Completed Completed Operations: $2,000,000

(3) Workers' Compensation Insurance

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

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

The said policy or policies or insurance shall also provide or contain an endorsement providing that the protections afforded the Lessee thereunder with respect to any claim or action against the Lessee by a third person shall pertain and apply with like effect with respect to any claim or action against the Lessee by the Port Authority, and shall also provide or contain an endorsement providing that the protections afforded the Port Authority hereunder and with respect to any claim or action against the Port Authority by the Lessee shall be the same as the protections afforded the Lessee thereunder with respect to any claim or action against the Lessee by a third person as if the Port Authority were the named insured thereunder, but such endorsement shall not limit, vary, change, or affect the protections afforded the Port Authority thereunder as an additional insured.

All insurance coverages and policies required under this Section may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the term of the letting hereunder. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the above-scheduled insurance requirements, or may require such other and additional insurance, in such reasonable

amounts, against such other insurable hazards, as the Port Authority may deem required and the Lessee shall promptly comply therewith.

(c) As to the insurance required by the provisions of this Section, a certified copy of each of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution of this Agreement by the Lessee. In the event any binder is delivered it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority. Each such copy or certificate shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority. Any renewal policy shall be delivered to the Port Authority at least fifteen (15) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of the term of this Agreement. The aforesaid insurance shall be written by a company or companies approved by the Port Authority, the Port Authority agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Lessee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each of the policies shall be delivered to the Port Authority.

Section 16. Signs

(a) Except with the prior written approval of the Port Authority, the Lessee shall not erect, maintain or display any signs or any advertising at or on the exterior parts of the premises or in the premises so as to be visible from outside the premises or at or on any other portion of the Airport outside the premises. Interior signs affecting public safety and security shall be in accordance with established Port Authority standards.

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

Section 17. Obstruction Lights

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

Section 18. Additional Rent and Charges

(a) If the Port Authority has paid any sum or has incurred any obligation or expense which the Lessee has agreed to pay or reimburse the Port Authority for or if the Port Authority is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement or as a result of an act or omission of the Lessee contrary to the said conditions, covenants and agreements, the Lessee agrees to pay the sum or sums so paid or the expense so incurred, including all interest, costs, damages and penalties, and the same may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the rent as set forth in Section 4 hereof.

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

Section 19. Rights of Entry Reserved

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

(b) Without limiting the generality of the foregoing, the Port Authority, by its officers, employees, agents, representatives, and contractors, and by the employees, agents, representatives and contractors of any furnisher of utilities and other services, shall have the right, for its own benefit, for the benefit of the Lessee, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, systems or portions thereof on the premises, including therein without limitation thereto, systems for the supply of heat, water, gas, fuel, electricity, and for the furnishing of fire-alarm, fire-protection, sprinkler, sewerage, drainage, telegraph and telephone service, including all lines, pipes, mains, wires, conduits and equipment connected with or appurtenant to such systems, and to enter upon the premises at all reasonable times to make such repairs, replacements or alterations as may, in the opinion of the Port Authority, be deemed necessary or advisable and, from time to time, to construct or install over, in or under the premises new systems or parts thereof, including lines, pipes, mains, wires, conduits and equipment, and to use the premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such rights of access, repair, alteration or new construction the Port Authority shall not unreasonably interfere with the use and occupancy of the premises by the Lessee.

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

(d) Nothing in this Section shall or shall be construed to impose upon the Port Authority any obligations so to construct or maintain or to make repairs, replacements, alterations or additions, or shall create any liability for any failure so to do. With respect to the premises, the Lessee is and shall be in exclusive control and possession thereof and the Port Authority shall not in any event be liable for any injury or damage to any property or to any person happening on or about said premises nor for any injury or damage to said premises nor to any property of the Lessee or for any other person located therein or thereon.

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

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

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

Section 20. Condemnation

(a) Definitions:

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

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

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

Upon the acquisition by condemnation or the exercise of the power of eminent domain by anybody having a superior power of eminent domain of a permanent interest in all or any part of the premises (any such acquisition under this Section 20 being hereinafter referred to as a "taking"), the Port Authority shall purchase from the Lessee, and the Lessee shall sell to the Port Authority, the Lessee's leasehold interest (excluding any personal property whatsoever) in the premises, except that in the event of a taking of less than all of the said premises, the Port Authority shall purchase and the Lessee shall sell only so much of the Lessee's leasehold interest in the premises as are taken. The sole and entire consideration to be paid by the Port Authority to the Lessee shall be an amount equal to the Unamortized Capital Investment (as defined in the Section of this Agreement entitled "Definitions"), if any, of the Lessee in the premises or, in the event of a permanent taking of less than all of the said premises, an amount equal to the Unamortized Capital Investment (as defined in the Section of this Agreement entitled

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

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

In the event of the taking of all of the premises and if the Lessee has no Unamortized Capital Investment (as defined the Section of this Agreement entitled "Definitions") in the premises at the time of the taking, then the aforesaid agreement to purchase and sell said leasehold interest shall be null and void; and in that event, this Lease and all rights granted by this Lease to the Lessee to use or occupy the premises for its exclusive use or for its use in common with others at the Airport and all rights, privileges, duties and obligations of the parties in connection therewith or arising thereunder shall terminate as of the date of the taking, and in

that event, the Lessee (except with respect to its personal property) shall not have any claim or right to claim or be entitled to any portion of the amount which may be awarded as damages or paid as a result of such taking, and all rights to damages, if any, of the Lessee (except for damages to its personal property) by reason thereof are hereby assigned to the Port Authority.

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

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

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

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

(excluding any personal property whatsoever) in the premises not taken for the period of suspension for a consideration equal to the Unamortized Capital Investment (as defined in the Section of this Agreement entitled "Definitions"), if any, of the Lessee in such premises which is to be amortized over the period of such suspension.

Section 21. Assignment and Sublease

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

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

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

(d) The Lessee shall not use or permit any person to use the premises or any portion thereof for any purpose other than the purposes stated in Section 4 hereof.

Section 22. Termination

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

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

(2) By order or decree of a court the Lessee shall be adjudged bankrupt or an order shall be made approving a petition filed by any of its creditors or, if the Lessee is a corporation, by any of the stockholders of the Lessee, seeking its reorganization or the

Any Hazardous Substance disposed of, released or discharged by the Lessee (or permitted by the Lessee to be disposed of, released or discharged) on the premises or at the Facility, shall upon notice by the Port Authority to the Lessee and subject to the provisions of all Environmental Requirements be completely removed and/or remediated by the Lessee. The obligations of the Lessee pursuant to this paragraph shall survive the expiration or termination of this Agreement.

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

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

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

Section 60. Security Deposit

Upon the execution of this Agreement by the Lessee and delivery thereof to the Port Authority, the Lessee shall deposit with the Port Authority (and shall keep deposited throughout the term of this Agreement, the sum of ($)
either in cash, or bonds of the United States of America, or of the State of New York or of the State of New Jersey, or of the Port Authority of New York and New Jersey, having a market value of that amount, as security for the full, faithful and prompt performance of and compliance with, on the part of the Lessee, all of the provisions, terms, covenants and conditions of the Agreement on its part to be fulfilled, kept, performed or observed and as security for the payment of all other rentals, fees, charges and obligations owed or which may become due and owing to the Port Authority arising from the Lessee's operations at the Airport, whether covered by a

written agreement or otherwise. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Lessee may deposit such bond or bonds in registered form, provided, however, that the Port Authority shall be under no obligation to accept such deposit of a bond in registered form unless such bond has been reregistered in the name of the Port Authority (the expense of such re-registration to be borne by the Lessee) in a manner satisfactory to the Port Authority. The Lessee may request the Port Authority to accept a registered bond in the Lessee's name and if acceptable to the Port Authority the Lessee shall deposit such bond together with a bond power (and such other instruments or other documents as the Port Authority may require) in form and substance satisfactory to the Port Authority. In the event the deposit is returned to the Lessee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Lessee shall be borne by the Lessee. In addition to any and all other remedies available to it, the Port Authority shall have the right, at its option, at any time and from time to time, with or without notice to use the said deposit or any part thereof in whole or partial satisfaction of any of its claims or demands against the Lessee. There shall be no obligation on the Port Authority to exercise such right and neither the existence of such right nor the holding of the deposit itself shall cure any default or breach of the Agreement on the part of the Lessee. In the event that the Port Authority shall at any time or times so use the deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the above-mentioned amount, the Lessee shall, on demand of the Port Authority and within two (2) days thereafter, deposit with the Port Authority additional cash or bonds so as to maintain the deposit at all times to the full amount above stated, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier termination of the Agreement as the same may have been extended and upon condition that the Lessee shall then be in no wise in default under any part of the Agreement, as this Agreement may have been amended or extended (or both), and upon written request therefor by the Lessee, the Port Authority will return the said deposit to the Lessee less the amount of any and all unpaid claims and demands (including estimated damages) of the Port Authority by reason of any default or breach by the Lessee of the Agreement or any part thereof and less any other fees, charges and obligations owed to the Port Authority arising from the Lessee's operations at the Airport. The Lessee agrees that it will not assign or encumber the said deposit and any such assignment or encumbrances shall be void as to the Port Authority. The Lessee may collect or receive annually any interest or income earned on bonds and interest paid on cash deposited in interest bearing bank accounts less any part thereof or amount which the Port Authority is or may hereafter be entitled or authorized by law to retain or to charge in connection therewith, whether as or in lieu of administrative expense or custodial charge, or otherwise, provided, however, that the Port Authority shall not be obligated by this provision to place or to keep cash deposited hereunder in interest bearing bank accounts. Without limiting the foregoing provisions of this Section, with respect to any bonds deposited by the Lessee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Lessee, to sell the same in whole or in part, at any time and from time to time, with or without prior notice, at public or private sale, all as determined by the Port Authority together with the right to purchase the same at such sale free of any claims, equities or rights of redemption of the Lessee. The Lessee hereby waives all right to participate therein and all right to prior notice or demand of the

amount or amounts of the Port Authority's claims or demands against the Lessee. The proceeds of any such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to any advertising or commission expenses) and then to the amounts due the Port Authority from the Lessee. Any balance remaining shall be retained in cash toward bringing the security deposit to the sum specified above provided that this shall not relieve the Lessee from maintaining the deposit in the full amount stated above.

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

Section 61. Books and Records

In addition to and without limiting the provisions of the Section of this Agreement entitled "Definitions" hereof or any term or provision of this Agreement, the Lessee shall keep in an office or offices in the Port of New York District, appropriate books and records showing (i) all matters with respect to the costs of the construction work; (ii) all matters which the Lessee is required to certify to the Port Authority pursuant to this Lease and (iii) any and all other matters concerning the Lessee's operations at the Airport with respect to which the Port Authority may reasonably need information to fulfill its obligations or exercise its rights under this Lease whether or not of the type enumerated above in this Section and whether or not an express obligation to keep books and records with regard thereto is expressly set forth elsewhere in this Lease. The Lessee shall not be obligated to preserve any such records for more than seven (7) years after the receipt of revenues or occurrences of charges or expenses hereunder unless they are material to litigation initiated within that time, in which event they shall be preserved until the final determination of the controversy. The Port Authority shall have the right to audit and inspect such books and records during regular business hours.

Section 62. Other Agreements

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

Section 63. Operating Names

(a) Any name, designation or any service mark proposed to be used or displayed at the premises or for the Lessee's operations therein shall be approved in advance in writing by the Port Authority and the Lessee shall have the right to use and display the name, designation or mark only so long as this Agreement is in force and effect. If for any reason the Lessee ceases its operations in the premises, the Lessee's right to use such name, designation or service mark shall immediately cease and come to an end and the Port Authority or its designee shall have the sole right to use such name, designation or service mark and the Lessee hereby consents to such use thereof. Any registration or filing by the Lessee with respect to such name, designation or

service marks shall indicate the Port Authority's interest therein and the form thereof shall be approved in advance by the Port Authority in writing. The Lessee agrees to assign and transfer to the Port Authority any such registration or filing and any other rights in or to the use of such name, designation or service mark promptly upon written request therefor from the Port Authority.

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

Section 64. Space Licenses

Notwithstanding the provisions of paragraphs (b) and (d) of the Section of this Agreement entitled "Assignment and Sublease", the Lessee may license a third person to operate the multi-fuel vehicle service station and towing service at the premises pursuant to the provisions of Section 3 of this Agreement provided, however, that:

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

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

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

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

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

(6) neither the proposed licensee, nor any officer, director or partner thereof, nor any person firm or corporation having an outright or beneficial interest in twenty percent (20%) or more of the monies invested in the proposed licensee, if the proposed licensee is a corporation or partnership, by loans thereto, stock ownership therein, or any other form of financial interest has filed a voluntary petition in bankruptcy or has been adjudicated a bankrupt within five years prior to the date of the proposed license agreement; and

provided, further, however, that no such license agreement shall be effective until an agreement in the form annexed hereto as "Exhibit Z" has been executed by the Port Authority, the Lessee and the proposed licensee. The Port Authority agrees to execute such agreement provided that the proposed licensee fulfills the requirements and conditions set forth in subdivisions (1) through (6) of this Section. The agreement between the Lessee and the licensee shall be made expressly subject to the terms and provisions of this Agreement, and each licensee shall comply with all of the terms and provisions of this Agreement applicable to the premises and shall use and occupy the premises as though such licensee were the Lessee hereunder. The Lessee understands that notwithstanding the retention of third persons to operate the multi-fuel service station hereunder, the Lessee shall remain fully liable for the performance of all of the terms and provisions of this Agreement, and for securing compliance therewith by its licensee. All acts and omissions of the Lessee's licensee shall be deemed acts or omissions of the Lessee. In spite of any effort by the Lessee to secure compliance with all of the terms and provisions of this Agreement by its licensee, any breach or violation of the terms and provisions of this Agreement by the licensee shall be deemed a breach or violation of this Agreement by the Lessee, and in such event the Port Authority shall have all rights or remedies consequent upon such breach or default as are reserved to it by this Agreement, and, subject to all notice requirements as are set forth herein, the provisions of this Agreement relating to default and termination shall apply as if the licensee were the Lessee hereunder. For the purpose of computing the percentage and variable rentals payable by the Lessee hereunder, all monies, payments or fees paid or payable to

the Lessee by its licensee in connection with the licensee's operations in the premises (including all monies, payments or fees described in the applicable license agreements between the Lessee and its licensee other than reimbursements of rentals, including, without limitation, percentage and variable rentals, and other charges payable by the Lessee to the Port Authority pursuant to the terms of this Agreement) and all gross receipts arising out of the operations of such licensee in the premises shall be deemed to be gross receipts of the Lessee, shall be included in the gross receipts of the Lessee hereunder, and shall be subject to the percentage rental payable hereunder.

Section 65. Certain Environmental Testing and Clean-up Obligations

RESERVED

Section 66. Official Inspection Station

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

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

Section 67. Phase 1A Roadway Work

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

(b) (l) For purposes of this Lease, the term "Phase 1A Costs" shall mean the total costs in connection with all portions of the Phase 1A Roadway Work, which shall be the total of the following costs as such costs are incurred in the performance of each portion of the Phase IA Roadway Work.

A. Construction Costs:

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

B. Engineering Services:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Where t (a power) equals 300.

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

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

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

(2) At the time the Port Authority advises the Lessee of the final Airport Services Factor for the calendar year during which any respective Phase 1A Period occurs, the Port Authority shall also advise the Lessee of the applicable Phase 1A Charge, which shall be the amount due and payable by the Lessee to the Port Authority for each calendar month during the applicable Phase 1A Period and for each and every month in the calendar year during which the Phase 1A Charge is calculated. The Lessee shall pay the accumulated total thereof for each month of the applicable Phase 1A Period and for the months that have elapsed since the

end of the applicable Phase 1A Period at the time it pays the tentative Airport Services Factor for the calendar month following the month during which the applicable Phase 1A Charge is calculated. The Lessee shall continue to make payments based on the said Phase 1A Charge until the same is further adjusted based upon actual costs incurred in the performance of the Phase 1A Roadway Work, as provided in subparagraph (3) hereof.

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

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

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

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

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

Where t (a power) equals 300.

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

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

(v) The Port Authority shall determine the final Phase 1A Charge in the manner set forth is item

(vi) of sub subparagraph (c)(l) hereof.

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

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

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

Section 68. Entire Agreement

This Agreement consists of the following: Sections 1 through 68 and Exhibit A and Z and Schedules A, E and X. It constitutes the entire agreement of the parties on the subject matter hereof and may not be changed, modified, discharged or extended except by written instrument duly executed by the Port Authority and the Lessee. The Lessee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in this Agreement.

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

ATTEST:

THE PORT AUTHORITY OF NEW YORK
AND NEW JERSEY

_____
Secretary

By _____

(Title) _____

(Seal)

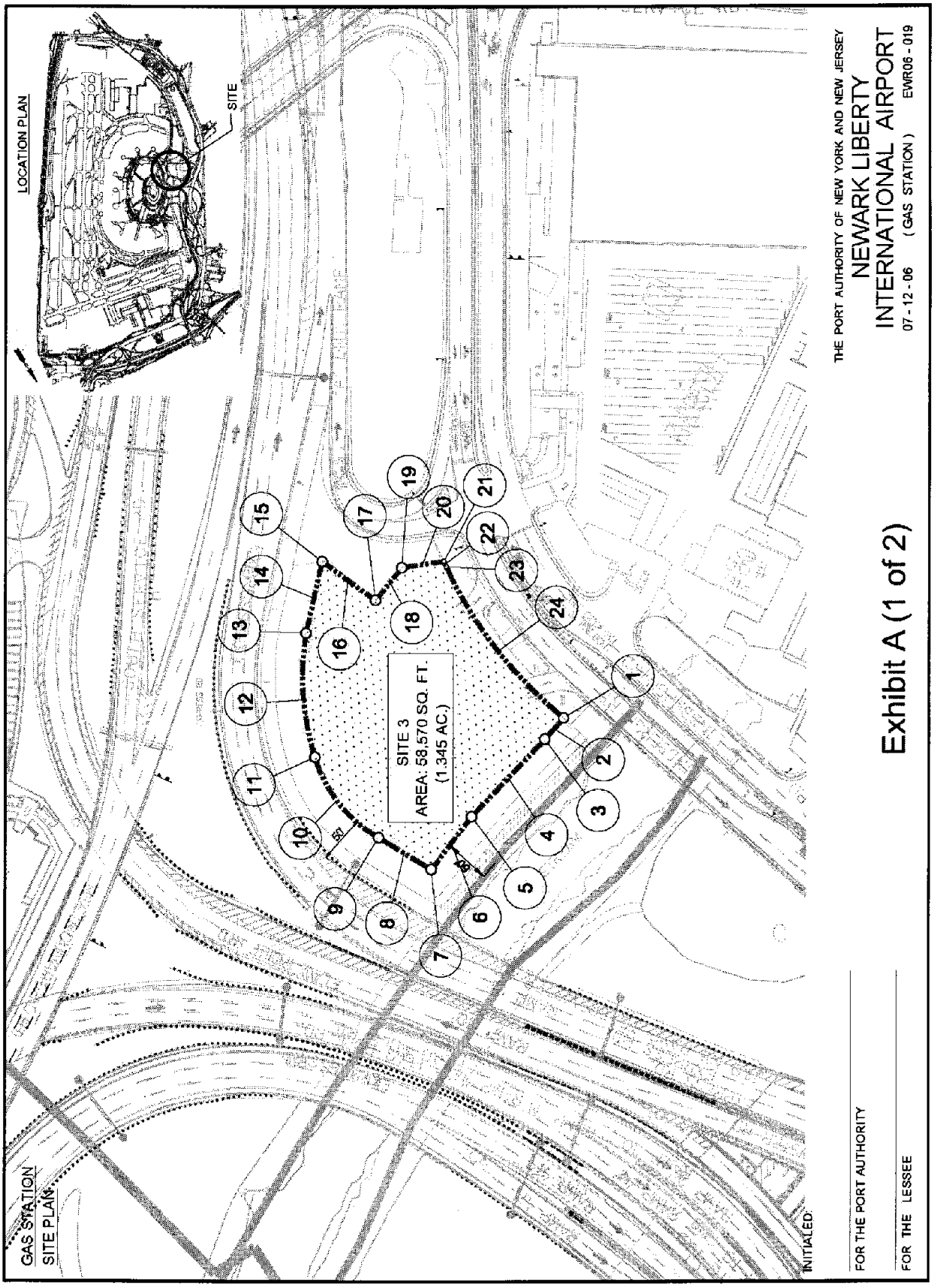
ATTEST:

_____
Secretary

By _____

(Title) _____President

(Corporate Seal)


LOCATION PLAN
SITE
GAS STATION
SITE PLAN
SITE 3
AREA: 58,570 SQ. FT.
(1.345 AC.)
THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
NEWARK LIBERTY
INTERNATIONAL AIRPORT
07 - 12 - 06 (GAS STATION) EWR06 - 019
Exhibit A (1 of 2)
INITIALED:
FOR THE PORT AUTHORITY
FOR THE LESSEE

DATA TABLE
(BEARINGS, COORDINATES, DISTANCES, RADIUS)

1	S 677,309.193 E 2,133,400.684	13	S 677,217.892 E 2,133,680.756
2	S 47°45' 14.00" E 30.563'	14	N 77°34' 04.00" W 79.219'
3	S 677,331.818 E 2,133,421.233	15	S 677,140.531 E 2,133,663.701
4	S 46°25' 08.00" E 115.169'	16	N 35°37' 32.00" E 71.753'
5	S 677,415.247 E 2,133,500.628	17	S 677,182.326 E 2,133,605.378
6	S 52°31' 11.00" E 71.961'	18	N 51°15' 13.00" W 45.381'
7	S 677,472.352 E 2,133,544.415	19	S 677,146.932 E 2,133,576.974
8	S 30°50' 16.00" W 66.769'	20	N 08°20' 08.00" W 46.187'
9	S 677,438.126 E 2,133,601.744	21	S 677,140.236 E 2,133,576.974
10	L = 114.120' R = 151.255' Δ = 43°13' 45.00" CC = S 677,306.965 E 2,133,526.412	22	N 65°12' 03.00" E 06.344'
		23	S 677,145.995 E 2,133,528.614
11	S 677,350.935 E 2,133,671.135	24	L = 209.164' R = 459.628' Δ = 26°04' 25.00" CC = S 676,951.342 E 2,133,112.239
12	L = 134.633' R = 285.660' Δ = 27°00' 14.00" CC = S 677,264.379 E 2,133,398.904		

NOTE:
COORDINATES, EXPRESSED IN FEET, AND BEARING REFER TO THE GRID SYSTEM OF THE NEWARK, NEW JERSEY TOPOGRAPHICAL BUREAU.

INITIALED:

FOR THE PORT AUTHORITY

FOR THE LESSEE

Exhibit A (2 of 2)

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
NEWARK LIBERTY INTERNATIONAL AIRPORT
07 - 12 - 06 (GAS STATION) EWR06 - 019

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

Lease No. –
Newark Liberty Airport

CONSENT TO LICENSE AGREEMENT

THIS AGREEMENT, made as of 20 , by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called "the Port Authority), a body corporate and politic, created by Compact between the States of New Jersey and New York, with the consent of the Congress of the United States of America and having an office at 225 Park Avenue South, in the Borough of Manhattan, City, County and State of New York, and

(hereinafter called "the Lessee") and

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

, whose representative is .

WITNESSETH, That:

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

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

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

readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any state thereof; or

(3) A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the Lessee and shall not be dismissed within thirty (30) days after the filing thereof; or

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

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

(6) By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the property of the Lessee, and such possession or control shall continue in effect for a period of thirty (30) days; or

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

(8) Any lien is filed against the premises because of any act or omission of the Lessee and shall not be discharged within ten (10) days; or

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

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

(11) Any type of strike or other labor activity is directed against the operations of the Lessee at the Airport resulting in picketing or boycott for a period of at

least forty-eight (48) hours which, in the opinion of the Port Authority, adversely affects or is likely adversely to affect the operation of the Airport or the operations of other lessees or licensees thereat, whether or not the same is due to the fault of the Lessee, and whether caused by the employees of the Lessee or by others;

then upon the occurrence of any such event or at any time thereafter during the continuance thereof, the Port Authority may upon five (5) days' notice terminate the letting and the rights of the Lessee hereunder, such termination to be effective upon the date specified in such notice. Such right of termination and the exercise thereof shall be and operate as a conditional limitation.

(b) If any of the events enumerated in paragraph (a) of this Section shall occur prior to the letting, the Lessee shall not be entitled to enter into possession of the premises and the Port Authority upon the occurrence of any such event or at any time thereafter during the continuance thereof by twenty-four (24) hours' notice may cancel the interest of the Lessee under this Agreement, such cancellation to be effective upon the date specified in such notice.

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

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

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

Section 23. Right of Re-entry

The Port Authority shall, as an additional remedy upon the giving of a notice of termination as provided in Section 22 hereof, have the right to re-enter the premises and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry, or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the Lessee under this Agreement, and shall in no event constitute an acceptance of surrender.

Section 24. Waiver of Redemption

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

Section 25. Survival of the Obligations of the Lessee

(a) In the event that the letting shall have been terminated in accordance with a notice of termination as provided in Section 22 hereof, or the interest of the Lessee cancelled pursuant thereto, or in the event that the Port Authority has re-entered, regained or resumed possession of the premises in accordance with the provisions of Section 23 hereof, all the obligations of the Lessee under this Agreement shall survive such termination or cancellation, or re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of the letting under this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Port Authority to the same extent, at the same time or times and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. The Port Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term.

(b) The amount of damages for the period of time subsequent to termination or cancellation (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations, shall be the sum of the following:

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

(2) An amount equal to the percentage stated in paragraph (2)(a) of Subdivision A of Section 4 applied to the gross receipts of the Lessee, which gross receipts would have been received by the Lessee during the balance of the term if there had been no termination or cancellation (or re-entry, regaining, or resumption or possession); and for the purpose of calculation hereunder (i) the said amount of gross receipts shall be derived by multiplying the number of days in the balance of the term originally fixed by the daily average of the Lessee's gross receipts; (ii) the daily average of the Lessee's gross receipts shall be the Lessee's total actual gross receipts during that part of the effective period of the letting (in all monthly periods falling within the effective period) during which the premises were open and in operation and in which no abatement was in effect divided by the number of days included in such part of the effective period; (iii) the said amount of gallons of gasoline, motor oil, diesel fuel and alternative fuel shall

be respectively derived by multiplying the number of days in the balance of the term originally fixed by the respective daily averages of the Lessee's sales and deliveries of gasoline, motor oil, diesel fuel and alternative fuel; and (iv) the daily averages of the Lessee's sales and deliveries of gasoline, motor oil, diesel fuel and alternative fuel shall be the total actual amount of gasoline, motor oil, diesel fuel and alternative fuel of each type sold or delivered by the Lessee during that part of the effective period of the letting during which the premises were open and in operation and in which no abatement was in effect divided by the number of days included in such part of the effective period; and

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

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

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

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

Section 26. Reletting by the Port Authority

The Port Authority upon termination or cancellation pursuant to Section 22 hereof, or upon any re-entry, regaining or resumption of possession pursuant to Section 23 hereof, may occupy the premises or may relet the premises, and shall have the right to permit any person, firm or corporation to enter upon the premises and use the same. Such reletting may be of part only of the premises or a part thereof together with other space, and for a period of time the same as or different from the balance of the term hereunder remaining, and on the terms and

conditions the same as or different from those set forth in this Agreement. The Port Authority shall also, upon termination or cancellation pursuant to the said Section 22, or upon its re-entry, regaining or resumption of possession pursuant to the said Section 23, have the right to repair or to make structural or other changes in the premises, including changes which alter the character of the premises and the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder. In the event either of any reletting or of any actual use and occupancy by the Port Authority (the mere right of the Port Authority to use and occupy not being sufficient however) there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said premises or portion thereof during the balance of the letting as the same is originally stated in this Agreement, or from the market value of the occupancy of such portion of the premises as the Port Authority may during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by the Port Authority in connection therewith. No such reletting shall be or be construed to be an acceptance of a surrender.

Section 27. Remedies to be Non-Exclusive

All remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of or exclusive of each other or of any other remedy available to the Port Authority at law or in equity, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

Section 28. Surrender

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

Section 29. Acceptance of Surrender of Lease

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

Section 30. Effect of Basic Lease

(a) Notwithstanding any other term, provision, covenant or condition of this Agreement, this Agreement and the letting hereunder shall, in any event, terminate with the termination or expiration of the Basic Lease with the City of Newark which covers the premises, such termination to be effective on such date and to have the same effect as if the term of the letting had on that date expired. The rights of the Port Authority in the premises are those granted to it by the Basic Lease, and no greater rights are granted or intended to be granted to the Lessee than the Port Authority has power thereunder to grant.

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

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

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

Section 31. Removal of Property

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

Section 32. Brokerage

The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no broker who is or may be entitled to be paid a commission in connection therewith. The Lessee shall indemnify and save harmless the Port Authority of and from any claim for commission or brokerage made by any and all

persons, firms or corporations whatsoever for services rendered to the Lessee in connection with the negotiation and execution of this Agreement.

Section 33. Limitation of Rights and Privileges Granted

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

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

Section 34. Notices

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

Section 35. Other Construction by the Lessee

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

Lessee will remove the same or, at the option of the Port Authority, cause the same to be changed to the satisfaction of the Port Authority. In case of any failure on the part of the Lessee to comply with such notice beyond applicable cure periods, the Port Authority may effect the removal or change and the Lessee shall pay the cost thereof to the Port Authority. No provision hereof or elsewhere in the Lease shall be deemed to grant any right whatsoever to any party other than the Lessee to erect any structures, make any improvements or do any construction on the premises or alter, modify, or make additions, improvements, repairs to or replacements of any structure now existing or built at any time during the letting, or install any fixture (other than trade fixtures removable without material damage to the premises, any damage to the premises caused by such removal to be immediately repaired by the Lessee) without the prior written approval by the Port Authority of a tenant alteration application to be submitted by the Lessee to the Port Authority.

(b) Without limiting the generality of the foregoing paragraph the Lessee acknowledges and agrees that any Notes and associated reference lines set forth on Exhibit A to the Lease shall not constitute or be deemed to constitute or imply that approval of the Port Authority will be granted to any proposed construction by the Lessee nor shall the same grant or be deemed to grant any right or permission to the Lessee now or in the future to erect any structures, make any improvements or to do any other construction in the premises, including but not limited to, paving or to alter, modify or make additions, improvements or repairs to or replacements of any structure now existing or built at any time during the letting or install any fixtures on the premises, and that the provisions of the foregoing paragraph of this Section shall be read and construed as if there were no Notes and associated reference lines on Exhibit A and that any which were placed on such Exhibit are solely and exclusively for the benefit of the Port Authority.

Section 36. Place of Payments

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

Section 37. Additional Construction Work

(a) Without in anyway limiting the provisions of Section 6, the Lessee shall perform the work necessary to construct and install an automated car wash and the alternative fuel component of the multi-fuel service station, all of the aforesaid construction work hereinafter being referred to as the "Additional Work". Promptly after execution of this Agreement, and strictly in accordance with the provisions of Section 6 hereof, the Lessee shall submit to the Port Authority for its approval a Construction Application in the form supplied by the Port Authority setting forth in detail and by appropriate plans and specifications the construction and installation work the Lessee proposes to perform to install and construct the automated car wash and alternative fuel component. The Lessee hereby represents that upon the completion of the said Additional Work, the automated car wash and the alternative fuel

component will be suitable for its operations hereunder. The Lessee shall do all preventive maintenance and make all repairs, replacements and rebuilding necessary to keep the same in the condition it was in when made or installed except for reasonable wear and tear. The Lessee shall operate the automated car wash and alternative fuel component in accordance with all of the terms, covenants and provisions contained in this Agreement and shall comply with all applicable governmental laws, ordinances, enactments, resolutions, rules, regulations and orders in connection therewith. The Port Authority shall have no obligations or liabilities in connection with the operation or maintenance of the automated car wash and alternative fuel component by the Lessee.

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

Section 38. Construction and Application of Terms

(a) The Section and paragraph headings, if any in this Agreement, are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provision hereof.

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

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

Section 39. Non-liability of Individuals

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

Section 40. Non-Discrimination

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

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

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

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

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

Section 41. Affirmative Action

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

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

(a) In addition to and without limiting any other term or provision of this Agreement, the Lessee, in connection with its use and occupancy of the premises and any and all of its activities and operations at or affecting the premises or the Airport, shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and shall undertake or continue existing programs of affirmative action to ensure that minority group persons and women are afforded equal employment opportunity without discrimination. Such programs shall include, but not be limited to, recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, rates of pay or other forms of compensation, and selections for training or retraining, including apprenticeship and on-the-job training.

(b) In addition to and without limiting the foregoing, and without limiting the provisions of Sections 6 (c), 40 and 41 and Schedule E hereof, it is hereby agreed that the Lessee in connection with its continuing operation, maintenance and repair of the premises, or any portion thereof, as provided in this Agreement, and in connection with every award or agreement for concessions or consumer services at the Airport, shall throughout the term of the letting hereunder commit itself to and use good faith efforts to implement an extensive program of affirmative action, including specific affirmative action steps to be taken by the Lessee, to ensure maximum opportunities for employment and contracting by minorities and women, and by Minority Business Enterprises and Women-owned Business Enterprises. In meeting the said commitment the Lessee agrees to submit to the Port Authority for its review and approval the Lessee's said extensive affirmative action program, including the specific affirmative action steps to be taken by the Lessee to meet its aforesaid commitment, within one hundred eighty (180)

days after the execution of this Agreement. The Lessee shall incorporate in its said program such revisions and changes which the Port Authority initially or from time to time may reasonably require. The Lessee throughout the term of the letting hereunder shall document its efforts in implementing the said program, shall keep the Port Authority fully advised of the Lessee's progress in implementing the said program and shall supply to the Port Authority such information, data and documentation with respect thereto as the Port Authority may from time to time and at any time request, including but not limited to annual reports.

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

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

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

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

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

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

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

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

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

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

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

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

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

(f) Nothing herein provided shall be construed as a limitation upon the application of any laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents.

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

Section 43. Quiet Enjoyment

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

Section 44. Infringement

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

Section 45. Late Charges

If the Lessee should fail to pay any amount required under this Agreement when due to the Port Authority, including without limitation any payment of basic, percentage, variable or other rental or any payment of utility, or other charges or fees or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four late charge periods during each calendar year; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. Each late charge shall be recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the rental as set forth in the section of this Agreement entitled "Rental". Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including without limitation the Port Authority's rights set forth in the section of this Agreement entitled "Termination" or (ii) any obligations of the Lessee under this Agreement. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charge, then, in such event, each such late charge payable under this Agreement shall be payable instead at such legal maximum.

Section 46. Obligations In Connection with the Variable Rental

The Lessee shall:

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

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

(c) Maintain in accordance with accepted accounting practice during the letting and for one (1) year thereafter and for such further period until the Lessee shall receive written permission from the Port Authority to do otherwise, records and books of account, recording all transactions at, through or in any wise connected with the automobile service station, including but not limited to records of all gasoline, diesel fuel, compressed natural gas and other fuel tank meter readings, all of which records and books of account shall be kept at all times within the Port of New York District;

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

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

(f) Furnish to the Port Authority on or before the 20th day of the month following the commencement date of the letting and on or before the twentieth (20th) day of each and every calendar month thereafter including the month following the expiration of the Lease, a statement of all gross receipts arising out of the operations of the Lessee hereunder for the preceding month and specifying and applying the percentage stated in paragraph (2)(a)(v) of Subdivision A of Section 4 and showing furthermore the total amount of all gallons of gasoline, motor oil, diesel fuel and alternative fuel sold or delivered during the preceding month, which statement shall be certified at the Lessee's expense by a certified public accountant.

(g) Install and use such cash registers, sales slips, invoicing machines or any other equipment or devices for recording orders taken or services rendered as may be appropriate to the Lessee's business and necessary or desirable to keep accurate records of gross receipts and sales and deliveries of gasoline, motor oil, diesel fuel and compressed natural gas.

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

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

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

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

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

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

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

(c) The vehicle to be used by the Lessee in furnishing the Facility Service shall be two (2) radio equipped tow trucks capable of lifting and towing passenger automobiles, minivans, vans, light pick-up trucks and limousines the foregoing vehicles being herein called "the tow trucks". The tow trucks shall be painted in such colors, shall bear such inscriptions and signs on the inside and outside thereof and shall have such lights as the Port Authority shall from

time to time and at any time prescribe, the Port Authority agreeing that if there are any colors that the Lessee uses in its operations generally, said colors may be used. The Lessee agrees that the tow trucks shall be of a type and shall be so adapted, constructed and equipped as to properly fulfill the requirements of the Facility Service. Without limiting the foregoing the tow trucks shall contain such automotive equipment as is appropriate or necessary for performing emergency repairs to disabled vehicles and for performing a safe and proper towing operation including towing operations in those enclosed portions of the Facility having eight foot ceilings. In addition the tow trucks shall carry two-way radio equipment tuned to a frequency which would enable it to maintain contact with the radio equipment required to be maintained pursuant to paragraph (h) of this Section 47 and such communication shall be maintained at all times. The tow truck shall be registered under New Jersey State law and shall be approved by the Port Authority prior to its use in the Facility Service.

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

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

(e) The Lessee shall use the tow trucks and its automotive equipment exclusively in and only in the Facility Service at the Airport. The Lessee hereby agrees to have a sufficient number of drivers actually on duty and actually working so that at all times the Lessee will provide a timely, proper and first-class Facility Service on a 24 hour basis. The Lessee understands that the Port Authority expects that the tow trucks shall under normal conditions respond to a call for the Patron Service no later than ten (10) minutes after the request for the same has been made and the Lessee agrees to comply therewith. In the event that in the Port Authority's opinion the Lessee has failed to provide a timely Patron Service then and in such event and in addition to any other right or remedy available to the Port Authority at law or in equity, the Port Authority may elect to present the Lessee with schedules to be maintained by the Lessee for the operation of the Patron Service and the Lessee hereby agrees to have the number of drivers set forth in said schedules actually on duty and actually working at all times (without interruption for any cause) as set forth in said schedules. The Lessee further agrees that if the

schedules initially presented to it by the Port Authority prove insufficient (except during emergencies) and do not provide a timely Patron Service, the Port Authority shall have the right to amend said schedules, including not only an increase in the number of drivers and trucks to be on duty and operated at any one time but also an increase in the total number of tow trucks, but the Port Authority shall not have the right to require more than two (2) additional tow trucks or a total of four (4) tow trucks available to provide the Facility Service at any one time.

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

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

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

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

(i) With respect to the Patron Service, upon receipt of a call therefor, the Lessee will dispatch a tow truck to the location at the Airport of the disabled vehicle. If the Lessee can do so, it will make emergency repairs to the disabled vehicle but only if the Port Authority shall from time to time permit repairs to be made at the location where said disabled vehicle may be and only if said emergency repairs will take no longer than such period of time as the Port Authority shall from time to time upon notice to the Lessee permit. The Lessee shall clean up any oil, grease or other refuse at the area of the repairs and remove the same therefrom. If emergency repairs as aforesaid cannot be so made, the Lessee shall tow said disabled vehicle to the premises and perform the necessary repairs there but only to the extent that such repairs may be performed at the premises under the provisions of the Lease covering the use of the premises. If the Lessee at the time of its response to the call for the Patron Service determines that the required repairs cannot be performed by the Lessee at the premises, it shall advise the patron to such effect and shall advise the patron further that the patron may call another towing service to remove the car from the Airport. In such event, the Lessee shall be entitled only to the charge for providing emergency repairs. If the patron requests, the Lessee may tow said vehicle to the premises from which place the patron may arrange for further towing service. Lessee understands that the Facility Service is to be performed exclusively on the Airport and that the tow trucks will not go off the Airport.

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

(2) With respect to the Emergency Service, upon receipt of a call from the Port Authority's Police Desk at the Airport or from the Airport Operations Office at the Airport or from such other office as may from time to time be designated by notice from the Port Authority, the Lessee will dispatch the tow truck to the location at the Airport as directed by the

Port Authority in its call. The Lessee will pick up the vehicle designated by the Port Authority to be picked up but only if a police officer or other representative of the Port Authority is present and the Lessee shall require its drivers to comply with the directions of said Port Authority representatives. The Lessee shall tow said vehicle to a Port Authority location, if the Port Authority representative so requires, or otherwise to the premises. If the vehicle is towed to the premises, the Lessee shall keep and store said vehicle therein until the same is delivered to "an authorized person", as hereinafter defined, or to the Port Authority, as hereinafter provided, in the presence of and as directed by a police officer or other Port Authority representative. When the Lessee picks up and tows away a vehicle, and when the Lessee surrenders up a vehicle to an authorized person or to the Port Authority, it shall execute and deliver to the Port Authority's police officer or other representative thereat a form reflecting the action taken. The Lessee hereby acknowledges and agrees that all forms executed by the driver of the tow truck or any other personnel of the Lessee, its sublessee or operator shall be deemed duly executed and authorized on behalf of the Lessee and the Lessee shall be bound thereby. The Port Authority shall deliver to the Lessee an acknowledgment of authority to release said vehicle to the authorized person.

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

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

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

(6) The Port Authority hereby agrees to pay to the Lessee the Uncollected Emergency Service Amount which shall mean the sum of: (i) the charge for picking up and towing any vehicle to a Port Authority location as directed by the Port Authority representative pursuant to subparagraph (j)(i) hereof; and (ii) the charge for picking up and towing to the premises as directed by the Port Authority pursuant to subparagraph (j)(i) hereof, and the storage charges therefor, if any, which charges as of the time that the Port Authority directs the Lessee to

deliver said vehicle to the Port Authority pursuant to subparagraph (5) hereof are unpaid or which charges the authorized person refused to pay to the Lessee and the Port Authority nevertheless directs that the car be released to such person. The charges shall be as set forth in Schedule X annexed hereto and shall be paid monthly.

(k) The Lessee shall procure all licenses, certificates, permits, franchises or other authorization from all governmental authorities, if any, having jurisdiction over the operations of the Lessee, which may be necessary for the conduct of its operation of the Facility Service. Neither the execution of this Agreement nor anything contained herein shall be construed to be a grant of any franchise, consent, license, permit, right or privilege of any nature or kind whatsoever to operate tow trucks or any other vehicles outside the Airport or over the public streets or roads in any County of the State of New Jersey. The Lessee shall promptly observe, comply with and execute the provisions of any and all present and future governmental laws, rules, regulations, requirements, orders and directions which may pertain or apply to the Facility Service. The Lessee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of persons and property at the Airport, and are not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

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

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

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

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

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

(q) The Lessee shall at the time of rendering each statement required of the Lessee in Sections 4 and 46 hereof submit a further written statement setting forth its computation of the amount due to the Lessee from the Port Authority for the preceding calendar month if any, for the Emergency Service in accordance with paragraph (j) hereof. Said statement shall contain such itemization and information as to the amounts due to the Lessee as the Port Authority shall from time to time request. The Lessee may deduct from the payments to be made by the Lessee pursuant to Section 4 hereof the amount due to the Lessee from the Port Authority as computed by the Lessee in such statement. However, it is hereby expressed and agreed that no such statement by the Lessee and no such deduction by it of the amount set forth therein shall be or be deemed to have been conclusively determined until the amount has been audited and verified by the Port Authority. Moreover, until such audit and verification, the Lessee hereby agrees to promptly remit to the Port Authority, upon written demand, all or such portion of the amount so deducted which the Port Authority contends is in excess of the proper amount to be deducted.

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

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

Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority, or the provision of any statutes respecting suits against the Port Authority.

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

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

Section 48. Sales and Services by the Lessee

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

Port Authority shall have all remedies consequent upon breach which would otherwise be available to it at law, in equity or by reason of this Lease.

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

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

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

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

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

Section 49. Postponement

If the Port Authority shall not give possession of the premises or any part thereof on the date fixed in Section 2 hereof for the commencement of the letting hereunder by reason of the fact that the premises or any part thereof are in the course of construction, repair, alteration or improvement or by reason of the fact that the occupant thereof failed or refused to deliver possession to the Port Authority, or by reason of any cause or condition beyond the control of the Port Authority, the Port Authority shall not be subject to any liability for the failure to give possession on said date. No such failure to give possession on the date of commencement of the letting as set forth in Section 2 hereof shall in any wise affect the validity of this Agreement or the obligations of the Lessee hereunder, nor shall the same be construed in any wise to extend the

term of the letting as set forth therein beyond the expiration date. However, until possession of the premises or any part thereof is tendered by the Port Authority to the Lessee, the effective date of the letting of the premises or any part thereof shall be made by notice given at least five (5) days prior to the effective date of the tender and in the event that such notice of tender is not given for possession to commence on or before one hundred eighty (180) days after the date stated in Section 2 hereof for commencement of the letting of the premises hereunder then this Agreement shall be deemed cancelled, except that each party shall and does hereby release the other party of and from any and all claims or demands based on this Agreement, or a breach or alleged breach thereof.

Section 50. Services

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

Section 51. Utility Lines

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

Section 52. Relationship of the Parties

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

Section 53. Definitions

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

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

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

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

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

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

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

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

(h) "Unamortized Capital Investment" shall mean for purposes of this Lease, the amount of the Lessee's investment in the premises arising out of the performance by the Lessee of the construction work pursuant to and set forth in Section 2 of this Lease with respect to the

multi-fuel vehicle service station after deduction therefrom of an amount equivalent to an allowance for depreciation and amortization. Such allowance will be computed on a straight-line basis over a period commencing on the Completion Date, as established pursuant to Section 6 (f)(2) hereof to and including the day immediately prior to the fifth (5th) anniversary of the Completion Date.

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

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

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

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

(k) "Environmental Damages" shall mean any one or more of the following: (i) the presence on, about or under the premises of any Hazardous Substance and/or (ii) the disposal, release or threatened release of any Hazardous Substance from the premises, and/or (iii) the presence of any Hazardous Substance on, about or under other property at the Airport as a result of the Lessee's use and occupancy of the premises or a migration of a Hazardous Substance from

the premises, and/or (iv) any personal injury (including wrongful death) or property damage arising out of or related to any such Hazardous Substance, and/or (v) the violation of any Environmental Requirements pertaining to any such Hazardous Substance, the premises and/or the activities thereon.

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

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

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

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

Section 54. Storage Tanks

(a) All storage tanks, if any, installed in the premises as of the Commencement Date as defined in Section 2 hereof, together with all storage tanks installed in the premises during the term of the letting subsequent to the Commencement Date and its or their

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

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

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

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

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

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

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

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

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

up and remediation shall be performed pursuant to an alteration application prepared by the Lessee and submitted to the Port Authority for the Port Authority's approval.

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

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

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

Section 55. Federal Airport Aid

The Port Authority has applied for and received a grant or grants of money from the Administrator of the Federal Aviation Administration pursuant to the Airport and Airways Development Act of 1970, as the same has been amended and supplemented or superseded by similar federal legislation, and under prior federal statutes which said Act superseded and the Port Authority may in the future apply for and receive further such grants. In connection therewith, the Port Authority has undertaken and may in the future undertake certain obligations respecting its operation of the Airport and the activities of its contractors, lessees and permittees thereon. The performance by the Lessee of the covenants, promises and obligations contained in this Lease is therefore a special consideration and inducement to the making of this Agreement by the Port Authority, and the Lessee further covenants and agrees that if the Administrator of the Federal Aviation Administration or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the Port Authority in connection with the Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Lessee of such covenants, promises and obligations under this Agreement, the Lessee will

promptly comply therewith, at the time or times when and to the extent that the Port Authority may direct.

Section 56. Lessee's Rights Non-Exclusive

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

Section 57. Thirty Day Termination

(a)(i) The Port Authority shall have the right to terminate this Agreement and the letting hereunder, without cause, at any time, on thirty (30) days' prior written notice to the Lessee. In the event that this Agreement and the letting hereunder is terminated pursuant to this Section, this Agreement and the letting hereunder shall cease and expire as if the effective date of termination stated in the notice were the date originally stated herein for the expiration of this Agreement.

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

(b) The Lessee is obligated by this Agreement to furnish and install all fixtures and equipment and make all improvements in the premises, necessary or proper for its operations hereunder. In the event of termination by the Port Authority under this Section, the Port Authority shall pay the Lessee a *pro rata* share of the Lessee's cost in supplying and installing all such fixtures and equipment and making all such improvements excluding any replacements thereof. The cost and the *pro rata* share thereof shall be ascertained as stated in paragraph (c) hereof, provided, however, that tender of payment of said prorated cost by the Port Authority to the Lessee shall not be prerequisite to the exercise of the right of termination under this Section, but the Lessee shall be entitled to 4% interest per annum on said prorated cost for the period between the effective date of termination and the date of tender of payment (excluding any portion of the period prior to the rendering by the Lessee to the Port Authority of a statement and other documents of cost). On the payment by the Port Authority of said prorated cost and any

interest due thereon, all fixtures, equipment and improvements including replacements furnished by the Lessee in the premises and all interest of the Lessee therein which have not already become the property of the Port Authority shall be and become the property of the Port Authority and the Lessee shall execute any and all instruments necessary to transfer title to any such interest, provided, however, that the Port Authority may by notice relinquish its right to any such fixtures, equipment or improvements and the provisions of Sections 48, 6 and 28 shall apply thereto.

(c) Cost and Proration Thereof:

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

(aa) Direct labor and material costs;

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

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

(ii) A statement of the cost detailing all the foregoing including copies of invoices and contracts and certified by a responsible officer of the Lessee shall be delivered by the Lessee to the Port Authority not later than ninety (90) days after the complete supplying and the making of all such initial improvements, and the Lessee shall permit the Port Authority, by its agents, employees and representatives, at all reasonable times prior to a final settlement or determination of cost, to examine an audit the records and books of account within the Port of New York District during such time.

(iii) If the Lessee includes in cost any items as having been incurred but which, in the opinion of the Port Authority, if so incurred is not an item properly chargeable to cost under sound accounting practice, then the Port Authority shall give written notice to the Lessee

stating its objection to any such item and the grounds therefor. Determinations of the Port Authority hereunder shall be final.

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

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

Section 58. Force Majeure

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

Section 59. Environmental Compliance

(a) The Lessee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on, or under the premises or into any ditch, conduit, stream, storm sewer, or sanitary sewer connected thereto or located at the Facility.

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

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

2. Notwithstanding any provision of the License Agreement to the contrary, both this Consent and the License Agreement shall terminate, without notice to the Lessee or the Licensee, on the day preceding the earliest to occur of the dates of expiration, revocation or earlier termination of the Lease, or on the date of the expiration or earlier termination of the License Agreement, on the effective date of any revocation of this Consent by the Port Authority or on such earlier date as the Lessee and the Licensee may agree upon. The Licensee shall cease its use and occupancy of the licensed premises and shall quit such area and remove its property and property for which it is responsible therefrom on or before the expiration or earlier revocation or termination of the period of the permission granted with respect to the use thereof.

3. If the Lessee shall at any time be in default under the Lease, the Licensee shall on demand of the Port Authority pay directly to the Port Authority any rental, fee or other amount due to the Lessee. No such payment shall relieve the Lessee from any obligation under the Lease or under this Consent or affect the Port Authority's rights and remedies thereunder, but all such payments shall be credited against the obligations of the Lessee or of the Licensee, as the Port Authority may determine for each payment or part thereof.

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

5. Neither this Consent nor anything contained herein nor the consent granted hereunder shall constitute or be deemed to constitute a consent to, nor shall they create an inference or implication that there has been consent to, any enlargement, variation or change in the rights and privileges granted to the Lessee under the Lease, nor consent to the granting or conferring any rights, powers or privileges to the Licensee as may be provided by the License Agreement if not granted to the Lessee under the Lease, nor shall they impair or affect any of the duties, liabilities and obligations imposed on the Lessee under the Lease. The License Agreement is an agreement between the Lessee and the Licensee with respect to the various matters set forth therein. Neither this Consent nor anything contained herein nor the consent

granted hereunder shall constitute an agreement between the Port Authority and the Lessee that the provisions of the License Agreement shall apply and pertain as between the Lessee and the Port Authority, it being understood that the terms, provisions, conditions and agreements of the Lease shall, in all respects, be controlling, effective and determinative. The specific mention of or reference to the Port Authority in any part of the License Agreement, including without limitation thereto any mention of any consent or approval of the Port Authority now or hereafter to be obtained, shall not be or be deemed to create an inference that the Port Authority has granted its consent or approval thereto under this Consent or shall hereafter grant its consent or approval thereto or that the subject matter as to which the consent or approval applies has been or shall be approved or consented to in principle or in fact or that the Port Authority's discretion as to granting any such consents or approvals shall in any way be affected or impaired. The lack of any specific reference in any provision of the License Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required.

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

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

7. (a) Without in any wise affecting the obligations of the Lessee under the Lease and under this Consent and notwithstanding the terms and provisions of the License Agreement, the Licensee shall make repairs and replacements as if it were the Lessee under the Lease. In addition, the Licensee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives from and against (and shall reimburse the Port Authority for its costs and expenses including attorney's fees and other legal expenses incurred in connection with the defense of) all claims and demands of third persons including but not limited to claims and demands for death, for personal injuries and for property damages,

arising out of a breach or default of any term or provision of this Consent by the Licensee or out of its operations under the License Agreement or at the licensed premises, or out of the use or occupancy of the licensed premises by the Licensee or by others with its consent, or out of any other acts or omissions of the Licensee, its officers, employees, agents, representatives, contractors, customers, guests, invitees and others who are doing business with the Licensee at the licensed premises, or out of any other acts or omissions of the Licensee, its officers and employees at the Airport, including claims and demands of the City of Newark (hereinafter "the City") from which the Port Authority derives its right in the Airport, for indemnification, arising by operation of law or pursuant to the Basic Lease (as defined in the Lease) whereby the Port Authority has agreed to indemnify the City against claims. However, all acts and omissions of the Licensee shall be deemed to be acts and omissions of the Lessee under the Lease and the Lessee shall also be severally responsible therefor, including but not limited to the obligations of indemnification, repair and replacement.

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

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

any two or all of them, but such endorsement shall not limit, vary, change or affect the protections afforded the Port Authority, the Lessee and the City as additional insureds. In addition, the insurance required hereunder shall provide or contain an endorsement providing that the protections afforded the Port Authority, the Lessee, the City or any two or all of them, thereunder as additional insureds with respect to any claim or action against the Port Authority or the Lessee, or both, by the Licensee shall be the same as the protections afforded the Licensee thereunder with respect to any claim or action against the Licensee by a third person as if the Port Authority and the Lessee were the named insureds thereunder. Further, the said policy or policies of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Licensee under subparagraphs (a) and (b) hereof.

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

All insurance coverages and policies required under this Paragraph may be reviewed by the Port Authority for adequacy of terms, conditions and limits of coverage at any time and from time to time during the period the License Agreement remains in effect. The Port Authority at any such time may make additions, deletions, amendments to or modifications of the above-scheduled insurance requirements, including an increase in such minimum limits, and may require such other and additional insurance, in such amounts or against such other insurable hazards, as the Port Authority may deem advisable and the Licensee shall promptly comply therewith.

(d) As to the insurance required by the provisions of this Paragraph, a certified copy of the policies or a certificate or certificates or binders satisfactory to the Port Authority evidencing the existence thereof, shall be delivered by the Lessee to the Port Authority within fifteen (15) days after delivery of this Consent to the Port Authority. Each policy, certificate or binder delivered as aforesaid shall bear the endorsement of or be accompanied by evidence of payment of the premium thereon. In the event a binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate. Each such copy or certificate shall contain a valid provision or endorsement, unqualifiedly committing the insurer not to cancel, terminate, change or modify the policy without giving thirty (30) days' written advance notice thereof to the Port Authority. Each such copy or certificate shall contain an additional endorsement providing that the insurance carrier shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority. Any renewal policy shall be delivered to the Port Authority at least thirty (30) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of

the License Agreement. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Licensee shall promptly obtain a new and satisfactory policy in replacement thereof. If the Port Authority at any time so requests, a certified copy of each of the policies shall be delivered to the Port Authority.

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

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

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

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

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

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

13. The Lessee and the Licensee hereby represent to the Port Authority that they have complied with and will comply with all laws, governmental rules, regulations and orders which as a matter of law are applicable to or which affect the operations of the Lessee and the Licensee under the Lease or its or their use of the licensed premises. The obligation of the Lessee and the Licensee hereunder to comply with governmental requirements is provided herein for the purpose of assuring proper safeguards for the protection of persons and property. Such provision is not to be construed as a submission by the Port Authority to the application to itself of such requirements or any of them.

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

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

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

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

ATTEST: THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

_____ By _____
Secretary

Title _____
(Seal)

ATTEST:

_____ By _____
Secretary

Title _____ President
(Corporate Seal)

ATTEST:

_____ By _____
Secretary

Title _____ President
(Corporate Seal)

(Port Authority Acknowledgment)

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

On the day of in the year 20 before me, the undersigned, a Notary Public in and for said state, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged that he executed the same in his capacity as for the Port Authority of New York and New Jersey, and that by his signature on the instrument, the individual, or the corporation upon behalf of which the individual acted, executed the instrument.

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

(Permittee Acknowledgment)

STATE OF)
)ss.:
COUNTY OF)

On the day of in the year 200 before me, the undersigned, a Notary Public in and for said state, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged that he executed the same in his capacity as for the Port Authority of New York and New Jersey, and that by his signature on the instrument, the individual, or the corporation upon behalf of which the individual acted, executed the instrument.

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

(Licensee Acknowledgment)

STATE OF)
)ss.:
COUNTY OF)

On the day of in the year 200 before me, the undersigned, a Notary Public in and for said state, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged that he executed the same in his capacity as for the Port Authority of New York and New Jersey, and that by his signature on the instrument, the individual, or the corporation upon behalf of which the individual acted, executed the instrument.

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

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

On this day of , 2007, before me, the subscriber, a notary public of New York, personally appeared
the
of The Port Authority of New York and New Jersey, who I am satisfied is the person who has signed the within instrument; and, I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Commissioners.

_____
(notarial seal and stamp)

STATE OF)
) ss.
COUNTY OF)

On this day of , 2007, before me, a notary public of , personally appeared
the President of _____, who I am satisfied is the person who has signed the within instrument; and I having first made known to him the contents thereof, he did acknowledge that he signed, sealed with the corporate seal and delivered the same as such officer aforesaid and that the within instrument is the voluntary act and deed of such corporation, made by virtue of the authority of its Board of Directors.

_____
(notarial seal and stamp)

SCHEDULE A

The Lessee shall pay the rental at the rate stated in paragraph (a) of Section 4 of the Agreement to which this Schedule is attached (which Agreement is hereinafter sometimes called "the Lease"), until the said rate is adjusted as hereinafter provided. After the close of calendar year 2004 and after the close of each calendar year thereafter, the Port Authority will adjust the Airport Services Factor of the annual rate of rental specified in paragraph (a) of Section 5 of the Lease, upwards or downwards, as follows:

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

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

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

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

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

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

III. The Port Authority will multiply the Airport Services Factor as stated in paragraph (a) of Section 5 of the Lease by a fraction the numerator of which shall be the total of the major elements of costs actually incurred or accrued as determined under Paragraph I, subparagraphs (a) through (d) above and the denominator of which shall be the total of the major elements of costs actually incurred or accrued as determined for the year prior to the year for which the adjustment is being made (for the calendar year 2004 adjustment, it is hereby agreed said denominator shall be $81,211,898); and the resulting product shall be multiplied by a fraction the numerator of which shall be the percentage determined in Paragraph II above and the

denominator of which shall be the actual percentage of total developed land area occupied by the Lessee's premises determined for the year prior to the year for which the adjustment is being made (for the calendar year 2006 adjustment, it is hereby agreed said denominator shall be 0.031%).

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

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

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

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

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

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

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

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

A. Construction costs

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

(2) premiums or charges for Performance Bonds;

(3) insurance premiums or charges;

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

B. Engineering Services

(1) payments to outside consultants and engineering firms;

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

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

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

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

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

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

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

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

Initialled:

_____ _____

For the Lessee For the Port Authority

SCHEDULE E

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

Part I. Affirmative Action Guidelines Equal Employment Opportunity

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

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

(aa) The contractor shall not discriminate against employees and applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and shall undertake or continue existing programs of affirmative action to ensure that minority group

persons are afforded equal employment opportunity without discrimination. Such programs shall include, but not be limited to, recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, rates of pay or other forms of compensation, and selections for training or retraining, including apprenticeships and on the job training;

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

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

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

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

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

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

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

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

(1) Minority participation
Minority, except laborers 30%
Minority, laborers 40%

(2) Female participation
Female, except laborers 6.9%
Female, laborers 6.9%

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

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

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

(c) As used in these specifications:

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

(2) "Minority" includes:

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

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

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

(iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

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

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

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

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

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

The evaluation of the Contractor's compliance with these provisions shall be based upon its good faith efforts to achieve maximum results from its actions. The Contractor shall

document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

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

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

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

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

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

(6) Disseminate the Contractor's EEO Policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the Contractor's newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least

once a year; and by posting the Contractor's EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

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

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

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

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

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

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

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

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

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

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

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

(j) A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non minority. Consequently, the Contractor may be in violation hereof if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation hereof if a specific minority group of women is underutilized).

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

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

(m) The Contractor shall carry out such sanctions and penalties for violation of this clause including suspension, termination and cancellation of existing subcontracts as may be

imposed or ordered by the Lessee. Any Contractor who fails to carry out such sanctions and penalties shall be in violation hereof.

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

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

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

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

PART II.

MINORITY BUSINESS ENTERPRISES/WOMEN OWNED BUSINESS ENTERPRISES

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

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

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

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

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

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

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

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

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

Certification of MBEs and WBEs hereunder shall be made by the Office of Business and Job Opportunity of the Port Authority. If the Contractor wishes to utilize a firm not already certified by the Port Authority, it shall submit to the Port Authority a written request for a determination that the proposed firm is eligible for certification. This shall be done by completing and

forwarding such form as may be then required by the Port Authority. All such requests shall be in writing addressed to the Office of Business and Job Opportunity, the Port Authority of New York and New Jersey, 225 Park Avenue South, New York, New York 10003 or such other address as the Port Authority may specify by notice to the Lessee. Certification shall be effective only if made in writing by the Director in charge of the Office of Business and Job Opportunity of the Port Authority. The determination of the Port Authority shall be final and binding.

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

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

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

_____
For the Port Authority

Initialled:

_____

SCHEDULE X

Towing	$125.00 per vehicle
Relocation of Vehicle via Flatbed	$ 80.00 per vehicle
Drop Fee	$ 75.00 per vehicle
Relocation of Vehicle	$ 40.00 per vehicle
Road Service (jump starts, lockouts, tire changes, lock deicing, fuel, etc.)	$ 25.00 per vehicle
Storage	$15.00 per calendar