Torres Rojas, Genara FOI#13777

From: matthewdavidogrady@gmail.com
Sent: Thursday, February 21, 2013 4:01 PM
To: Duffy, Daniel
Cc: Torres Rojas, Genara; Van Duyne, Sheree
Subject: Freedom of Information Online Request Form

Information:

First Name: Matt
Last Name: OGrady
Company: Harmonia Media
Mailing Address 1: 4 huckleberry ln
Mailing Address 2:
City: oyster bay
State: NY
Zip Code: 11771
Email Address: matthewdavidogrady@gmail.com
Phone: 6198570463
Required copies of the records: No

List of specific record(s):
Request for copies of the current contracts or lease agreements between the PA and Mar Air, or its affiliates, for the operation of food and beverage concession facility at JFK and LGA.

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

May 16, 2014

Mr. Matt Ogrady
Harmonia Media
4 Huckleberry Lane
Oyster Bay, NY 11771

Re: Freedom of Information Reference No. 13777

Dear Mr. Ogrady:

This is in response to your February 21, 2013 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code", copy attached) for copies of the current contracts or lease agreements between the Port Authority and Mar Air, or it's affiliates, for the operation of food and beverage concession facility at John F. Kennedy International Airport and LaGuardia Airport.

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/13777-LPA.pdf. Paper copies of the available records are available upon request.

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

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

Very truly yours,

Daniel D. Duffy
FOI Administrator

Attachment

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

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

Consent Agreement No. AGA-826
Supplement No. 1
Facility - LaGuardia Airport

THIS SUPPLEMENTAL AGREEMENT, made as of October 5, 2011, by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), MARKETPLACE LAGUARDIA LIMITED PARTNERSHIP (hereinafter called the "Lessee") and M.A.R. AIR FOODS, INC., a New York not-for-profit corporation (hereinafter called the "Sublessee").

WITNESSETH, That:

WHEREAS, by an agreement of lease dated September 19, 1994, bearing Port Authority Lease No. AGA-317 (said agreement of lease, as heretofore and hereafter supplemented and amended being hereinafter called the "Lease"), the Port Authority leased to MarketPlace LaGuardia Limited Partnership certain areas in the Central Terminal Building (hereinafter called the "Terminal") including those in its passenger concourses, its Center Section and its East and West Wings (hereinafter collectively referred to as the "premises") at LaGuardia Airport (hereinafter called the "Airport") to be used by such parties as may be approved by the Port Authority as provided therein; and

WHEREAS, the Lessee and the Sublessee entered into a sublease agreement ("Sublease"), dated as of March 21, 2008, pursuant to which the Lessee made available to the Sublessee space to operate a store, and maintain storage space, to provide for the sale at retail of the goods/services set forth therein (sometimes hereinafter called the "Space"); and

WHEREAS, heretofore and as of March 21, 2008, the Port Authority, the Lessee and the Sublessee entered into a consent to sublease agreement (hereinafter called the "Consent Agreement"), pursuant to which the Port Authority consented to the Sublease;

WHEREAS, the Lessee and the Sublessee have requested the consent of the Port Authority to a proposed First Amendment to Sublease, dated as of October 5, 2011, providing, among other things, for the addition of retail and storage space, a copy of which document is attached hereto and made a part hereof (hereinafter called the "First Sublease Amendment"); and

WHEREAS, the Lessee and the Sublessee have requested the consent of the Port Authority to the First Sublease Agreement;

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

October 5, 2011, as follows:

1. The Port Authority hereby consents to the First Sublease Amendment.

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

3. The Lessee and the Sublessee represent and warrant that no broker has been concerned in the negotiation of this Agreement and that there is no broker who is or may be entitled to be paid a commission in connection therewith. The Lessee and the Sublessee shall indemnify and save harmless the Port Authority of and from all claims for commission or brokerage made by any and all persons, firms or corporations whatsoever for services in connection with the negotiation and execution of this Agreement.

4. 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 and the Sublessee with any liability or held liable to either of them under any term or condition of this Agreement, or because of its execution or attempted execution or because of any breach or attempted or alleged breach thereof. The Lessee and the Sublessee agree that no representations or warranties with respect to this Agreement shall be binding upon the Port Authority unless expressed in writing herein.

5. This Agreement, together with the Consent Agreement (to which it is supplementary) constitutes the entire agreement between the Port Authority, the Lessee and the Sublessee on the subject matter, and may not be changed, modified, discharged or extended except by instrument in writing duly executed on behalf of both the Port Authority, the Lessee and the Sublessee. The Lessee and the Sublessee agree that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in the Consent Agreement or this Agreement.

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____

(Title) David Kagan
~~Assistant Director~~
Business, Properties & Airport Development

ATTEST:

Secretary

MARKETPLACE LAGUARDIA LIMITED PARTNERSHIP
By: Marketplace LaGuardia, Inc., General Partner

By _____

Print Name Paul O. McGinn

(Title) President
(Corporate Seal)

ATTEST:

Secretary

M.A.R. AIR FOODS, INC.

By _____

Print Name RAM SINGH

(Title) President
(Corporate Seal)

Port Authority Use Only	
Approval as to Terms:	Approval as to Form:

MLG/mmw

STATE OF NEW YORK 1995 MAR AIR FOODS INC

FIRST AMENDMENT TO SUBLEASE

This instrument is the First Amendment (the "First Amendment") to a Sublease dated March 21, 2008 (as amended, the "Sublease") for certain premises located in the Central Terminal Building at LaGuardia Airport between **MarketPlace LaGuardia Limited Partnership**, a Delaware limited partnership ("Landlord") and **M.A.R. Air Foods, Inc.**, a New York Corporation ("Tenant").

Tenant has requested and Landlord has agreed to add additional retail space DR15 and additional storage spaces ALS6 and CSBS4 to the Premises and to make certain other amendments to the Sublease, pursuant to the terms and conditions set forth herein. Terms not otherwise defined herein shall have the meanings ascribed to them in the Sublease.

NOW, THEREFORE, in consideration of the mutual undertakings of the parties under this First Amendment and the Sublease, the parties hereby agree as set forth below. Where the terms of this First Amendment are in conflict with the terms of the Sublease, the terms of this First Amendment shall control.

1. Basic Data; Tenant's Trade Name and Tenant's Address. Section 1.1 of the Sublease is hereby amended, such that the definition of Tenant's Trade Name is hereby deleted in its entirety and amended to read as follows:

Tenant's Trade Name:	For Locations CSAR5 and BR5/6: Angelina's Metro Market For Location DR15: Healthy Gourmet

2. Basic Data; Premises. Section 1.1 of the Sublease is hereby amended, such that the definition of Premises is hereby deleted in its entirety and is amended to read as follows:

Premises:	That portion of the Retail Area shown on Schedule A and designated thereon Location CSAR5, containing approximately 1,136 square feet, ("Location CSAR5") and Location BR5/6, containing approximately 144 square feet ("Location BR5/6"). From and after the Healthy Gourmet Commencement Date, that portion of the Retail Area shown on Schedule A-1 and designated thereon as Location DR15, containing approximately 260 square feet ("Location DR15") Together with the Storage Space designated as Location ALS6 and Location CSBS4 on the attached Schedule A-2 (collectively, the "Storage Space")

3. Basic Data; Permitted Use and Operating Hours. Section 1.1 of the Sublease is hereby amended, such that the definitions of Permitted Use and Operating Hours are hereby deleted in their entirety and is amended to read as follows:

Permitted Use:	For Locations CSAR5 and BR5/6: Tenant may use the Premises for the operation of a first-class, high quality café for the preparation and sale of those items on the approved menu set out in Schedule 1 plus any change or addition to those items that is made in compliance with Section 8.6 hereof, and in compliance with the merchandise requirements set forth in Schedule I, and for no other purpose or purposes. For Location DR15: Tenant may use the Premises for the operation of a first-class, high quality gourmet café for the preparation and sale of sandwiches, dried fruits & nuts, energy bars, cookies, snacks, beverages, healthy salads, fresh fruits, organic yogurt, green salads, and cheeses; all merchandise to be organic, fat-free, gluten-free, or health conscious to the extent possible in keeping with the "healthy" concept. The Storage Space shall be used for the storage of Tenant's equipment, inventory and supplies used in connection with the operation of the Premises.
Operating Hours:	For Location CSAR5, the Operating Hours are from 6 a.m. to 8 p.m., subject to change as provided in Section 4.1. For Location BR5/6, the Operating Hours shall begin one (1) hour before the first scheduled departure from Concourse B, and end at the time of the last actual departure from Concourse B, each and every day during the Term. Operating Hours are subject to change as provided in Section 4.1. For Location DR15, the Operating Hours shall begin one (1) hour before the first scheduled departure from Concourse D, and end at the time of the last actual departure from Concourse D, each and every day during the Term. Operating Hours are subject to change as provided in Section 4.1.

4. Basic Data; Term. The definition of "Term" as set forth in Section 1.1 of the Sublease is hereby deleted in its entirety and amended as follows:

Term:	The period running from the Commencement Date applicable to each location and ending on August 30, 2013.

5. Basic Data; Commencement Date and Rent Commencement Date. Section 1.1 of the Sublease is hereby amended such that the following new definitions are added for Healthy Gourmet Commencement Date and Healthy Gourmet Rent Commencement Date:

Healthy Gourmet Commencement Date:	That date on which Landlord delivers notice to Tenant that Location DR15 is available to Tenant to commence Tenant's Healthy Gourmet Work.
Healthy Gourmet Rent Commencement Date:	The earlier of (i) fifty (50) days after the Healthy Gourmet Commencement Date or (ii) the date on which Tenant opens to the public for business following the completion of Tenant's Healthy Gourmet Work.

6. Basic Data; Fixed Minimum Rent and Percentage Rental. As of the Healthy Gourmet Rent Commencement Date, the definitions for Fixed Minimum Rent, First and Second Percentage Rental Rate, and First and Second Percentage Rent Breakpoint are hereby deleted in their entirety and the following new definitions are added to the Sublease in their place:

Fixed Minimum Rent:	The sum of the Grace's Fixed Minimum Rent and the Healthy Gourmet Fixed Minimum Rent.
Percentage Rental:	The sum of the Grace's Percentage Rental and the Healthy Gourmet Percentage Rental (both as further defined in Section 5.3, as amended by Paragraph 10 of this First Amendment).
Grace's Fixed Minimum Rent:	, payable in monthly installments of each.
Grace's First Percentage Rental Rate:	
Grace's First Percentage Rent Breakpoint:	Ex. 2.a.
Grace's Second Percentage Rental Rate:	
Grace's Second Percentage Rent Breakpoint:	
Healthy Gourmet Fixed Minimum Rent:	, payable in monthly installments of each.
Healthy Gourmet Percentage Rental Rate:	
Healthy Gourmet Percentage Rent Breakpoint:	
Storage Space Fixed Minimum Rent:	, payable in monthly installments of

7. Basic Data; Gross Sales. Notwithstanding anything to the contrary contained in the Sublease, the following terms shall have the meanings set forth below.

Gross Sales:	During the Term applicable to Locations CSAR5 and BR5/6 but prior to the Healthy Gourmet Rent Commencement Date, Grace's Gross Sales (as defined below). During the Term and commencing on the Healthy Gourmet Rent Commencement Date, the sum of Grace's Gross Sales (as defined below) and Healthy Gourmet Gross Sales (as defined below).
Grace's Gross Sales:	The Gross Sales, as defined in Section 5.4, originating from and attributed to Locations CSAR5 and BR5/6.
Healthy Gourmet Gross Sales:	The Gross Sales, as defined in Section 5.4, originating from and attributed to Location DR15.

8. Basic Data; Promotional Contribution. Commencing on the Healthy Gourmet Commencement Date, Section 1.1 of the Sublease is hereby amended such that the definitions of Initial Promotional Contribution and Annual Contribution are hereby deleted in their entirety and replaced with the following:

Initial Promotional Contribution:	With respect to Locations CSAR5 and BR5/6, payable as provided in Section 6.4. With respect to Location DR15, an additional payable as provided in Section 6.4.
Annual Promotional Contribution:	During the Term applicable to Locations CSAR5 and BR5/6 but prior to the Healthy Gourmet Commencement Date, the Grace's Annual Promotional Contribution (as defined below). During the Term and commencing on the Healthy Gourmet Commencement Date, the sum of Grace's Annual Promotional Contribution (as defined below) and Healthy Gourmet Annual Promotional Contribution (as defined below).
Grace's Annual Promotional Contribution:	Commencing on the Commencement Date, subject to annual increases determined in the manner provided in Section 6.4.
Healthy Gourmet Annual Promotional Contribution:	Commencing on the Healthy Gourmet Commencement Date, Ex.2.a. subject to annual increases determined in the manner provided in Section 6.4.

9. Basic Data; Security Deposit. Commencing on the Healthy Gourmet Commencement Date, Section 1.1 of the Sublease is hereby amended such that the definition of is hereby deleted in its entirety and replaced with the following:

Security Deposit:	$117,500, in the form of a Letter of Credit (as provided in Section 5.8)

10. Percentage Rental. As of the Healthy Gourmet Rent Commencement Date, Section 5.3 is hereby deleted in its entirety and replaced with the following new Section 5.3:

> During the Term, Tenant shall pay Percentage Rental in accordance with the terms of this Section 5.3. Percentage Rental shall be due and payable on a monthly basis on or before the tenth (10th) day following the end of each calendar month during the Term. During the Term applicable to Locations CSAR5 and BR5/6 but prior to the Healthy Gourmet Rent Commencement Date, each monthly payment of Percentage Rental shall be equal to the Grace's Percentage Rental. During the Term and commencing on the Healthy Gourmet Rent Commencement Date, each monthly payment of Percentage Rental shall be equal to the sum of the Healthy Gourmet Percentage Rental and the Grace's Percentage Rental.
>
> Each monthly payment of Grace's Percentage Rental shall be equal to (a) the sum of (i) the Grace's First Percentage Rental Rate multiplied by the amount by which Tenant's year-to-date Grace's Gross Sales during such Lease Year exceeds the Grace's First Percentage Rent Breakpoint but does not exceed the Grace's Second Percentage Rent Breakpoint, plus (ii) the Grace's Second Percentage Rental Rate times the amount by which Tenant's year-to-date Grace's Gross Sales during such Lease Year exceeds the Grace's Second Percentage Rent Breakpoint, less (b) the sum of the Grace's Percentage Rental payments made previously by Tenant with respect to such Lease Year.
>
> Each monthly payment of Healthy Gourmet Percentage Rental shall be equal to (a) the Healthy Gourmet Percentage Rental Rate multiplied by the amount by which Tenant's year-to-date Healthy Gourmet Gross Sales during such Lease Year exceeds the Healthy Gourmet Percentage Rent Breakpoint, less (b) the sum of the Healthy Gourmet Percentage Rental payments made previously by Tenant with respect to such Lease Year.
>
> As soon as practicable after the end of each Lease Year (but in no event later than 45 days after the end of such Lease Year), the Percentage Rental paid or payable with respect thereto shall be reconciled between Landlord and Tenant. Tenant shall pay any underpayment to Landlord simultaneously with the delivery of the annual statement of Gross Sales required by Section 5.5 hereof. Provided that Tenant is not then in default under any of the terms or covenants of this Sublease, any overpayment shall be credited against Rental subsequently due (or, if such adjustment is to be made after the expiration of the Term, any overpayment shall be paid to Tenant).

11. Renovation of the Premises. The following new Subsection 7.3(c) is hereby added to the Sublease:

> (c) By not later than fifty (50) days after the Healthy Gourmet Commencement Date, Tenant shall, at its sole cost and expense, complete in a diligent manner all work to be performed by Tenant pursuant to **Schedule B-3** attached hereto (the "**Tenant's Healthy Gourmet Work**") in accordance with the provisions of Sections 7.3 and 9.4 of the Sublease relating to "Tenant's Work," the Tenant's Design Manual, and **Schedule B-3**. Tenant shall invest not less than $65,000 ($250 per square foot of Location DR15) in Tenant's Healthy Gourmet Work.

12. Schedules A-1, A-2 and B-3. The Sublease is hereby amended to include the additional schedules attached hereto as **Schedule A-1, Schedule A-2** and **Schedule B-3**.

13. Ratification of Lease. As modified hereby, the Sublease is ratified and confirmed and shall remain in full force and effect. This First Amendment shall inure to the benefit of and be binding upon Landlord and Tenant and their respective successors and assigns. This First Amendment shall not take effect without the prior written consent of the Port Authority, except Tenant agrees that during any period prior to receipt of such consent it will perform all of its obligations hereunder as fully as if such First Amendment was in effect during such period.

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IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed under seal as of this 5 day of October, 2011.

LANDLORD:

MarketPlace LaGuardia Limited Partnership

By: MarketPlace LaGuardia, Inc., its general partner

Name: Paul O. McGinn
Its: President
Hereunto duly authorized

TENANT:

M.A.R. Air Foods, Inc.

Name:
Its:
Hereunto duly authorized

9/27

underwriters. The Landlord's approval of plans and specifications shall not constitute an acknowledgement that work done in accordance therewith will so conform, and the Tenant shall be solely responsible for corrections in the Tenant's work required by any governmental agency or insurance underwriters. The Tenant shall obtain and convey to the Landlord approvals from all agencies having jurisdiction over matters relative to electrical, gas (if available), water, heating and cooling, and telephone work, and shall secure its own building and occupancy permits. The Landlord reserves the right to require changes in the Tenant's work when necessary by reason of code requirements or directives of governmental authorities having jurisdiction over the demised premises.

6. Approvals: No approval by the Landlord shall be valid unless the same be in writing and signed on behalf of the Landlord.

7. Insurance: Prior to commencement of the Tenant's work and until the last to occur of (a) the completion of the Tenant's work, or (b) the Commencement Date, the Tenant shall maintain, or cause to be maintained, casualty insurance in builder's risk form, covering the Landlord, the Landlord's agents and beneficiaries, the Landlord's Architect, the Landlord's contractor or subcontractors, the Tenant and the Tenant's contractors as their interests may appear, against loss or damage by fire, vandalism and malicious mischief, and such other risks as are customarily covered by the so-called "extended coverage endorsement" upon all the Tenant's work in place, and all materials, equipment, supplies, and temporary structures of all kinds incident to the Tenant's work and builders' machinery, tools and equipment, all while forming a part of, or contained in, such improvements or temporary structures while on the demised premises or when adjacent thereto while on malls, drives, sidewalks, streets or alleys, all in the full insurable value thereof at all times by reputable insurance companies licensed to do business in the State of New York. In addition, the Tenant agrees to require all contractors and subcontractors engaged in the performance of the Tenant's work to effect and maintain and deliver to the Tenant and the Landlord certificates evidencing the existence of, prior to the commencement of the Tenant's work and until the completion thereof, the following insurance coverages:

   a. Worker's Compensation Insurance – In accordance with the laws of the State of New York, including Employer's Liability Insurance, to the limit of $1,000,000 each accident.

   b. Comprehensive General Liability Insurance in the same form as the Tenant is required to carry under the terms of the Sublease to which this schedule is attached, with minimum limits of liability of $1,000,000 each Occurrence; $2,000,000 General Aggregate Limit; $2,000,000 Products – Completed Operations Aggregate Limit; $1,000,000 Personal and Advertising Liability; $50,000 Fire Legal Liability; and $5,000 Medical Expenses Limit (each person); or in such greater reasonable amounts as the Landlord may hereafter from time to time advise the Tenant in writing. The Port Authority and the Landlord shall be named as additional insureds, and the policy will contain an endorsement whereby the insurer agrees not to raise any defense involving in any way the jurisdiction of the tribunal over the person 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. In addition, such contractors and subcontractors shall carry an Excess Liability policy in umbrella form with a minimum limit of liability of $5,000,000.

   c. Business Automobile Liability, including "non-owned and hired" automobiles, with a combined single limit of $2,000,000.

B. GENERAL CONSTRUCTION

The Tenant shall perform all work necessary to prepare the demised premises for opening for business and shall comply with the plan approval procedure outlined in the Tenant Construction Review Manual which, by reference, is made part of this **Schedule B**. The finish work which the Tenant is to perform shall include, but not be limited to, the following:

1. STOREFRONTS

a. The Tenant shall construct the storefront and closure, including all required structural supports.

b. The design of the storefront shall be in harmony with the other stores of the Retail Area and shall conform to the standards of design and construction contained in the Tenant Design Manual. In any event, the storefront shall be subject to the prior approval of the Landlord's Representative.

c. The Tenant shall furnish and install all signs in accordance with the Tenant Design Manual. All are subject to approval of the Landlord and the Landlord's Representative.

2. FLOOR SLABS

a. Any work performed by the Tenant relating to the floor slabs for the demised premises, including, without limitation, slab preparation, placement of concrete, any demolition, will be performed by the Tenant's contractor at the Tenant's expense, in accordance with the plans and specifications which shall have been approved by the Landlord's Representative prior to commencing any such work.

3. CEILINGS

a. The Tenant shall use the underwriter's approved non-combustible ceiling treatment as set forth in the Tenant Design Manual. Minimum ceiling heights shall be in accordance with the Tenant Design Manual.

b. No combustible materials will be permitted above the ceiling. The Tenant shall not hang any material or fixtures from the roof deck or bottom chord of structural members.

c. The Tenant shall not hang anything from the ceiling grid system or existing mechanical systems in the Terminal.

4. INTERIOR WALLS & PARTITIONS

a. The Tenant shall install on the Tenant's side of demising stud wall a one-hour rated material from finished floor to the underside of the floor slab above the premises, as required by local or state authorities

b. The Tenant will not be permitted to hang fixtures from nor attach fixtures to the aforementioned partition. The Tenant will be required to install a fixture partition adjacent to the demising partitions for the attachment of fixtures in this location. In lieu of installing a fixture partition, the Tenant may submit a sketch of proposed additional framing or bracing to the Landlord for

approval. The Tenant must indicate on such sketch the weights and methods of carrying same on the partitions.

c. All interior finish materials shall meet the flamespread requirements of all applicable codes, ordinances and regulations.

5. FLOOR COVERING

a. The Tenant shall install all floor covering within the demised premises.

6. TRASH AND RUBBISH

a. The Tenant shall provide for an area for dry rubbish collection containers within the demised premises.

b. If the Tenant generates garbage, wet garbage containers shall be provided by the Tenant.

c. The Tenant and the Tenant's contractors shall be totally responsible during construction and fixturing for their own trash removal.

7. PLUMBING

a. The Tenant shall install all plumbing work for the demised premises, including but not limited to, toilets, urinals, lavatories, drinking fountains, electric hot water systems and other fixtures. Work shall include all waste piping, vent piping, water and waste connections to laterals and stubs installed by the Landlord. If gas is required, Landlord will determine the route of gas line installation and the party responsible for installation.

8. FIRE EXTINGUISHERS

a. The Tenant shall furnish and install fire extinguishers as required by applicable authorities, including the Port Authority of New York and New Jersey and New York City Fire Departments and the Landlord's insurance carriers.

9. HEATING, VENTILATING AND AIR CONDITIONING

a. The Tenant shall, if desired, provide and install a fully self-contained heating and air conditioning system necessary to service the in the demised premises in accordance with the Tenant Design Manual and applicable code requirements. The equipment to be installed by the Tenant may include air distribution equipment, heating and cooling coils, diffusers, grilles, fire dampers, duct work, duct insulation, temperature controls and wiring.

b. Air conditioning equipment is permitted on the roof only in locations designated by the Landlord. Steel supports and curbs for roof equipment, whether furnished and installed by the Landlord or the Tenant, will be at the Tenant's expense. The foregoing will vary according to the particular physical characteristics of the demised premises and the Tenant should review the Tenant Design Manual for specific details.

c. All roof openings, blocking, flashing, steel supports and related work will be done by the Landlord's Contractor at the Tenant's expense. All work is

subject to the approval of the Landlord's Representative and the Landlord's Architect.

d. The complete HVAC system must be in operation, inspected and balanced prior to the opening of the demised premises for business. The Tenant is responsible for balancing the HVAC distribution system by a balancing contractor approved by the Landlord.

10. ELECTRICAL

a. The Tenant shall furnish and install a complete electrical system for fire alarm, power and lighting as required by the Tenant Design Manual and applicable codes.

b. The Tenant shall make arrangements for the installation of Tenant's submeter and pay all costs and charges in connection therewith.

c. The Tenant shall furnish, install, support, and connect all lighting fixtures, including lamps.

d. The Tenant shall furnish and install all lighting timers, contactors, controls, etc.

11. OTHER INTERIOR WORK

a. The Tenant shall furnish and install all store fixtures; same to be new and at least equal in quality and design to fixtures used in other better-grade, recently-opened stores of the Tenant or the Tenant's parent company. All fixtures to be subject to the approval of the Landlord's Representative, said approval not to be unreasonably withheld or delayed provided same conform to the foregoing.

12. MATERIALS

No materials used in connection with the Tenant's work in or about the Terminal shall contain any asbestos or other hazardous or toxic materials (collectively, "hazardous materials"). If the transportation, storage, use or disposal of any hazardous materials anywhere on the Terminal associated in any way with the Tenant's work results in any 1) contamination of the soil or surface or groundwater or 2) loss or damage to person(s) or property, then Tenant agrees to respond in accordance with the following paragraph:

Tenant agrees (i) to notify the Landlord immediately of any contamination, loss or damage, (ii) after consultation and approval by the Landlord, to clean up the contamination in full compliance with all applicable statutes, regulations and standards, and (iii) to indemnify, defend and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorneys' fees, arising from or connected with any such contamination, claim of contamination, loss or damage. This provision shall survive the termination of the lease to which this **Schedule "B"** is annexed. No consent or approval by the Landlord shall in any way be construed as imposing upon Landlord any liability for the means, methods, or manner of removal, containment or other compliance with applicable law for and with respect to the foregoing.

Tenant shall immediately notify Landlord upon Tenant's receipt of any inquiry, notice, or threat to give notice by any governmental authority or any other third party with respect to any hazardous material.

13. OTHER MATTERS

a. No mezzanines constructed by the Tenant will be permitted within the demised premises.

b. Surrounding tenants and the Landlord have the right to run duct work, piping, electrical conduit, etc., through the demised premises. Same shall be above the ceiling line, and where possible, tight to underside of roof structure or below floor slab; and in all events, such work shall be done in locations and in a manner approved in advance by the Landlord's Representative. For coordination with surrounding tenants, the Tenant shall provide to the Landlord's Representative reproducible drawings of his complete mechanical and electrical systems for approval. The Tenant shall furnish reproducible shop drawings of the as built mechanical, electrical, and plumbing systems if they are significantly changed for the original approved design.

Prior to the commencement of the Tenant's work, the Tenant shall deliver to the Landlord's Representative certificates of all required insurance, and evidence of the payment of premiums thereon (and certificates of renewal, and evidence of premium payments with reference thereto, where appropriate). All such insurance shall provide, and certificates thereof shall state, that the same is non-cancellable and non-amendable without twenty (20) days' prior written notice to the Landlord.

8. In any contract or undertaking which the Tenant may make with a contractor for work in the demised premises, provision shall be made for dismissal from the job of workmen whose work is, in the Landlord's (and, for this purpose, "the Landlord" shall include a reference to the Landlord's Representative) reasonable judgement, unskilled or otherwise objectionable, and any such workmen shall be discharged, and the Tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Representative) harmless from any such loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Tenant shall use, and the Tenant shall require its contractor and subcontractors to use, every legal effort to prevent work stoppages on the demised premises or elsewhere in the Terminal, to the extent attributable to work being performed on the demised premises, irrespective of the reason for any such stoppage, in recognition of the fact that it is of the utmost importance to the Landlord and all those occupying or to occupy space in the Terminal that there be no interruption in the progress of the work and to that end, in the event that the conduct or presence of any employee(s) of the Tenant or the Tenant's contractor(s) or subcontractor(s) causes a labor dispute or work stoppage, the Tenant expressly agrees to have such employee(s) immediately removed from the Terminal upon the Landlord's request, and the Tenant's failure to do so shall constitute a default under the lease. The tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Representative) harmless from any loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Landlord's Contractor has included in his contract with all subcontractors the following Harmony Clause. The Tenant will be required to include this clause in all contracts with general and subcontractors so that there will be no interruption in the process of work.

Harmony Clause

"There shall be no manifestations on the project of any dispute between any labor organization and any Tenant contractor or subcontractor, including but not limited to, any area standards picketing against said contractor or subcontractor.

Should there be any manifestation of a labor dispute between any Tenant contractor or subcontractor and any union, which results in a stoppage of work on the part of said contractor or subcontractor's employees or the employees of any other employer or supplier on the project or at the Terminal, which in the sole judgement of the Landlord will cause, or is likely to cause, unreasonable delay in the progress of construction or operation of any business at the Terminal, then upon written notice from the Landlord, the Tenant shall have the obligation and the right to declare the contractor or subcontractor in default of his contract, and upon such notice, the Tenant shall have the right to take such steps as are necessary to finish the uncompleted portion of the work to be performed by the contractor or subcontractor."

Construction – DR15

Description of Landlord's Work and Tenant's Work

LaGuardia Airport
Central Terminal Building
Flushing, NY 11371

Reference is made to that certain print package entitled Tenant Design Manual (hereinafter "Tenant Design Manual"), a copy of which has been furnished to the Tenant and all of the terms and provisions of which are hereby incorporated herein in full by reference. Notice is hereby given to the Tenant that the

terms and provisions of this Schedule B-3 are general and approximate due to the varying physical characteristics of the several premises comprising the Retail Area. The Tenant is advised to review the Tenant Design Manual carefully in order to determine the particular construction details applicable to the demised premises. It is understood and agreed that in the event of a conflict between the provisions of this Schedule B-3 and the Tenant Design Manual, the provisions of this Schedule B-3 shall govern. In the event of any discrepancy between Schedule B-3, the Tenant Design Manual and the plans and specifications as finally approved by the Landlord and the Port Authority in any dispute between the Landlord and Tenant, the plans, as finally approved, shall govern. At the time Tenant submits the plans and specifications for approval, Tenant agrees to use good faith efforts to notify Landlord of any discrepancy of which Tenant has knowledge, between Schedule B-3, the Tenant Design Manual and the plans and specifications which Tenant is submitting for approval.

A. DESCRIPTION OF EXISTING SERVICES.

1. SANITARY SEWER

A capped lateral sanitary sewer connection exists at a location below the demised premises for the tenant's use.

2. WATER

A domestic water connection with valve exists at a location in the demised premises for the tenant's use.

3. SPRINKLER

A complete sprinkler system exists in the demised premises. It is the tenant's responsibility to make all modifications to the sprinkler system that may be necessary to ensure compliance with applicable building codes.

4. ELECTRICAL SERVICE

A 277/480 volt, 3 phase, 4 wire service exists in the premises for the tenant's use. It is the Tenant's responsibility to determine the adequacy of this existing service, and, if necessary, all costs to increase the size of the electric service.

5. GAS SERVICE

Gas service has been provided by the gas utility. Tenant shall at its sole expense be responsible for the installation of all piping from such service to the demised premises.

6. TELEPHONE SERVICE

The Tenant is responsible for the installation of its telephone service. The Tenant shall make arrangements with and pay to the telephone company any charges imposed by the telephone company for any work which affects the demised premises.

7. HVAC

A fresh air ventilation supply duct exists in the demised premises from the central outside air system.

The premises are served by chilled and hot water piping that exist in the demised premises.

A smoke purge exhaust duct exists in the demised premises and is connected to the central system.

8. FIRE ALARM

A fire alarm loop from the Landlord's fire alarm panel exists in the demised premises.

9. DEMISING WALLS

These walls are existing and consist of metal studs and gypsum board.

B. BUILDING SHELL

1. Structural Frame, Roof, Exterior of the Building — As Is condition — Responsibility of Port Authority.

2. Floor Slab — The floor slab is the responsibility of the Tenant. Any work performed by the Tenant relating to the floor slabs for the demised premises, including without limitation, slab preparation, slab installation, placement of concrete, and any demolition will be preformed by the Tenant's contractor at the Tenant's expense, in accordance with plans and specifications which shall have been approved by the Landlord's Representative prior to commencing any such work. All such work shall be inspected by the Landlord's Representative.

C. SIGN BANDS

The Landlord has installed sign brackets and spot lighting (where applicable) in the following locations for which Tenant will fabricate and install a tenant identification sign conforming to Landlord specifications.

Sign Type C1 - bracket and spot lighting located in the common space adjacent to the escalators.

Sign Type C2 - bracket only located on the exterior of the Departures Level curbside. Sign Type C3 - bracket and spot lighting located on a pylon in the food court seating area.

Sign Type C4 - two (2) brackets only located in the ceiling of the Departures Level arcade.

D. DESIGN REVIEW

Tenant will reimburse Landlord for fees incurred in the review of Tenant's drawings.

E DESCRIPTION OF THE TENANT'S WORK

All other work required to complete and fully equip the demised premises shall be done by the Tenant at the Tenant's sole cost and expense, and the same shall be done as follows:

A. GENERAL CONDITIONS

All work done by the Tenant in the demised premises shall be governed in all respects by, and be subject to, the following:

1. The Port Authority of New York and New Jersey; and New York City Building Requirements.

a. The detailed store plans for the completion of the demised premises must be prepared under the supervision of a New York registered architect or registered engineer. All plans including architectural, mechanical, electrical and sign drawings shall have affixed thereto a State of New York registration stamp.

b. Prior to submission of plans to the applicable Building Department(s), the Tenant's drawings must be submitted to the Landlord's Representative for review in accordance with the procedure outlined in the Tenant Design Manual. Plans will not be accepted by the applicable departments of the Port Authority and New York City Department of Buildings without the prior approval of the Landlord's Representative, which approval shall verify only that the drawings are complete and in compliance with the Tenant' agreement with the Landlord, and shall not relieve the Tenant of the obligation to conform to the requirements of the applicable Building Department(s), State and all other applicable codes.

c. Plans for the Tenant's work shall be delivered to the Landlord's Representative and reviewed as set forth in the Tenant Design Manual all as if set forth herein.

d. The Tenant shall reimburse the Landlord for plan review as set forth in the Schedule of Charges included in the Tenant Design Manual or in a separate Schedule of Charges to be prepared by the Landlord.

2. The Tenant shall not commence the Tenant's work until the Tenant has secured the Landlord's written approval of all contractors to be used in performing the Tenant's work and of the plans and specifications required to be submitted by the Tenant to the Landlord. The Tenant's work shall be coordinated with the work being done by the Landlord and/or other tenants of the Landlord in order that such work will not interfere with nor delay the completion of work by the Landlord and/or other tenants of the Landlord. The performance of the Tenant's work shall cause no interference whatsoever with the completion of the Landlord's work in the demised premises, nor in the remainder of the terminal.

3. The Tenant's work shall be performed in a first-class workmanlike manner and shall be in good and usable condition at the date of completion thereof.

4. The Landlord shall have the right (but shall not be obligated) to perform by its own contractor or subcontractor, on behalf of and for the account of the Tenant, any of the Tenant's work which the Landlord determines, in the interest of expedition of work on the Terminal or Retail Area, should be performed. The Landlord contemplates that the work which the Landlord shall in any event require to be done by the Landlord's contractor or subcontractor will include, without limitation, work which affects any structural components of, or the general utility systems for, the building in which the demised premises are located. The Landlord shall notify the Tenant of work which will be required to be done by the Landlord's contractor or subcontractor before the Tenant commences performance of any substantial part of its work. The Tenant shall promptly, on demand, reimburse the Landlord for all costs of planning and performing such work when and as incurred by the Landlord and for any costs incurred by the Landlord in obtaining all permits in connection wherewith.

3.Compliance with Laws: All of the Tenant's work shall conform to applicable statutes, ordinances, regulations, codes and to requirements of the Landlord's insurance underwriters. The Landlord's approval of plans and specifications shall not constitute an acknowledgement that work done in accordance therewith will so conform, and the Tenant shall be solely responsible for corrections in the Tenant's work required by any governmental agency or insurance underwriters. The Tenant shall obtain and convey to the Landlord approvals from all agencies having jurisdiction over matters relative to electrical, gas (if available), water, heating and cooling, and telephone work, and shall secure its own building and occupancy permits. The Landlord reserves the right to require changes in the Tenant's work when necessary by reason of code requirements or directives of governmental authorities having jurisdiction over the demised premises.

4. Approvals: No approval by the Landlord shall be valid unless the same be in writing and signed on behalf of the Landlord.

5. Insurance: Prior to commencement of the Tenant's work and until the last to occur of (a) the completion of the Tenant's work, or (b) the Commencement Date, the Tenant shall maintain, or cause to be maintained, casualty insurance in builder's risk form, covering the Landlord, the Landlord's agents and beneficiaries, the Landlord's Architect, the Landlord's contractor or subcontractors, the Tenant and the Tenant's contractors as their interests may appear, against loss or damage by fire, vandalism and malicious mischief, and such other risks as are customarily covered by the so-called "extended coverage endorsement" upon all the Tenant's work in place, and all materials, equipment, supplies, and temporary structures of all kinds incident to the Tenant's work and builders' machinery, tools and equipment, all while forming a part of, or contained in, such improvements or temporary structures while on the demised premises or when adjacent thereto while on malls, drives, sidewalks, streets or alleys, all in the full insurable value thereof at all times by reputable insurance companies licensed to do business in the State of New York. In addition, the Tenant agrees to require all contractors and subcontractors engaged in the performance of the Tenant's work to effect and maintain and deliver to the Tenant and the Landlord certificates evidencing the existence of, prior to the commencement of the Tenant's work and until the completion thereof, the following insurance coverages:

a. Worker's Compensation Insurance — In accordance with the laws of the State of New York, including Employer's Liability Insurance, to the limit of $1,000,000 each accident.

b. Comprehensive General Liability Insurance in the same form as the Tenant is required to carry under the terms of the Sublease to which this schedule is attached, with minimum limits of liability of $1,000,000 each Occurrence; $2,000,000 General Aggregate Limit; $2,000,000 Products — Completed Operations Aggregate Limit; $1,000,000 Personal and Advertising Liability; $50,000 Fire Legal Liability; and $5,000 Medical Expenses Limit (each person); or in such greater reasonable amounts as the Landlord may hereafter from time to time advise the Tenant in writing. The Port Authority and the Landlord shall be named as additional insureds, and the policy will contain an endorsement whereby the insurer agrees not to raise any defense involving in any way the jurisdiction of the tribunal over the person 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. In addition, such contractors and subcontractors shall carry an Excess Liability policy in umbrella form with a minimum limit of liability of $5,000,000.

c. Business Automobile Liability, including "non-owned and hired" automobiles, with a combined single limit of $2,000,000. Prior to the commencement of the Tenant's work, the Tenant shall deliver to the Landlord's Representative certificates of all required insurance, and evidence of the payment of premiums thereon (and certificates of renewal, and evidence of premium payments with reference thereto, where appropriate). All such insurance shall provide, and

certificates thereof shall state, that the same is non-cancellable and non-amendable without twenty (20) days' prior written notice to the Landlord.

8. In any contract or undertaking which the Tenant may make with a contractor for work in the demised premises, provision shall be made for dismissal from the job of workmen whose work is, in the Landlord's (and, for this purpose, "the Landlord" shall include a reference to the Landlord's Representative) reasonable judgement, unskilled or otherwise objectionable, and any such workmen shall be discharged, and the Tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Representative) harmless from any such loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Tenant shall use, and the Tenant shall require its contractor and subcontractors to use, every legal effort to prevent work stoppages on the demised premises or elsewhere in the Terminal, to the extent attributable to work being performed on the demised premises, irrespective of the reason for any such stoppage, in recognition of the fact that it is of the utmost importance to the Landlord and all those occupying or to occupy space in the Terminal that there be no interruption in the progress of the work and to that end, in the event that the conduct or presence of any employee(s) of the Tenant or the Tenant's contractor(s) or subcontractor(s) causes a labor dispute or work stoppage, the Tenant expressly agrees to have such employee(s) immediately removed from the Terminal upon the Landlord's request, and the Tenant's failure to do so shall constitute a default under the lease. The tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Representative) harmless from any loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Landlord's Contractor has included in his contract with all subcontractors the following Harmony Clause. The Tenant will be required to include this clause in all contracts with general and subcontractors so that there will be no interruption in the process of work.

Harmony Clause

"There shall be no manifestations on the project of any dispute between any labor organization and any Tenant contractor or subcontractor, including but not limited to, any area standards picketing against said contractor or subcontractor.

Should there be any manifestation of a labor dispute between any Tenant contractor or subcontractor and any union, which results in a stoppage of work on the part of said contractor or subcontractor's employees or the employees of any other employer or supplier on the project or at the Terminal, which in the sole judgement of the Landlord will cause, or is likely to cause, unreasonable delay in the progress of construction or operation of any business at the Terminal, then upon written notice from the Landlord, the Tenant shall have the obligation and the right to declare the contractor or subcontractor in default of his contract, and upon such notice, the Tenant shall have the right to take such steps as are necessary to finish the uncompleted portion of the work to be performed by the contractor or subcontractor.

B GENERAL CONSTRUCTION

The Tenant shall perform all work necessary to prepare the demised premises for opening for business and shall comply with the plan approval procedure outlined in the Tenant Design Manual which, by reference, is made part of this Schedule B. The finish work which the Tenant is to perform shall include, but not be limited to, the following:

1. STOREFRONTS

a. The Tenant shall construct the storefront and closure, including all required structural supports.

b. The design of the storefront shall be in harmony with the other stores of the Retail Area and shall conform to the standards of design and construction

contained in the Tenant Design Manual. In any event, the storefront shall be subject to the prior approval of the Landlord's Representative.

c. The Tenant shall furnish and install all signs in accordance with the Tenant Design Manual. All are subject to approval of the Landlord and the Landlord's Representative.

2. FLOOR SLABS

a Any work performed by the Tenant relating to the floor slabs for

The demised premises, including, without limitation, slab preparation, placement of concrete, any demolition, will be performed by the Tenant's contractor at the Tenant's expense, in accordance with the plans and specifications which shall have been approved by the Landlord's Representative prior to commencing any such work.

3. CEILINGS

a. The Tenant shall use the underwriter's approved non-combustible ceiling treatment as set forth in the Tenant Design Manual. Minimum ceiling heights shall be in accordance with the Tenant Design Manual.

b. No combustible materials will be permitted above the ceiling. The Tenant shall not hang any material or fixtures from the roof deck or bottom chord of structural members. Preferably, all hanging shall be done from the top chord of structural members by means of trapeze-type hangers. Any such "hangers" shall be subject to the prior approval of the Landlord.

c. The Tenant shall not hang anything from the ceiling grid system or existing mechanical systems in the Terminal.

INTERIOR WALLS & PARTITIONS

a. The Tenant shall install on the Tenant's side of demising stud wall a two-hour rated material from finished floor to the underside of the floor slab above the premises, as required by local or state authorities.

b. The Tenant will not be permitted to hang fixtures from nor attach fixtures to the aforementioned partition. The Tenant will be required to install a fixture partition adjacent to the demising partitions for the attachment of fixtures in this location. In lieu of installing a fixture partition, the Tenant may submit a sketch of proposed additional framing or bracing to the Landlord for approval. The Tenant must indicate on such sketch the weights and methods of carrying same on the partitions.

c. All interior finish materials shall meet the flamespread requirements of all applicable codes, ordinances and regulations.

5. FLOOR COVERING

a The Tenant shall install all floor covering within the demised

premises

6. TRASH AND RUBBISH

The Tenant shall provide for an area for dry rubbish collection containers within the demised premises.

If the Tenant generates garbage, wet garbage containers shall be provided by the Tenant.

The Tenant and the Tenant's contractors shall be totally responsible during construction and fixturing for their own trash removal.

7. PLUMBING

The Tenant shall install all plumbing work for the demised premises, including but not limited to, toilets, urinals, lavatories, drinking fountains, electric hot water systems and other fixtures. Work shall include all waste piping, vent piping, water and waste connections to laterals and stubs installed by the Landlord. If gas is required, Landlord will determine the route of gas line installation and the party responsible for installation.

b Upon request of the Landlord, the Tenant will make the toilets of

the demised premises "public".

8 SPRINKLERS

a The Tenant shall adjust the existing sprinkler head layout and

piping (installed by the Landlord) as required to provide a fully sprinklered, demised premises. The Tenant shall furnish and install new sprinkler heads in accordance with the Landlord's insurance carrier.

b Sprinkler systems must also comply with all applicable codes and

regulations, including but not limited to, requirements of the Port Authority of New York and New Jersey and New York City

Departments and the Landlord's insurance carriers.

9. FIRE EXTINGUISHERS

a The Tenant shall furnish and install fire extinguishers as required

by applicable authorities, including the Port Authority of New York and New Jersey and New York City Fire Departments and the Landlord's insurance carriers.

10. HEATING, VENTILATING AND AIR CONDITIONING

a. The Tenant shall provide and install a fully self-contained heating and air conditioning system necessary to service the in the demised premises in accordance with the Tenant Design Manual and applicable code requirements. The equipment to be installed by the Tenant may include air distribution equipment, heating and cooling coils, diffusers, grilles, fire dampers, duct work, duct insulation, temperature controls and wiring.

b. Air conditioning equipment is permitted on the roof only in locations designated by the Landlord. Steel supports and curbs for roof equipment, whether furnished and installed by the Landlord or the Tenant, will be at the Tenant's expense. The foregoing will vary according to the particular physical characteristics of the demised premises and the Tenant should review the Tenant Design Manual for specific details.

c. All roof openings, blocking, flashing, steel supports and related work will be done by the Landlord's Contractor. The Tenant shall make arrangements with the Landlord's Contractor directly for such work. All work is subject to the approval of the Landlord's Representative and the Landlord's Architect.

d. Food tenants will be required to furnish any and all hoods, exhaust fans, makeup air units with heating provisions, and duct work in their premises.

e. The complete HVAC system must be in operation, inspected and balanced prior to the opening of the demised premises for business. The Tenant is responsible for balancing the HVAC distribution system by a balancing contractor approved by the Landlord.

11. ELECTRICAL

a. The Tenant shall furnish and install a complete electrical system for fire alarm, power and lighting as required by the Tenant Design Manual and applicable codes.

b. The Tenant shall make arrangements for the installation of Tenant's submeter and pay all costs and charges in connection therewith.

c. The Tenant shall furnish, install, support, and connect all lighting fixtures, including lamps.

d. The Tenant shall furnish and install all lighting timers, contactors, controls, etc.

12. OTHER INTERIOR WORK

The Tenant shall furnish and install all store fixtures; same to be new and at least equal in quality and design to fixtures used in other better-grade, recently opened stores of the Tenant or the Tenant's parent company. All fixtures to be subject to the approval of the Landlord's Representative, said approval not to be unreasonably withheld or delayed provided same conform to the foregoing.

13. MATERIALS

No materials used in connection with the Tenant's work in or about the Terminal shall contain any asbestos or other hazardous or toxic materials (collectively, "hazardous materials"). If the transportation, storage, use or disposal of any hazardous materials anywhere on the Terminal associated in any way with the Tenant's work results in any 1) contamination of the soil or surface or groundwater or 2) loss or damage to person(s) or property, then Tenant agrees to respond in accordance with the following paragraph:

Tenant agrees (i) to notify the Landlord immediately of any contamination, loss or damage, (ii) after consultation and approval by the Landlord, to clean up the contamination in full compliance with all applicable statutes, regulations and standards, and (iii) to indemnify, defend and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorneys' fees, arising from or connected with any such contamination, claim of contamination, loss or damage. This provision shall survive the termination of the lease to which this Schedule "B" is annexed. No consent or approval by the Landlord shall in any way be construed as imposing upon Landlord any liability for the means, methods, or manner of removal, containment or other compliance with applicable law for and with respect to the foregoing.

Tenant shall immediately notify Landlord upon Tenant's receipt of any inquiry, notice, or threat to give notice by any governmental authority or any other third party with respect to any hazardous material.

14. OTHER MATTERS

a. No mezzanines constructed by the Tenant will be permitted within the demised premises, except as indicated on Landlord's Building Plan and as described in the Tenant Design Manual.

b. Surrounding tenants and the Landlord have the right to run duct work, piping, electrical conduit, etc., through the demised premises. Same shall be above the ceiling line, and where possible, tight to underside of roof structure or below floor slab; and in all events, such work shall be done in locations and in a manner approved in advance by the Landlord's Representative. For coordination with surrounding tenants, the Tenant shall provide to the Landlord's Representative reproducible drawings of his complete mechanical and electrical systems for approval, The Tenant shall furnish reproducible shop drawings of the as built mechanical, electrical, and plumbing systems if they are significantly changed for the original approved design

Form - All-Purpose Ack. N.Y. (rev 1/4/2000)

For the Port Authority of NY & NJ

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

On the 26th day of January in the year ~~2011~~ 2012 before me, the undersigned, a Notary Public in and for said state, personally appeared David Kagan ——— , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

MICHAEL F. SCHMIDT
Notary Public, State of New York
No. 01SC6118149
Qualified in New York County
Commission Expires November 1, 2012

For MarketPlace LaGuardia Limited Partnership

STATE OF Massachusetts)
) ss.
COUNTY OF Middlesex)

On the 21st day of December in the year 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul O. McGinn , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

MARGARITA DELVALLE-AVILA
Notary Public
Commonwealth of Massachusetts
My Commission Expires
October 6, 2017

For M.A.R. Air Foods, Inc.

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

On the 16 day of Dec in the year 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared RAM SINGLA, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

ELIZABETH PITTELLI
Notary Public, State of New York
No. 30-4843359
Qualified in Nassau County
Commission Expires Jan 27, 2014

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

CONSENT TO SUBLEASE

Consent Agreement No. AGA-826
Port Authority Lease No. AGA-317
Facility - LaGuardia Airport

THIS CONSENT TO SUBLEASE AGREEMENT (hereinafter called the "Consent"), made as of March 21, 2008 by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), MARKETPLACE LAGUARDIA LIMITED PARTNERSHIP (hereinafter called the "Lessee") and M.A.R. AIR FOODS INC. (hereinafter called the "Sublessee"), a New York corporation with an office and place of business at 127 Grand Avenue, Rockville Centre, New York 11571, whose representative is Ram Singla.

WITNESSETH, That:

WHEREAS, by an agreement of lease dated September 19, 1994, bearing Port Authority Lease No. AGA-317 (said agreement of lease, as heretofore and hereafter supplemented and amended being hereinafter called the "Lease"), the Port Authority leased to MarketPlace LaGuardia Limited Partnership certain areas in the Central Terminal Building (hereinafter called the "Terminal") including those in its passenger concourses, its Center Section and its East and West Wings (hereinafter collectively referred to as the "premises") at LaGuardia Airport (hereinafter called the "Airport") to be used by such parties as may be approved by the Port Authority as provided therein; and

WHEREAS, the Lessee and the Sublessee have requested the consent of the Port Authority to a proposed sublease agreement between the Lessee and the Sublessee, dated March 21, 2008, pursuant to which the Lessee has made available to the Sublessee two (2) spaces in the premises (sometimes hereinafter collectively called the "Space") upon which the Sublessee shall operate a store, and maintain storage space, to provide for the sale at retail of the goods/services set forth therein, a copy of which agreement is attached hereto, hereby made a part hereof and hereinafter called the "Sublease Agreement";

WHEREAS, the applicable provisions of the Lease require, and the Sublease Agreement provides, that the Sublease Agreement shall be subject and subordinate to the Lease as the same may be amended, supplemented or extended and, further, that it shall not take effect without the

prior written consent of the Port Authority thereto embodied in an instrument signed by the Port Authority;

WHEREAS, the Sublessee and the Lessee have requested the consent of the Port Authority to the Sublease Agreement;

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements herein contained, the Port Authority, the Lessee and the Sublessee hereby agree, effective as of March 21, 2008, as follows:

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

2. Notwithstanding any provision of the Sublease Agreement to the contrary, including but not limited to Sections 1.1 and 3.2 thereof, this Consent and the Sublease Agreement shall terminate, without notice to the Lessee or the Sublessee, on the day preceding the date of expiration or earlier termination of the Lease, or on such earlier date as the Lessee and the Sublessee may agree upon (in those circumstances where the Lease does not require the consent of the Port Authority to such earlier termination); provided, however, that the Sublease Agreement shall not terminate in the event of the termination of the Lease prior to the expiration of the term of the Sublease Agreement if the Port Authority shall notify the Sublessee and the Lessee at or prior to such effective date of termination of the Lease that the Port Authority shall and does assume the rights and obligations of the Lessee thereunder from the date of such notice and upon such notice the Sublessee shall be deemed to have fully attorned to the Port Authority, all as more specifically set forth in the Lease. In the event of such termination, the Sublessee shall cease its activities and operations at the Terminal, quit the Space and remove its property and property for which it is responsible therefrom on or before the effective date of termination of the Sublease Agreement.

3. If the Lessee shall at any time be in default of any of its monetary obligations under the Lease, and for so long as the Port Authority deems such default to be continuing or uncured, the Sublessee 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, but all such payments shall be credited against the obligations of the Lessee or of the Sublessee as the Port Authority may determine for each payment or part thereof.

4. (a) The Sublessee, in its operations under or in connection with the Sublease Agreement, agrees to assume, observe, be bound by and comply with all the terms, provisions, covenants and conditions of the Lease applicable thereto as if it were the Lessee under the Lease.

(b) All acts and omissions of the Sublessee (including but not limited to those on or with respect to non-exclusive areas, if any) shall be deemed to be acts and omissions of the Lessee under the Lease and, as between the Lessee and the Port Authority, the Lessee shall also be severally responsible for said acts and omissions, including, but not limited to, the obligations

of indemnification and repair. Accordingly, pursuant to the foregoing sentence, those acts or omissions of the Sublessee which, if undertaken by the Lessee, would constitute a default or breach under the Lease are subject to the application of Lease provisions which are relevant to default and breach by the Lessee including, but not limited to, those provisions which may provide Lessee with a grace period to cure a default and which may provide the Lessee an opportunity to perform where fulfillment of its obligation requires activity over a period of time.

5. (a) Without in any way affecting the obligations of the Lessee under the Lease and under this Consent, and the obligations of the Sublessee with regard to the indemnification provisions of the Lease, the Sublessee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including attorneys' fees and other legal expenses, including the costs of its "in-house" legal staff as such costs are determined by the Port Authority, incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death and personal injuries or for property damages arising out of the interest of the Sublessee under the Sublease Agreement, any default of the Sublessee in the performance or observance of any term or provision hereof or out of the use, operation, control, or occupancy of the Space by the Sublessee or by others with its consent or out of any of the acts or omissions of the Sublessee, its officers, employees, contractors, agents, representatives, guests, invitees and business visitors on said Space or out of any of the acts or omissions of the Sublessee, its officers, agents, representatives, employees, members (if Sublessee is a limited liability entity, in their capacity as members thereof), managers (if Sublessee is a limited liability entity, in their capacity as managers thereof), and partners (if the Sublessee is a partnership) elsewhere at the Airport, including claims and demands of the City of New York 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.

(b) If so directed, the Sublessee shall at its own expense defend any suits 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, and it shall cause its insurers to agree not to, 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) Notwithstanding anything to the contrary stated herein, including but not limited to the provisions of paragraph 6 herein, in any instance where the Sublessee's obligation to indemnify and hold harmless the Port Authority under this Consent is inconsistent, in conflict with or otherwise different from any obligation to indemnify the Port Authority under any provision of the Lease (to which the Sublease Agreement is subordinate and subject) which requires the Lessee to cause its subtenants to indemnify the Port Authority, then the controlling provisions shall be those which provide the broadest and most comprehensive indemnification of the Port Authority.

6. (a) Neither this Consent nor anything contained herein shall constitute or be deemed to constitute a consent to nor shall there be created an implication that there has been consent to any enlargement or change in the rights, powers and privileges granted to the Lessee under the Lease, nor consent to the granting or conferring of any rights, powers or privileges to the Sublessee as may be provided under the Sublease Agreement if not granted to the Lessee under the Lease, unless specifically set forth in this Consent, nor shall this Consent or anything contained herein impair or affect any of the duties, liabilities, or obligations imposed on the Lessee under the Lease.

(b) The Sublease Agreement is an agreement between the Lessee and the Sublessee with respect to the various matters set forth therein. Neither this Consent nor anything contained herein shall constitute an agreement between the Port Authority, the Lessee, or the Sublessee that, except as expressly provided for in paragraph 2 herein under the circumstances therein described and then only to the extent therein provided, the provisions of the Sublease Agreement shall apply and pertain as between them, it being understood that the terms, provisions, covenants, conditions and agreements of the Lease shall, in all respects, be controlling, effective and determinative.

(c) In the event of differences and inconsistencies between the terms of the Sublease Agreement and the terms of the Lease, the terms of the Lease shall control, it being the intention of the Lessee and the Port Authority merely to permit the conduct of retail operations by the Sublessee to the extent permitted by the Lease, the Sublease Agreement and this Consent 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. In addition, in any case of difference or inconsistency between the provisions of this Consent and those of the Sublease Agreement, this Consent shall be controlling. The specific mention of or reference to the Lessee or the Port Authority in any part of the Sublease Agreement including, without limitation thereto, any mention of any consent or approval of either the Port Authority or the Lessee now or hereafter to be obtained, shall not be or be deemed to create an inference that either the Port Authority or the Lessee has granted its consent or approval thereto or shall hereafter grant its consent or approval thereto, or that the discretion of either the Port Authority or the Lessee as to any such consent or approval shall in any way be affected or impaired. The lack of any specific reference in any provision of the Sublease Agreement to the Port Authority's or the Lessee's approval or consent shall not be deemed to imply that no such approval or consent is required and the Lease shall, in all respects, be controlling, effective and determinative.

(d) No provision of the Sublease Agreement including, but not limited to, those imposing obligations on the Sublessee 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 Sublease Agreement covering actions which shall or may be undertaken by the Sublessee including, but not limited to, construction on the Space, title to property, the right to assign the Sublessee's interest in the Sublease Agreement, or to further sublease the subject

Space or any part thereof, and the right to perform services, be deemed to imply or infer that either the Port Authority's or the Lessee's consent or approval thereto will be given or that the discretion of either the Port Authority or the Lessee with respect thereto will in any way be affected or impaired. Reference in this paragraph to specific matters and provisions contained in the Sublease Agreement shall not be construed as indicating any limitation upon the rights of either the Port Authority or the Lessee with respect to their respective discretion as to the granting or withholding of approvals or consents as to other matters and provisions in the Sublease Agreement which are not specifically referred to herein.

(e) It is hereby acknowledged and agreed by the Lessee and the Sublessee that, except as expressly provided in Section 1(e) of the Lease, the Port Authority has no obligation under the Lease, this Consent or otherwise to pay, subsidize or in any manner whatsoever finance, directly or indirectly, all or any portion of any amount of the Sublessee's unamortized capital investment in the Space or at the premises. Any specific mention of or reference in the Sublease Agreement to the Port Authority in connection with any payment or other compensation to the Sublessee, upon termination of the Sublease Agreement or the Lease or upon revocation of this Consent with or without cause, of any amount of the Sublessee's unamortized capital investment in the Space or at the premises shall not be or be deemed to create an obligation or inference of an obligation on the part of the Port Authority to either the Sublessee or the Lessee to pay, subsidize or finance said unamortized capital investment, except in the event of a termination under Section 1(e) of the Lease, in which event the Port Authority's responsibility with respect to the Sublessee shall be strictly limited to the obligation expressly set forth in such Section 1(e).

(f) Notwithstanding anything to the contrary stated in the Sublease Agreement, certain modifications to the Sublease shall be deemed to have been made thereto, as follows, all of which shall supercede any provisions in the Sublease Agreement which are inconsistent or conflict with such modifications:

(i) in the last paragraph of Section 5.6 of the Sublease Agreement, the Port Authority shall not be bound by any confidentiality obligation undertaken by the Lessee under the Sublease Agreement, it being understood that the Port Authority has the right to apply whatever freedom of information policy is relevant under the circumstances.

(ii) in the event the Sublease is assigned to and assumed by the Port Authority for any reason whatsoever, wherever the Sublease requires or implies that the Lessee shall provide the Sublessee with written notice of a monetary default and breach and/or a grace period for payment obligations, the same shall not bind, apply to or be enforceable against the Port Authority. Accordingly, the Port Authority shall not be obligated to provide written notice to the Sublessee of a monetary default or breach, nor shall the Subtenant be entitled to grace periods with respect to its payment obligations. The foregoing shall be deemed to apply notwithstanding any provisions in the Sublease Agreement to the contrary, e.g., Section 5.7 (entitled "Payment of Rental") and Article 14 (entitled "Default").

(iii) in the event the Sublease Agreement is assigned to and assumed by the Port Authority for whatever reason whatsoever, whenever the Sublease requires the Lessee to be reasonable, to not unreasonably withhold, delay or condition its consent or approval, to use its reasonable efforts, to use best efforts, to provide reasonable notice of inspections, or the like, the same shall not bind, apply to or be enforceable against the Port Authority which, it is understood, shall be obligated in such instances only not to act arbitrarily and capriciously.

(iv) Without limiting the generality of Section 10.2, entitled "Electricity", the Lessee's responsibilities to provide connections and tie-ins for electrical service, at Lessee's own cost and expense, shall be governed by the provisions of the Lease.

7. No changes or amendments to the Sublease Agreement nor any renewals or extensions thereof shall be binding or effective upon either the Port Authority or the Lessee unless the same have been approved in advance by the Port Authority and the Lessee in writing. The Port Authority may at any time and from time to time by notice to the Sublessee modify, withdraw or amend any approval, direction, or designation given hereunder or pursuant hereto.

8. Anything contained in the Sublease Agreement or this Consent to the contrary notwithstanding, nothing in the Sublease Agreement or this Consent shall be deemed to imply that the Sublessee has the right to make any alteration, demolition, installation, addition or improvement to the premises or the Space, structural or non-structural, exterior or interior, including without limitation the installation of any signs at the Airport, except pursuant to the express written approval of the Port Authority and an approved Alteration Application which the Lessee shall prepare and submit to the Port Authority as more specifically provided in the Lease.

9. (a) The Port Authority shall have the right to separately revoke this Consent at any time by the Port Authority without cause, on thirty (30) days' notice to the Lessee and Sublessee, as to any one or more of the spaces at the Terminal at which the Sublessee has permission to operate, and no such revocation shall be deemed to affect the Lease or the continuance thereof, but the Sublease Agreement as it applies to the space or spaces which are the subject of revocation shall be terminated thereby.

(b) In addition to all other rights of the Port Authority the Port Authority shall have the right to separately revoke the permission granted hereunder without cause, on thirty (30) days' notice, as to any one or more of the concession spaces and storage spaces at the Terminal at which the Sublessee has permission to operate, in which event the Sublessee's obligations with respect to the remaining concession and storage space(s) shall remain in effect.

10. (a) Neither any assignment by the Lessee to the Port Authority of its interest under the Sublease Agreement, nor the application or payment of security deposits to or for the benefit of the Port Authority, nor any direction to the Sublessee to pay rent or other amounts to

the Port Authority, nor the payment thereof to and acceptance thereof by the Port Authority shall constitute or denote an assumption by the Port Authority of any of the obligations of the Lessee under the Sublease Agreement.

(b) Without limiting the generality and notwithstanding the provisions of paragraph 6(b) herein, the Sublessee and the Lessee further acknowledge and expressly agree that the Port Authority shall have the right to enforce the Sublease Agreement directly against the Sublessee, including but not limited to all insurance provisions thereof.

11. The Lessee and the Sublessee acknowledge and agree that, except as may be specifically and expressly set forth in the Lease and subject to the terms and conditions of the Lease, the Port Authority shall not be obligated to perform or furnish any services or utilities whatsoever in connection with the Sublease Agreement or the use and occupancy of the Space thereunder, including without limitation any obligation to provide or install or cause to be provided or installed any meters or submeters. Without limiting the generality of the foregoing, whenever the Port Authority undertakes pursuant to the Lease to sell, furnish and supply directly to the Sublessee a particular service or utility (e.g., Section 41 of the Lease), the Sublessee shall take the same from the Port Authority and make payment directly to the Port Authority, as required by the Lease, including but not limited to the payment as directed by the Port Authority of any charge, fee or rent or increase thereof (or the portion thereof allocated by the Port Authority to the Space or the operations therein) which any federal, state, municipal or other governmental body, authority or agency or any public utility assesses, levies, imposes, makes or increases.

12. (a) In addition to the insurance required to be maintained by the Lessee under the Lease, the Sublessee during the period the Sublease Agreement shall remain in effect shall in its own name as insured and including the Port Authority and the Lessee as additional insureds obtain, maintain and pay the premiums on a policy or policies of commercial general liability insurance, covering bodily injury, including death, products liability and property damage liability, none of the foregoing to contain care, custody or control exclusions, the foregoing to provide for coverage in the limits set forth below. All the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protection afforded the Sublessee thereunder with respect to any claim or action against the Sublessee by a third person shall pertain and apply with like effect with respect to any claim or action against the Sublessee by the Port Authority or Lessee, or both, but such endorsement shall not limit, vary, change or affect the protection afforded the Port Authority and Lessee as additional insureds. In addition, the insurance required hereunder shall provide or contain an endorsement providing that the protection afforded the Port Authority or Lessee, or both, thereunder as additional insureds with respect to any claim or action against the Port Authority or Lessee, or both, by the Sublessee shall be the same as the protection afforded the Sublessee thereunder with respect to any claim or action against the Sublessee by a third person as if the Port Authority and 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 Sublessee under subparagraphs (a) and (b) hereof.

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

Without limiting the provisions hereof, in the event the Sublessee 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 Sublease Agreement remains in effect. The Port Authority at any such time may make additions, deletions, amendments to or modifications of the above-scheduled insurance requirements, including an increase in such minimum limits, and may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem advisable and the Sublessee shall promptly comply therewith.

(b) 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 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 Sublease 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 Sublessee 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.

13. The granting of this Consent by the Port Authority shall not be or be deemed to operate as a waiver of the rights of the Port Authority or as a consent as to any subsequent use, occupancy or sublease (by the Lessee or by the Sublessee) of the Space or any other portion or area of the premises under the Lease, or to any assignment of the Lease or the Sublease Agreement or of any rights under either of them, whether in whole or in part.

14. Reference herein to the "Sublessee" shall mean and include the Sublessee, its officers, agents, employees and also others on the Airport with the consent of the Sublessee.

15. 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 Sublessee under any term provision of this Consent or because of its execution or because of any breach or alleged or attempted breach thereof or otherwise.

16. The Sublease 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.

17. Certain Definitions.

(a) **"Airport"** shall mean LaGuardia Airport, consisting of certain premises identified as "LaGuardia Airport" on Sheet LGA-1 of Exhibit A, and more particularly described in Exhibit B, annexed to the City Lease, and such other property and premises as may be acquired in connection with and added to such premises pursuant to the terms of the City Lease.

(b) **"City"** shall mean The City of New York, a municipal corporation of the State of New York.

(c) "**City Insureds**" shall mean the following entities: The City of New York, the officials and employees of The City of New York (to the extent that the officials and employees of the Port Authority of New York and New Jersey are likewise insured) and the New York City Economic Development Corporation, a local development corporation formed pursuant to Section 1411 of the Not-For-Profit Corporation Land of the State of New York, or such successor entity as may be designated by the City.

(d) **"City Lease"** shall mean the Amended and Restated Agreement of Lease of the Municipal Air Terminals between The City of New York, as Landlord, and The Port Authority of New York and New Jersey, as Tenant, dated as of November 24, 2004 and recorded in the office of the City Register of the City on December 3, 2004 under City Register File No. 2004000748687, as the same may have been or may be amended or supplemented.

18. The City Lease.

(a) The Lessee and the Sublessee acknowledge that they have received a copy of, and are familiar with the contents of, the City Lease (excepting exhibits, schedules and appendices referenced therein, copies of which are available to, but were not requested by, the Lessee and Sublessee). The Permittee acknowledges that no greater rights or privileges are hereby granted to the Lessee and the Sublessee than the Port Authority has the power to grant under the City Lease.

(b) In accordance with the provisions of the City Lease, the Port Authority, the Lessee and the Sublessee hereby agree as follows:

(i) This Consent is subject and subordinate to the City Lease and to any interest superior to that of the Port Authority;

(ii) The Lessee and the Sublessee shall not pay the fees or other sums under this Consent for more than one (1) month in advance (excluding security and other deposits required under this Consent). Sublessee agrees that amounts due to Landlord under Section 14.3 of the Sublease are Landlord's damages and do not and are not intended to constitute rent payable in advance in the ordinary course of business in contravention of this Section 18(b)(ii);

(iii) With respect to this Consent, the Lessee and the Sublessee on the termination of the City Lease will, at the option of the City, enter into a direct consent on identical terms with, the City;

(iv) The Lessee and the Sublessee shall indemnify the City with respect to all matters described in Section 31 of the City Lease to the extent such matters are referenced in, with respect to the Lessee, Lessee's indemnification obligations in the Lease, and with respect to the Sublessee, Sublessee's indemnification obligations in the Sublease and in this Consent;

(v) The Lessee and the Sublessee shall not use any portion of the Airport for any use other than as permitted under the City Lease;

(vi) The Lessee and the Sublessee shall exercise the privileges granted under the Lease and the Sublease, respectively, in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease to the extent applicable to, for the Lessee, Lessee's obligations under the Lease, and for the Sublessee, Sublessee's obligations under the Sublease and this Consent;

(vii) The failure of the Lessee and the Sublessee to comply with the foregoing provisions (after, with respect to the Lessee, the notice and the cure period

provided in Section 18(a)(10) of the Lease) shall be an event of default under this Consent, which shall provide the Port Authority with the right to terminate this Consent and exercise any other rights that the Port Authority may have as the grantor of the privilege hereunder; and

(viii) The City Insureds (as such term is defined in the City Lease) shall be named as additional insureds or loss payees, as applicable, under each policy of insurance procured by the Lessee and the Sublessee pursuant to the terms of the Lease, the Sublease and this Consent, as applicable.

19. The Lessee and the Sublessee acknowledge and agree that, in the event the Port Authority exercises its right to revoke or terminate this Consent for any reason other than "without cause", the Lessee and the Sublessee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses, if any, reasonably incurred by the Port Authority in connection with such revocation or 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 Consent (on failure of the Lessee or the Sublessee to have it restored), preparing such space for use by a succeeding sublessee, 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).

20. The Lessee and the Sublessee acknowledge and agree that, in the event that upon conducting an examination and audit as described in Section 5.6 of the Sublease the Port Authority determines that unpaid amounts are due to the Port Authority by the Sublessee, the Sublessee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount of Ex. 2.a. 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 Sublessee under this Consent 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 paragraph with respect to such unpaid amount. Each such service charge shall be and become fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid hereunder. Nothing in this paragraph 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 Consent, including, without limitation, the Port Authority's rights to revoke this Consent or (ii) any obligations of the Sublessee under this Consent.

21. The Sublessee waives its right to trial by jury in any summary proceeding or action that may hereafter be instituted by the Port Authority against the Sublessee in respect of

the Space and/or in any action that may be brought by the Port Authority to recover fees, damages, or other sums due and owing under the Consent Agreement. The Sublessee specifically agrees that it shall not interpose any claims as counterclaims in any summary proceeding or action for non-payment of rents, fees or other amounts which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

22. This Consent is subject to the requirements of the United States Department of Transportation's regulations, 49 CFR Part 23. The Sublessee agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement or any management contract, or subcontract, purchase or lease agreement or other agreement covered by 49 CFR Part 23. The Sublessee agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23 that it enters and cause those businesses to similarly include the statements in further agreement. Further, the Sublessee agrees to comply with the terms and provisions of Schedule G, attached hereto and hereto made a part hereof.

23. Labor Harmony at the Airport

(a) General. In connection with its operations at the Airport under this Consent, the Sublessee shall serve the public interest by promoting labor harmony, it being acknowledged that strikes, picketing, or boycotts may disrupt the efficient operation of the Terminal. The Sublessee recognizes the essential benefit to have continued and full operation of the Airport as a whole and the Terminal as a transportation center. The Sublessee shall immediately give oral notice to the Port Authority (to be followed reasonably promptly by written notices and reports) of any and all impending or existing labor-related disruptions and the progress thereof.

If any type of strike, picketing, boycott or other labor-related disruption is directed against the Sublessee at the Terminal, or against its operations thereat pursuant to this Consent, which in the opinion of the Port Authority (i) physically interferes with the operation of the Airport, the Terminal or the Space, or (ii) physically interferes with public access between the Space and any portion of the Terminal or the Airport, or (iii) physically interferes with the operations of other operators at the Airport or the Terminal, or (iv) presents a danger to the health and safety of users of the Airport or the Terminal, including persons employed thereat or members of the public, the Port Authority shall have the right at any time during the continuance thereof to take such actions as the Port Authority may deem appropriate including, without limitation, revocation of this Consent.

(b) Labor peace agreement. The Sublessee represents that, prior to or upon entering into this Consent, it has delivered to the Port Authority either: (1) evidence that the Sublessee has entered into a signed "labor peace agreement", in the form attached hereto as Exhibit X, or (2) written notification from an officer of the Sublessee on the Sublessee's letterhead that no labor organization (as defined by 29 U.S.C. Section 152(5)) has sought to represent the employees of the Sublessee at the Airport as of the date of such notification.

(c) Employee Retention. If the Sublessee's concession at the Space is of the same type (i.e., food, retail, news/gifts or duty-free concession) as that of the immediately preceding concession operator at the Space (the "**Predecessor Concession**"), the Sublessee agrees to offer continued employment for a minimum period of ninety (90) days, unless there is just cause to terminate employment sooner, to employees of the Predecessor Concession who have been or will be displaced by cessation of the operations of the Predecessor Concession and who wish to work for the Sublessee at the Space. The foregoing requirement shall be subject to the Sublessee's commercially reasonable determination that fewer employees are required at the Space than were required by the Predecessor Concession; except, however, that the Sublessee shall retain such staff as is deemed commercially reasonable on the basis of seniority with the Predecessor Concession at the premises. The Port Authority shall have the right to demand from the Sublessee documentation of the name, date of hire, and employment occupation classification of all employees covered by this provision. In the event the Sublessee fails to comply with this provision, the Port Authority have the right at any time during the continuance thereof to take such actions as the Port Authority may deem appropriate including, without limitation, revocation of this Consent.

(e) Applicability of Provision. The provisions of this section shall apply to concession operators which employ ten (10) or more persons at the Space.

[Signature page to follow]

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

ATTEST:

Secretary

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____

(Title) Asst. Director CCRS

(Seal)

ATTEST:

Secretary

MARKETPLACE LAGUARDIA LIMITED PARTNERSHIP

By: Marketplace LaGuardia, Inc., General Partner

By _____

Print Name Paul D. McGinn

(Title) President

(Corporate Seal)

ATTEST:

Secretary

M.A.R. AIR FOODS INC.

By _____

Print Name RAM SINGH

(Title) President

(Corporate Seal)

LGA—MLLP-CSL AGA-826

Port Authority Use Only	
Approval as to Terms:	Approval as to Form:

MARAIR FOODS

The Port Authority of New York and New Jersey
225 Park Avenue South
New York, NY 10003
Attn: Director of Aviation Department

To Whom It May Concern:

Reference is made to a Sublease dated March 21, 2008 ("Sublease") between MarketPlace LaGuardia Limited Partnership and this company ("Sublessee") for concession space at the Central Terminal Building at LaGuardia Airport ("Airport"). This letter is being provided in connection with the Sublease and Consent Agreement No. AGA-826.

The undersigned is an officer of the Sublessee and certifies to the Port Authority under penalty of perjury as follows. There is no labor organization that we know of (as defined by 29 U.S.C. Section 152(5)) that seeks to represent the Sublessee's employees at the Airport. Accordingly, the Sublessee has not, and is not obligated to, enter into a labor peace agreement as contemplated by Exhibit X to the Sublease Consent Agreement No. AGA-826 and by the resolution of the Port Authority's Board of Commissioners, entitled "All Airport – Labor Harmony Policy", passed October 18, 2007.

Very truly yours,

Signature
Richard Rosamilia
President, Mar Air Foods

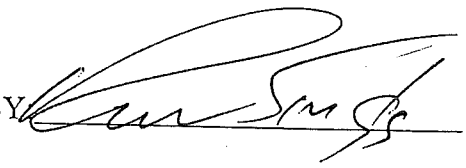
EXHIBIT X

EVIDENCE OF SIGNED LABOR PEACE AGREEMENT

M.A.R. Air Food Inc. (the "Company") has complied with Board Resolution "All Airports – Labor Harmony Policy" passed October 18, 2007, which stipulates that the Company must sign a Labor Peace Agreement with a labor organization that seeks to represent the Company's employees and that contains provisions under which the labor organization and its members agree to refrain from engaging in any picketing, work stoppages, boycotts or any other economic interference with the Company's operations.

FOR THE COMPANY:

M.A.R. Air Foods Inc.

BY: 

DATE: 12/18/08

FOR THE UNION:

[Insert Name of Labor Organization]

BY: _____

DATE: _____

SCHEDULE G

AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) PARTICIPATION

In accordance with regulations of the US Department of Transportation 49 CFR Part 23, the Port Authority has implemented an Airport Concession Disadvantaged Business Enterprise (ACDBE) program under which qualified firms may have the opportunity to operate an airport business. The Port Authority has established an ACDBE participation goal, as measured by the total estimated annual gross receipts for the overall concession program. The goal is modified from time to time and posted on the Port Authority's website: www.panynj.gov.

The overall ACDBE goal is a key element of the Port Authority's concession program and Concessionaire shall take all necessary and reasonable steps to comply with the requirements of the Port Authority's ACDBE program. The Concessionaire commits to making good faith efforts to achieve the ACDBE goal. Pursuant to 49 CFR 23.25 (f), ACDBE participation must be, to the greatest extent practicable, in the form of direct ownership, management and operation of the concession or the ownership, management and operation of specific concession locations through subleases. The Port Authority will also consider participation through joint ventures in which ACDBEs control a distinct portion of the joint venture business and/or purchase of goods and services from ACDBEs. In connection with the aforesaid good faith efforts, as to those matters contracted out by the Concessionaire in its performance of this agreement, the Concessionaire shall use, to the maximum extent feasible and consistent with the Concessionaire's exercise of good business judgment including without limit the consideration of cost competitiveness, a good faith effort to meet the Port Authority's goals. Information regarding specific good faith steps can be found in the Port Authority's ACDBE Program located on its above-referenced website. In addition, the Concessionaire shall keep such records as shall enable the Port Authority to comply with its obligations under 49 CFR Part 23 regarding efforts to offer opportunities to ACDBEs.

Qualification as an ACDBE

To qualify as an ACDBE, the firm must meet the definition set forth below and be certified by the New York State or New Jersey Uniform Certification Program (UCP). The New York State UCP directory is available on-line at www.nysucp.net and the New Jersey UCP at www.njucp.net.

An ACDBE must be a small business concern whose average annual receipts for the preceding three (3) fiscal years does not exceed $47.78 million and it must be (a) at least fifty-one percent (51%) owned and controlled by one or more socially and economically disadvantaged individuals, or in the case of any publicly owned business, at least fifty-one percent (51%) of the stock is owned by one or more socially and economically disadvantaged individuals; and (b) whose management and daily business operations are controlled by one or more of the socially

or economically disadvantaged individuals who own it. The personal net worth standard used in determining eligibility for purposes of part 23 is $750,000.

The ACDBE may, if other qualifications are met, be a franchisee of a franchisor. An airport concession is a for-profit business enterprise, located on an airport, which is subject to the Code of Federal Regulations 49 Part 23, subpart F, that is engaged in the sale of consumer goods or services to the public under an agreement with the sponsor, another concessionaire, or the owner or operator of a terminal, if other than the sponsor. The Port Port Authority makes a rebuttable presumption that individuals in the following groups who are citizens of the United States or lawful permanent residents are "socially and economically disadvantaged":

a. Women;

b. Black Americans which includes persons having origins in any of the Black racial groups of Africa;

c. Hispanic Americans which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;

d. Native Americans which includes persons who are American Indians, Eskimos, Aleuts or Native Hawaiians;

e. Asian-Pacific Americans which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia or Hong Kong;

f. Asian-Indian Americans which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, Maldives Islands, Nepal and Sri Lanka; and

g. Members of other groups, or other individuals, found to be economically and socially disadvantaged by the Small Business Administration under Section 8(a) of the Small Business Act, as amended (15 U.S.C. Section 637(a)).

Other individuals may be found to be socially and economically disadvantaged on a case-by-case basis. For example, a disabled Vietnam veteran, an Appalachian white male, or another person may claim to be disadvantaged. If such individual requests that his or her firm be certified as ACDBE, the Port Authority, as a certifying partner in the New York State and New Jersey UCPs will determine whether the individual is socially or economically disadvantaged under the criteria established by the Federal Government. These owners must demonstrate that their disadvantaged status arose from individual circumstances, rather than by virtue of membership in a group.

Certification of ACDBEs hereunder shall be made by the New York State or New Jersey UCP. If Concessionaire wishes to utilize a firm not listed in the UCP directories but which the

Concessionaire believes should be certified as an ACDBE, that firm shall submit to the Port Authority a written request for a determination that the firm is eligible for certification. This shall be done by completing and forwarding such forms as may be required under 49 CFR Part 23. All such requests shall be in writing, addressed to Lash Green, Director, Office of Business and Job Opportunity, The Port Authority of New York and New Jersey, 233 Park Avenue South, 4th Floor, New York, New York 10003 or such other address as the Port Authority may designate from time to time. Contact OBJOcert@panynj.gov for inquiries or assistance.

General

In the event the signatory to this agreement is a Port Authority permittee, the term Concessionaire shall mean the Permittee herein. In the event the signatory to this agreement is a Port Authority lessee or sublessee, the term Concessionaire shall mean the Lessee or Sublessee herein, as applicable.

Initalled:

For the Port Authority

For the Lessee

For the Sublessee

Form - All-Purpose Ack. N.Y. (rev 1/4/2000)

For The Port Authority of NY & NJ

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

On the 11th day of Feb in the year 2009, before me, the undersigned, a Notary Public in and for said state, personally appeared Doug Stearns, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (~~are~~) subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

Marie M. Edwards
Notary Public, State of New York
No. 01ED4958693 Richmond
Qualified in ~~Kings~~ County
Commission Expires 2/9/2010

For Marketplace LaGuardia Limited Partnership

STATE OF Massachusetts)
) ss.
COUNTY OF Middlesex)

On the 7th day of January in the year 2009, before me, the undersigned, a Notary Public in and for said state, personally appeared Paul O. McGinn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

KEIKO GOVAN
NOTARY PUBLIC
My commission expires June 30, 2011

For M.A.R. Air Foods Inc.

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

On the 18 day of Dec in the year 2008, before me, the undersigned, a Notary Public in and for said state, personally appeared RAM SINGH, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

ELIZABETH PITTELLI
Notary Public, State of New York
No. 30-4843359
Qualified in Nassau County
Commission Expires January 27, 20 10

Central Terminal Building, LaGuardia Airport

Retail Sublease

between

MarketPlace LaGuardia Limited Partnership

and

M.A.R. Air Foods Inc. (d/b/a Grace's Marketplace)

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Central Terminal Building, LaGuardia Airport
Retail Sublease

This instrument is a Sublease between **MarketPlace LaGuardia Limited Partnership**, a Delaware limited partnership (the "Landlord") and M.A.R. Air Foods Inc., a New York corporation (the "Tenant").

The parties to this instrument hereby agree with each other as follows:

ARTICLE 1

DEFINITIONS AND ATTACHMENTS

Section 1.1 Basic Data.

Each reference in this Sublease to any of the following subjects shall incorporate the data or definition specified below:

Date:	MARCH 21, 2008
Landlord:	MarketPlace LaGuardia Limited Partnership
Landlord's Address:	One Wells Avenue Newton, MA 02459 Attn: President
Address for Payment of Rental:	As directed by Landlord
Address of Payment of Electric and Water Charges:	Port Authority of New York and New Jersey P.O. Box 17309 Newark, NJ 07194
Landlord's Counsel:	DLA Piper US LLP 33 Arch Street, 26th Floor Boston, Massachusetts 02110 Attention: Anita S. Agajanian
Tenant:	M.A.R. Air Foods Inc., a New York corporation
Tenant's Taxpayer Identification Number:	Ex. 1
Tenant's Address:	M.A.R. Air Foods, Inc. 127 Grand Avenue Rockville Centre, New York 11571 Attn: Ram Singla With a Copy to: M.A.R. Air Foods, Inc. 366 Broadway Lynbrook, NY 11563 Attention: Richard Rosamilia
Tenant's Counsel:	Holland & Knight LLP 10 Saint James Avenue

	Boston, Massachusetts 02116 Attention: Alyssa M. Cross
Tenant's Trade Name:	Grace's Marketplace
Tenant's Guarantor:	None
Premises:	That portion of the Retail Area shown on **Schedule A** hereto and designated thereon as Location CSAR5 (approximately 1,136 square feet) and Location BR5/6 (approximately 144 square feet), for a total of approximately 1,280 square feet.
Retail Area:	That portion of the Terminal leased to Landlord under the Prime Lease as such area may be reduced or enlarged from time to time by Landlord in its sole discretion.
Permitted Use:	Tenant may use the Premises for the operation of a first-class, high quality café for the preparation and sale of those items on the approved menu set out in Schedule I plus any change or addition to those items that is made in compliance with Section 8.6 hereof, and in compliance with the merchandise requirements set forth in Schedule I, and for no other purpose or purposes. Tenant may not use the Premises for sale of (i) alcoholic beverages; or (ii) candy, but only for so long as a store such as Candy Express (which principally sells prepackaged and bulk candies and confectionery products) or any other similar concept is operating within the food court in which the Premises is situated, or (iii) sandwiches.
Operating Hours:	For Location CSAR5, the Operating Hours are from 6 a.m. to 8 p.m., subject to change as provided in Section 4.1. For Location BR5/6, the Operating Hours shall begin one (1) hour before the first scheduled departure from Concourse B, and end at the time of the last actual departure from Concourse B, each and every day during the Term. Operating Hours are subject to change as provided in Section 4.1.
Term:	The period beginning on the Commencement Date established pursuant to Section 3.1 and expiring on January 15, 2013.
Commencement Date:	As determined in Section 3.1.
Time Estimated for Completion of Tenant's Work:	Ninety (90) days

Fixed Minimum Rent: (payable per month)

First Percentage Rental Rate:

Second Percentage Rental Rate:

First Percentage Rent Breakpoint:

Second Percentage Rent Breakpoint:

Security Deposit: in the form of a Letter of Credit (as provided in Section 5.8)

Initial Promotional Contribution:

Annual Promotional Contribution: ubject to annual increases determined in the manner provided in Section 6.4 herein.

Tenant's Required Insurance Coverage:

A. Commercial General Liability Insurance (written on an occurrence coverage form) with:

(i) Minimum Limits of Liability:

General Aggregate (per location) $5,000,000

Each Occurrence $5,000,000

Products/Completed Ops $5,000,000

Personal Adv. Injury $1,000,000

Fire Damage $500,000

Medical Expense $5,000

(ii) Coverage Extensions:

Severability of Interest Clause

Contractual Liability including all oral and written contracts

Punitive Damages covered where permissible by law

B. Workers' Compensation and Employers' Liability, with:

(i) Limits of Liability:

Bodily Injury by Accident - $100,000 each accident

Bodily Injury by Disease - $500,000 policy limit

Bodily Injury by Disease - $100,000 each employee

(ii) Coverage Extensions:

Alongshore & Harbor workers' Compensation Act, if any basis

Maritime Coverage, if any basis

Voluntary Compensation Coverage

C. Property Coverage: All Risk Property coverage including flood and earthquake, with:

(i)	Valuation:	Replacement Cost with agreed amount endorsement
(ii)	EDP Coverage:	If Any
(iii)	Boiler & Machinery Coverage:	If Any
(iv)	Deductibles:	$5,000 or as approved by Landlord

D. Automobile Liability and Physical Damage with:

(i)	Limits of Liability:	$2,000,000 – Combined Single Limit for Bodily Injury and Property Damage
(ii)	Covered Vehicles	"Any Auto" including all owned, non-owned, leased and hired cars

Tenant shall deliver certified copies of the policies and/or certificates of insurance evidencing such coverage, as well as evidence of payment of all premiums thereof, within thirty (30) days of the execution of this Sublease. Each of Tenant's certificates of insurance shall contain:

(i) the following statement known as the "Port Authority Immunity Clause":

"The insurer shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority."

(ii) the statement, "cross-liability coverage is included,"

(iii) the Port Authority's agreement number (AGA-_____) on each and every page of the certificate of insurance, including any supplementary pages,

(iv) the following as the named insured Certificate Holder: MarketPlace LaGuardia Limited Partnership, LaGuardia Airport, Central Terminal Building, 3rd Floor West, Flushing, NY 11371, and

(v) the following list of additional insured parties, which list may be changed from time to time by Landlord upon notice to Tenant:

a) MarketPlace Development, Inc.

b) MarketPlace Development, Limited Partnership

c) MarketPlace LaGuardia, Inc.

d) MarketPlace LaGuardia Limited Partnership

e) The Port Authority of New York and New Jersey

f) The City of New York and its officials and employees

g) The New York City Economic Development Corporation

Section 1.2 Additional Defined Terms.

As used herein, the following terms shall have the meanings specified below:

(a) "Airport" means LaGuardia Airport, New York City, New York.

(b) "Common Areas" means those areas and facilities in the Terminal which may be furnished by Landlord or the Port Authority for the common use of Landlord, tenants and other occupants of the Retail Area, and others entitled thereto, their officers, agents and employees, including, without limitation, all loading docks and areas, delivery passages, pedestrian corridors, food courts, ramps, stairways, escalators, elevators, comfort stations or rest rooms, management and other similar areas. Landlord reserves the right, in its sole discretion, to designate, change, reduce or enlarge such areas, facilities or improvements from time to time.

(c) "Consumer Price Index" or "C.P.I." means the "Consumer Price Index for all Urban Consumers – (CPI-U), All Items Unadjusted Index (1982-84 = 100) N.Y., N.Y. – Northern New Jersey, Long Island, NY – NJ-CT" published by the U.S. Department of Labor, Bureau of Labor Statistics. If publication of the Consumer Price Index is discontinued, Landlord shall select whatever index published by the United States Department of Labor at that time is most nearly comparable as a measure of changes in the cost of living in the metropolitan New York City area, or, if such index is not available, a comparable index or statistics on the purchasing power of the consumer dollar published by a responsible financial periodical shall be selected by Landlord in substitution therefor.

(d) "Default Rate" means an annual rate of interest equal to the lesser of the maximum rate of interest for which Tenant may lawfully contract in New York, or four (4) percentage points over the rate announced from time to time by Chase Manhattan Bank at its main office in New York City as its "prime rate."

(e) "Lease Year" shall have the following meaning; the first Lease Year shall mean the period from the Commencement Date through the end of the calendar year in which the Commencement Date occurs; thereafter Lease Year shall mean each succeeding calendar year (or any partial calendar year at the end of the Term).

(f) "Port Authority" means The Port Authority of New York and New Jersey, 225 Park Avenue South, New York, New York 10003, landlord under the Prime Lease, and its successors and assigns.

(g) "Premises Delivery Date" means that date on which Landlord delivers notice to Tenant that Landlord's Work in a particular location of the Premises (as described on **Schedules B-1** and **B-2** attached hereto) is substantially complete and that such location of the Premises is available to Tenant to commence Tenant's Work.

(h) "Prime Lease" means the lease dated September 19, 1994 between the Port Authority (as landlord) and Landlord (as tenant), covering certain premises in the Terminal, as such lease may be amended from time to time.

(i) "Retail Common Areas" means those portions of the Common Areas which are located near the Retail Area and which Landlord is obligated, under the Prime Lease, to maintain and repair.

(j) "**Schedule A**" means **Schedule A (Location of Premises)** attached hereto and made a part hereof. Nothing in **Schedule A** shall be treated as a representation or warranty that the Premises shall be precisely of the dimensions or shapes shown thereon, it being the intention of the parties only to show diagrammatically rather than precisely on **Schedule A** the layout of the Premises; similarly, the use designations, and the names of specific tenants, tenant mixes or airlines, if any, reflected on **Schedule A** are for convenience only and are not to be treated

as a representation or warranty that the indicated portions of the Terminal will be put to, or remain available for, any such use. Tenant hereby acknowledges that, in entering into this Sublease, Tenant has not relied on any information shown or reflected on **Schedule A** except for the approximate location of the Premises.

(k) "Taxes" shall mean all real estate taxes, ad valorem taxes and assessments, general and special assessments, user fees (including, for example, without limitation, any fire user or similar fee), taxes on Landlord's gross receipts, or any other tax imposed upon or levied against Landlord on account of its leasehold interest in the Retail Area or against real estate or upon lessees or lessors of real estate as such (rather than persons generally) with respect to the Retail Area, together with the reasonable costs (including fees of attorneys, consultants, and appraisers) of any negotiation, contest, or appeal pursued by Landlord in an effort to reduce the same.

(l) "Terminal" means the building currently known as the Central Terminal Building at the Airport.

Section 1.3 Attachments.

The following documents attached hereto or delivered separately to Tenant, as well as all drawings and documents prepared pursuant thereto, are hereby made a part hereof:

Schedule A	-	**Plan Showing the Retail Area and Location of Premises**
Schedule B	-	**Construction**
Schedule C	-	**Certificate of Vote**
Schedule D	-	**Nondiscrimination Requirements**
Schedule E	-	**Contractor Bid Conditions**
Schedule F	-	**Rules and Regulations for the Retail Area**
Schedule G	-	**Port Authority Consent to Sublease**
Schedule H	-	**Guaranty of Sublease**
Schedule I	-	**Approved Menu**
Schedule J	-	**Form of Letter of Credit**

ARTICLE 2

PREMISES

Section 2.1 Demise.

(a) Landlord hereby subleases to Tenant, and Tenant hereby subleases from Landlord, the Premises for the Term and at the Rental hereinafter described. Landlord grants to Tenant and its agents, employees and (where such areas are open to the public) its customers, a non-exclusive license to use, in common with others entitled thereto during the Term, the Common Areas, subject to the exclusive control and management thereof at all times by Landlord and the Port Authority and subject to the right of Landlord to designate and change from time to time the portions so to be used, and subject, further, to the rights of Landlord set forth in Section 9.6.

Tenant agrees that Landlord shall have the right to place in the Premises (but in such manner as not unreasonably to interfere with Tenant's use of the Premises) utility lines, telecommunication lines, shafts, pipes and the like, for the use and benefit of Landlord and other tenants and occupants of the Terminal, and to replace and maintain and repair such lines, shafts, pipes and the like, in, over and upon the Premises; Landlord shall endeavor, to the extent commercially practicable, to place any such lines, shafts, pipes and the like above the finished ceiling, within columns or risers, or otherwise not visible within the usable area of the Premises. Such lines, shafts, pipes and the like, shall not be deemed part of the Premises under this Sublease. Tenant shall have no rights with respect to the land or improvements below the floor slab or above the interior surface of the ceiling of the Premises.

(b) This Sublease and Tenant's rights hereunder are and at all times shall remain subject and subordinate to the Prime Lease, as it may be amended, supplemented or extended from time to time. This Sublease shall not take effect without the prior written consent of the Port Authority, except Tenant agrees that if it takes possession of the Premises for any period prior to receipt of such consent it will perform all of its obligations hereunder as fully as

if such Sublease was in effect during such period. Tenant hereby agrees to execute the Port Authority's consent to sublease, in the form attached hereto as **Schedule G**, and return the same to Landlord within five (5) days after receipt of a request for execution of such consent by Tenant. Failure by Tenant to fully execute and deliver such consent in a timely manner shall be an Event of Default under this Sublease. Any amendment, supplement, extension or other modification of this Sublease shall be subject to and require the express written approval of the Port Authority thereto and, in the event such consent has not been obtained, such amendment, supplement, extension or other modification shall be, and be deemed to be, void and of no force or effect whatsoever. The Port Authority shall have the right (but not the obligation) to enforce the terms and conditions of this Sublease, directly, against Tenant to the same extent as if the Port Authority were Landlord hereunder. Tenant agrees not to take any action or permit any condition to exist within the Premises (or in any other area in the Terminal used or controlled by Tenant) which would cause Landlord to be in default of its obligations under the Prime Lease. Landlord shall promptly notify Tenant if the Prime Lease is or will be terminated before the expiration of the Term of this Sublease.

This Sublease shall terminate simultaneously with the termination for any reason whatsoever of the Prime Lease, unless the Port Authority shall notify Tenant and Landlord at or prior to such effective date of termination of the Prime Lease that the Port Authority shall and does assume the rights and obligations of Landlord hereunder from the date of such notice. In the event the Port Authority gives such notice to Tenant and Landlord, the rights, obligations and liabilities of Landlord under this Sublease from the date of such notice (except with respect to (i) any prior acts or defaults of Landlord under this Sublease, which shall not be the subject of any claim of whatever kind by Tenant against the Port Authority or entitle Tenant to an offset against or deduction from any amounts then or thereafter owed by it under this Sublease or to be relieved of any of its obligations under this Sublease and Tenant shall have recourse solely against Landlord with respect thereto, (ii) the application or return of any Security Deposit not actually received in hand by the Port Authority or (iii) any prepayment of Rental by Tenant) shall be deemed to have been assigned to and assumed by the Port Authority and Tenant shall be deemed to have fully attorned to the Port Authority on the foregoing basis for the balance of the term of the subletting and to have agreed that the Port Authority may further assign its rights and interest under this Sublease to any third party of the Port Authority's choice and as of the effective date of such assignment to such third party the Port Authority shall no longer have any obligation or liability under this Sublease.

In the event that the Port Authority notifies Landlord that it has revoked its consent to this Sublease or elected to terminate this Sublease, Landlord shall promptly so notify Tenant and Landlord may terminate this Sublease upon thirty (30) days' written notice to Tenant. Termination of this Sublease shall not relieve Tenant of any liabilities or obligations under this Sublease which shall have accrued on or prior to, or which shall take effect on, the effective date of termination. Termination of this Sublease shall have the same effect as though such date were the scheduled expiration of the Term specified in Section 1.1 and shall create no obligation on the part of the Landlord or the Port Authority.

In the event that under the provisions of Section 1(e) of the Prime Lease, the Port Authority terminates the Prime Lease with respect to a portion of the Retail Area, and such portion includes any portion of the Premises, and as a consequence thereof the Port Authority revokes its consent to this Sublease (or as to a portion of the Premises) then Landlord agrees to pay to Tenant an amount equal to the Tenant's unamortized capital investment in the Premises (prorated on a square foot basis if less than all of the Premises are involved). The Subtenant's unamortized capital investment shall be calculated as provided in Section 45(h) of the Prime Lease, with (i) amortization being calculated on a straight-line basis over the initial term of this Sublease and (ii) expenses for engineering, architectural, professional and consulting services and the supervision of construction being limited to thirty percent (30%) of the costs of work actually performed and labor and materials actually furnished in connection with the construction of the Premises. Such payment will be made after submission to and approval by the Port Authority of necessary evidence of such expenditures as provided in the Prime Lease and will be made either directly by the Port Authority or by Landlord promptly upon receipt from the Port Authority.

Section 2.2 Relocation.

Landlord reserves the right, upon not less than sixty (60) days' notice, to require Tenant to relocate that portion of the Premises known as Location BR5/6, at Tenant's expense, to an alternate location designated by Landlord and reasonably acceptable to Tenant.

ARTICLE 3

TERM

Section 3.1 Commencement Date.

With respect to each of locations BR5/6 and CSAR5, the Commencement Date shall be the earlier to occur of the following:

(a) The day on which Tenant opens for business to the public in such location with the permission of Landlord, or

(b) The day which is the number of days specified in Section 1.1 as Time Estimated for Completion of Tenant's Work after the Premises Delivery Date.

Tenant acknowledges that Landlord is in negotiations with the tenant which currently occupies a portion of the Premises known as Location BR5/6 to terminate that current tenant's use and occupancy and to arrange for the surrender of that location by that current tenant prior to the Commencement Date. Should Landlord be unable to deliver that portion of the Premises known as BR5/6 at the same time as that portion of the Premises known as Location CSAR5, Landlord will continue to make reasonable efforts to cause that portion of the Premises to be available for Tenant's occupancy and the Premises Delivery Date for that portion of the Premises will be adjusted accordingly. If there is a delay in the Commencement Date for Location BR5/6, the Fixed Minimum Rent and Percentage Rent Breakpoints for the period preceding the Commencement Date for Location BR 5/6 shall be proportionately adjusted based on the square footage set forth herein for each location. Notwithstanding the foregoing, this Sublease shall remain in full force and effect and Landlord shall have no liability for loss or damage resulting from any such delay. Landlord and Tenant agree, upon demand of the other, to execute a declaration setting forth the Commencement Date.

Section 3.2 Termination.

(a) This Sublease shall terminate on the scheduled expiration of the Term specified in Section 1.1 without the necessity of, and Tenant hereby waives all rights to, any notice to terminate, vacate or quit the Premises.

(b) Tenant 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 in the event it is evicted or dispossessed for any cause, or in the event the Port Authority or Landlord obtains possession of the Premises in any lawful manner.

(c) Tenant covenants and agrees to surrender possession of the Premises upon termination of this Sublease (whether by termination, expiration or otherwise) in as good condition as at the commencement of the Term hereunder (or in the case of improvements or alterations made or fixtures installed subsequent thereto, then as of the date such improvements, alterations or fixtures were made or installed) except for reasonable wear and tear and damage resulting from casualty or condemnation (but not the result of any delay or failure to maintain and repair hereunder) which does not adversely affect the efficient or proper utilization thereof.

(d) If upon the termination of this Sublease Tenant shall fail to remove any personal property or trade fixtures (which Tenant is allowed under the terms hereto to remove) affixed to the Premises in any way, whether permanent or temporary (removable, however, without any damage to the Premises) on or before the date of termination, Landlord may remove such property to a public warehouse for deposit or retain the property in its own possession, and sell the property 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 Tenant to Landlord, with any balance remaining to be paid to Tenant, or may dispose of such property as waste; if the expenses of such removal, storage and sale shall exceed the proceeds of sale, Tenant shall pay such excess to Landlord upon demand. Tenant hereby agrees to reimburse Landlord for the cost of the removal or disposal of any improvements to the Premises that incorporate, reflect or display Tenant's trade name, trademark, trade dress, copyright or service mark, after the expiration or termination of the Term.

Section 3.3 Holding Over.

Any holding over by Tenant after the expiration of the Term with the written consent of Landlord shall be on a month-to-month basis, terminable by either party on thirty (30) days' notice, and shall be at the same Rental specified herein (prorated on a monthly basis) and shall otherwise be on the terms and conditions set forth herein, so far as applicable. Any holding over without the written consent of Landlord shall be treated as a tenancy at sufferance and shall be on the terms and conditions set forth herein, so far as applicable, except that (i) the Fixed Minimum Rent payable hereunder for each month during the holdover period shall be equal to twice the monthly installment of Fixed Minimum Rent payable during the last full month of the Term, (ii) the installments of Percentage Rental payable hereunder for each such month shall be equal to one-sixth ($1/6^{th}$) of the average Percentage Rental payable hereunder for the last three (3) Lease Years of the Term, or if the Term is less than three (3) Lease Years, then such installments shall be equal to one-sixth ($1/6^{th}$) of the Percentage Rental payable hereunder for the last complete Lease Year preceding expiration of the Term, and (iii) all Additional Rental payable hereunder shall be payable at twice the rates in effect for the last month of the Term. All payments of Fixed Minimum Rent, Percentage Rental, and Additional Rental shall be prorated on a daily basis for the period of any such holdover.

Section 3.4 Landlord's Termination Right.

Ex.2.a
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In the event that either: (a) Tenant's Gross Sales for the second Lease Year of the Term of this Sublease are less than or (b) Tenant fails to timely and properly deliver to Landlord its statements of Gross Sales as required in Section 5.5, then Landlord may, it its sole and absolute discretion by written notice to Tenant ("Termination Notice"), elect to terminate this Sublease. Such termination shall be effective as of the date which Landlord designates as the termination date in its Termination Notice.

ARTICLE 4

USE

Section 4.1 Prompt Occupancy and Use; Operating Hours.

The Premises shall be used for the Permitted Use only and for no other purpose whatsoever. Tenant shall, at its expense, procure any and all governmental licenses and permits, including, without limitation, any approvals of the Port Authority required for the conduct of Tenant's business on the Premises and shall, at all times, comply with the requirements of each such license and permit. In no event shall Tenant install, maintain, operate or permit any vending machine or device designed to dispense or sell food, beverages, tobacco, tobacco products or merchandise of any kind or any equipment or device for the furnishing to the public of service of any kind.

The Premises shall be occupied as of the Commencement Date and shall thereafter be continuously and uninterruptedly occupied during the Operating Hours on each and every calendar day during the Term (specifically including Sundays and legal holidays) for the Permitted Use except during periods of alterations or renovations to the Premises approved by Landlord in accordance with the provisions of this Sublease governing Tenant improvements, construction and alterations. Tenant agrees that Landlord may change the Operating Hours from time to time by notice to Tenant, which in all events shall be consistent with the requirements of the Prime Lease. Tenant's operating hours are subject to Port Authority's operating rules for the Terminal and applicable federal, state and local laws.

Tenant acknowledges that: (i) certain tenants of the Retail Area may from time to time not be required to be open for business during Operating Hours; (ii) Tenant's continuous use and occupancy obligations under this Section 4.1 are a material inducement for Landlord to enter into this Sublease and but for such continuous use and occupancy agreement, Landlord would not have entered into this Sublease; (iii) Tenant's required operation of the Permitted Use in the Premises is necessary for Landlord to maintain a proper mix of products, services and specific merchandise in the Retail Area and is integral to the proper and successful operation of the Retail Area and the Terminal; and (iv) in entering into this Sublease, Tenant has not relied upon, nor has Landlord made any express or implied warranties to Tenant with respect to, the leasing of other space within the Retail Area or the Port Authority's

operations within the Terminal, and that Tenant's obligations hereunder are in no way conditioned or dependent upon the leasing of other space in the Retail Area or the Port Authority's operations within the Terminal.

Section 4.2 Tenant's Trade Name.

Tenant will conduct its business in the Premises under the name set out in Section 1.1 as Tenant's Trade Name or a revised trade name approved in advance by Landlord in writing and under no other trade name.

ARTICLE 5

RENTAL

Section 5.1 Rentals Payable.

Tenant agrees to pay to Landlord as rental ("Rental") for the Premises, the following:

(a) the Fixed Minimum Rent; plus

(b) the Percentage Rental; plus

(c) Tenant's Proportionate Share of Operating Costs; plus

(d) all additional sums, charges or amounts of whatever nature to be paid by Tenant to Landlord under this Sublease.

All sums referred to in the preceding clauses (c) and (d) and all charges for electricity and other utilities utilized by Tenant at the Premises which charges are payable by Tenant directly to the Port Authority or other provider, are referred to in this Sublease as "Additional Rental."

Section 5.2 Fixed Minimum Rent.

Fixed Minimum Rent shall be payable in equal monthly installments of one-twelfth ($1/12^{th}$) of such annual sum, in advance, on the first day of each full calendar month during the Term. On the Commencement Date, Tenant shall also pay any prorated Fixed Minimum Rent for the period from the Commencement Date to the first day of the first full calendar month in the Term. In the event that any Lease Year is less than a period of twelve calendar months, the Fixed Minimum Rent shall be appropriately prorated.

Section 5.3 Percentage Rental.

During the Term, Tenant shall pay Percentage Rental in accordance with the terms of this Section 5.3. Percentage Rental shall be due and payable on a monthly basis on or before the tenth (10th) day following the end of each calendar month during the Term. Each monthly payment of Percentage Rental shall be equal to (a) the sum of (i) the First Percentage Rental Rate multiplied by the amount by which the Tenant's year-to-date Gross Sales during such Lease Year exceed the First Percentage Rent Breakpoint but do not exceed the Second Percentage Rent Breakpoint and (ii) the Second Percentage Rental Rate multiplied by the amount by which the Tenant's year-to-date Gross Sales during such Lease Year exceed the Second Percentage Rent Breakpoint less (b) the sum of the Percentage Rental payments made previously by Tenant with respect to such Lease Year.

As soon as practicable after the end of each Lease Year (but in no event later than 45 days after the end of such Lease Year), the Percentage Rental paid or payable with respect thereto shall be adjusted between Landlord and Tenant. Tenant shall pay any underpayment to Landlord simultaneously with the delivery of the annual statement of Gross Sales required by Section 5.5. Any overpayment of Percentage Rental shall be credited against Rental then due or subsequently coming due (or, if such adjustment is to be made after the expiration of the Term, and there are no amounts due or coming due from Tenant to Landlord, any overpayment shall be paid to Tenant).

For the purposes of calculating Percentage Rental: (i) each Lease Year during the Term shall be considered an independent accounting period and the amount of Gross Sales in any Lease Year shall not be carried over into any other Lease Year; and (ii) in the event any Lease Year is less than a period of twelve calendar months (for example, in the first and last Lease Years during the Term) the Percentage Rent Breakpoint(s) shall be reduced by multiplying the breakpoint by a fraction, the numerator of which is the number of days in such Lease Year and the denominator of which is 365.

Section 5.4 "Gross Sales" Defined.

"Gross Sales" means the actual sales prices of all goods, wares and merchandise sold, leased, licensed or delivered and the actual charges for all services performed by Tenant, in, at, from, or arising out of the use of the Premises, whether for wholesale, retail, cash, credit, or otherwise, without reserve or deduction for inability or failure to collect. Gross Sales shall include, without limitation, sales and services (i) where the orders therefor originate in, at, from or arising out of the use of the Premises, whether delivery or performance is made from the Premises or from some other place, (ii) made or performed by mail, telephone, or telegraph orders to or from the Premises, (iii) made or performed by means of mechanical or other vending devices in the Premises, (iv) internet sales where the orders originate at the Premises, and (v) which Tenant, in the normal and customary course of its business, would credit or attribute to its operations at the Premises or any part thereof. Gross Sales shall also include any so-called "retail display allowances" or other promotional or advertising income received by or credited to Tenant on account of displays, promotions, advertising or other activities at the Premises. Any deposit not refunded shall be included in Gross Sales. All proceeds from Tenant's business interruption insurance policies relating to Tenant's operations in the Premises shall be included Gross Sales. Each installment or credit sale shall be treated as a sale for the full price in the month during which such sale is made, regardless of the time when Tenant receives payment therefor and without deduction for any fee payable to the credit issuer.

The following shall be deducted from Gross Sales for purposes of determining Percentage Rent (and each such deduction shall be shown on the Gross Sales statements delivered to Landlord pursuant to Section 5.5 hereof): any exchange of merchandise between stores of Tenant where such exchange is made solely for the convenient operation of Tenant's business and not for the purpose of consummating a sale made in, at or from the Premises, or for the purpose of depriving Landlord of the benefit of a sale which would otherwise be made in or at the Premises, returns to shippers or manufacturers, cash or credit refunds to customers on transactions (not to exceed the actual selling price of the item returned) otherwise included in Gross Sales, sales of trade fixtures, machinery and equipment after use thereof in the conduct of Tenant's business, and amounts collected and paid by Tenant to any government for any sales with respect to sales or services included in Gross Sales.

Section 5.5 Statements of Gross Sales.

Tenant shall deliver to Landlord: on or before the **tenth (10th)** day following each calendar month during the Term (including the **tenth (10th)** day of the month following the expiration or sooner termination of the Term) a written statement (on the form required by Landlord detailing Gross Sales for each day during the applicable period) certified by the chief financial officer of Tenant showing the amount of Gross Sales for such calendar month and for the year to date, as determined in accordance with the provisions of this Sublease and with generally accepted accounting principles (including in its first report the amount of Gross Sales for the fractional calendar month, if any, at the commencement of the Term).

In addition, Tenant shall deliver to Landlord (i) within **ten (10)** days after the close of each calendar year and after the expiration or sooner termination of the Term, a statement of Gross Sales, as determined in accordance with generally accepted accounting principles, for the preceding calendar year, such annual statement to be certified by an independent certified public accountant or by the chief financial officer of Tenant, (ii) as and when such statement is furnished to the taxing authority, copies of any sales tax, franchise tax, income tax or other statement furnished to any federal, state or local taxing authority showing the amount of Tenant's sales from the Premises, whether or not such statement is required to list all income which is included within Gross Sales and (iii) not later than sixty (60) days after the expiration or earlier termination of this Sublease, a statement certified by an independent certified public accountant of all Gross Sales arising out of Tenant's operations at the Premises during the Term. If Tenant operates at more than one location within the Terminal, all statements of Gross Sales will be broken down by location. If Tenant shall fail to deliver such certified annual statement to Landlord within said

period, Landlord shall have the right thereafter to employ an independent certified public accountant to examine such books and records, including, without limitation, all records required by Section 5.6, as may be necessary to certify the amount of Tenant's Gross Sales for such calendar year, and Tenant shall pay to Landlord the cost of such audit, as Additional Rental, upon demand.

Section 5.6 Tenant's Records.

Tenant agrees that the business upon the Premises shall be operated so that a duplicate sales slip, invoice or non-resettable cash register receipt, serially numbered, or such other device for recording sales as Landlord approves, shall be issued with each sale or transaction, whether for cash, credit or exchange. During business hours, Landlord, the Port Authority and their employees and representatives shall have the right to inspect the operation of all equipment used by Tenant, including, but not limited to, cash registers; Landlord shall use commercially-reasonable efforts to minimize interruptions to Tenant's business in the course of such inspection.

Tenant will keep, in accordance with generally accepted accounting principles, and preserve during the Term hereof and thereafter until otherwise notified by the Port Authority, original or duplicate books and records which shall disclose all information required to determine and verify Gross Sales ("Tenant's Records"). Tenant's Records shall be kept in a single location (at all times within the Port of New York District), either on the Premises or at Tenant's Address specified in Section 1.1. For purposes of this Sublease, Tenant's Records shall mean the gross income, franchise, sales and occupation tax returns with respect to each calendar year and all pertinent original sales records; pertinent original sales records shall include, without limitation: (i) cash register tapes, including tapes from temporary registers; (ii) serially numbered sales slips; (iii) the originals of all mail orders at and to the Premises; (iv) the original records of all telephone orders at and to the Premises; (v) the original records showing that merchandise returned by customers was purchased at the Premises by such customers; (vi) memorandum receipts or other records of merchandise taken out on approval; (vii) such other sales records, if any, which would normally be examined by an independent accountant pursuant to accepted auditing standards in performing an audit of Tenant's sales; and (viii) the records specified in (i) to (viii) above of any permitted concessionaires or licensees of Tenant. Landlord, the Port Authority, their agents and accountants, shall have the right to make any examination or audit of Tenant's Records (including the records of any company which is owned or controlled by Tenant, as well as the records of any company which owns or controls Tenant selling goods or performing services similar to those sold or performed by Tenant in the Port of New York District) which Landlord or the Port Authority may desire at any time during business hours during the Term of this Sublease and thereafter until otherwise notified by the Port Authority. Tenant will make such records available to Landlord within seven (7) days of Landlord's request, or immediately upon the Port Authority's request. If such audit shall disclose a liability in any calendar year for Percentage Rental in excess of the Percentage Rental previously paid for such calendar year, Tenant shall promptly pay such liability, together with interest thereon at the Default Rate from the time such payment should have been made. Should any such liability for Percentage Rental equal or exceed three percent (3%) of the Percentage Rental previously paid for such calendar year, Tenant shall, in addition, promptly pay the cost of audit.

Landlord agrees that all information gained from Tenant's Records, financial statements, inspections or audits furnished to or conducted by or on behalf of Landlord shall be confidential and shall not be disclosed other than to carry out the purposes hereof, provided, however, that Landlord shall be permitted to divulge such information to the Port Authority, lender or prospective lender, any prospective purchaser of the Retail Area or Landlord's rights therein or investor in Landlord or in connection with any administrative or judicial proceeding in which Landlord is involved and where Landlord is required to divulge such information.

Section 5.7 Payment of Rental.

Tenant shall pay all Rental when due and payable, without any setoff, deduction or prior demand therefor whatsoever. If any payment of Rental is not made within ten (10) days after the due date, there shall be added thereto, as Additional Rental to compensate Landlord for the inconvenience, administrative burden and expense created thereby, an amount equal to five percent (5%) of the amount due, making the total Rental due including the Additional Rental, one hundred five percent (105%) of the Rental that would otherwise be due, which will continue thereafter as the Rental due so long as said Rental, including the Additional Rental, remains unpaid, due and payable; if any Rental is not paid within thirty (30) days after the due date, Tenant shall, in addition to the foregoing late charge, pay interest at the Default Rate on all Rental (but not late charges) from the due date until paid. Such

late charge and interest on overdue Rental shall be in addition to, and not in limitation of, Landlord's other rights and remedies in the event of such late payment. In the event that the interest and late charges which would be required to be paid by Tenant under this Section exceed the maximum interest and late charges which may be permitted by the laws of the state of New York, the interest obligation of Tenant shall be that amount which, when added to the applicable late charges, equals such maximum permitted amount.

Any Additional Rental due shall be payable, unless otherwise provided herein, with the next monthly installment of Fixed Minimum Rent. Rental and statements required of Tenant shall be paid and delivered to Landlord at Landlord's Address or at such other place as Landlord may, from time to time, designate by notice to Tenant. No payment by Tenant or acceptance by Landlord of a lesser amount than shall be due from Tenant to Landlord shall be treated as other than a payment on account, nor shall any endorsement or statement on a check for a lesser amount, or upon any letter accompanying such check, that such lesser amount is payment in full, be deemed an accord and satisfaction or given any effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant.

Tenant agrees to make all Rental payments to the "Address for Payment of Rental" set out in Section 1.1, or to such other address as may be specified by Landlord by written notice. (Tenant hereby acknowledges that in the event that the payment of Rental or any other sums payable under this Sublease is to be made directly to the Port Authority, such payment and acceptance by the Port Authority of such amounts shall not constitute an assumption by the Port Authority of any or all of the obligations of Landlord under this Sublease.)

Section 5.8 Security Deposit.

Tenant agrees to submit to Landlord upon execution and delivery of this Sublease, and shall maintain in effect at all times during the Term (and through the period that is thirty (30) days following the Expiration Date), a clean, unconditional and irrevocable letter of credit (in the form attached hereto as **Schedule J**) in the amount specified as the Security Deposit in Section 1.1 (the "Letter of Credit") and the same shall be held by Landlord as security for the performance by Tenant of all obligations imposed upon Tenant under this Sublease. The Letter of Credit be drawn on a bank approved in writing by Landlord and located in the New York/New Jersey metropolitan area (the "Bank"). The Letter of Credit shall be addressed to Landlord, shall permit partial draws, and shall be payable upon simple demand by Landlord accompanied by a sworn statement of an authorized officer or agent of Landlord stating that the drawing represents amounts due to Landlord from Tenant under this Sublease. The Letter of Credit provider must have and maintain a long term credit rating of "A" or better by either Moody's or Standard & Poors.

The Letter of Credit shall be issued for a term of not less than twelve (12) months, provided the Letter of Credit shall be automatically extended without amendment for an additional twelve (12) months from the initial and each future expiration date (except the Letter of Credit issued during the final year of the Term shall not expire until thirty (30) days after the end of the Term of the Sublease), unless not less than sixty (60) days prior to the then-relevant expiration date, the issuer notifies the Landlord in writing that the issuer has elected not to renew the Letter of Credit. Following notification from the issuer not to renew, Landlord shall be entitled to draw on the Letter of Credit unless Tenant shall furnish to the Landlord a replacement Letter of Credit not later than thirty (30) days prior to the expiration of the then-current Letter of Credit. It shall be considered an immediate Event of Default under this Sublease if Tenant fails to replace the Letter of Credit upon its expiration for any reason (including without limitation, non-renewal by issuer or the expiration owing to the end of the term of the then-current Letter of Credit) at least thirty (30) days prior to the expiration of the then current Letter of Credit with a replacement letter of credit that meets the requirements of this Section 5.8 and is acceptable to Landlord or, with Landlord's approval, a cash security deposit in lieu of a replacement letter of credit.

Failure to provide a substitute Letter of Credit within the time required shall be an Event of Default entitling Landlord to draw on the Letter of Credit and to convert the Letter of Credit into a cash Security Deposit to be held in accordance with the provisions of this Section.

It is agreed that in the event Tenant defaults in respect of any of the terms, covenants or provisions of this Sublease, including, but not limited to, the payment of any Rent, and such default continues beyond the applicable grace or cure period, if any, or if any Letter of Credit is terminated by the Bank and is not replaced at least thirty

(30) days prior to its expiration, that (A) Landlord shall have the right to require the Bank to make payment to Landlord of so much of the entire proceeds of the letter of credit as shall be reasonably necessary to cure the default (or the entire proceeds if notice of termination is given as aforesaid and the letter of credit is not replaced as aforesaid), and (B) Landlord may apply said sum so paid to it by the Bank to the extent required for the payment of any Rental or any other sum as to which Tenant is in default beyond applicable grace and cure periods or for any sum which Landlord may expend or may be required to expend by reason of Tenant's default beyond applicable grace and cure periods in respect of any of the terms, covenants and conditions of this Sublease, including, but not limited to, any damages or deficiency in the reletting of the Premises, whether such damages or deficiency accrue before or after summary proceedings or other re-entry by Landlord, without thereby waiving any other rights or remedies of Landlord with respect to such default. If Landlord applies any part of the proceeds of a Letter of Credit, Tenant, upon demand, shall deposit with Landlord promptly the amount so applied or retained (or increase the amount of the Letter of Credit) so that the Landlord shall have the full deposit on hand at all times during the Term. If, subsequent to a Letter of Credit being drawn upon, a new Letter of Credit meeting all the requirements set forth in this Section 5.8 is delivered to Landlord, any proceeds of the former Letter of Credit then held by Landlord shall be promptly returned to Tenant. If a Letter of Credit is drawn upon, any proceeds received by Landlord which are not applied to the curing of the default shall be held by Landlord subject to the provisions hereof.

If Tenant shall faithfully perform all such obligations, then the Security Deposit shall be returned to Tenant upon expiration of the Term and surrender of the Premises. Otherwise, Landlord shall be entitled to apply the Security Deposit, pro tanto, against any damages (including estimated damages) that it may sustain by reason of Tenant's failure to perform such obligations, but such application shall not preclude Landlord from recovering greater damages if the same can be established. Landlord shall, unless otherwise required by law, have no obligation to pay interest on the Security Deposit and shall have the right to commingle the same with Landlord's other funds. If Landlord conveys Landlord's interest under this Sublease, the Security Deposit, or any part thereof not previously applied, may be turned over by Landlord to Landlord's grantee, and, if so turned over, Tenant agrees to look solely to such grantee for the proper application and return thereof in accordance with the terms of this Section 5.8. Tenant agrees that Tenant will not assign, encumber or pledge, attempt to assign, encumber or pledge the moneys deposited herein as security, and that neither Landlord, nor its successors and assigns, shall be bound by any such assignment, encumbrance or pledge, attempted assignment, attempted pledge, or attempted encumbrance.

The Port Authority shall not be responsible to Tenant for the return or application of any such Security Deposit, whether or not it succeeds to the position of Landlord hereunder, unless such Security Deposit shall have been received in hand by the Port Authority.

ARTICLE 6

OPERATING COSTS; PROMOTIONAL COSTS

Section 6.1 Tenant to Pay Proportionate Share of Operating Costs.

In each calendar year Tenant will pay Landlord, as Additional Rental, Tenant's Proportionate Share of Landlord's Operating Costs (as defined in Section 6.2). The provisions of this Section 6.1 shall apply to any partial calendar year, but Tenant's Proportionate Share of Operating Costs for such partial calendar year shall be subject to a pro-rata adjustment based on the number of days in such partial calendar year. Such proportionate share shall be paid by Tenant in monthly installments in such amounts as are estimated by Landlord for each calendar year, each such installment being due on the first day of each calendar month. From time to time during any calendar year, Landlord, in exercise of its good faith judgment, may revise its estimate of the Operating Costs for such calendar year and provide Tenant with a statement explaining in reasonable detail the basis for such revised estimate. Thereafter the monthly installments on account of Tenant's Proportionate Share of Operating Costs shall be appropriately adjusted in accordance with the revised estimate so that by the end of such calendar year, the total payments of Tenant's Proportionate Share of Operating Costs shall equal Tenant's Proportionate Share of the amount of such revised estimate. Within one hundred twenty (120) days after the end of each calendar year, Landlord shall deliver to Tenant a statement of Operating Costs for such year and Tenant's Proportionate Share thereof paid or payable with respect thereto shall be adjusted between Landlord and Tenant. Tenant shall pay Landlord, or, provided that Tenant is not then in default under any of the terms or covenants of this Sublease (and subject to Landlord's right to offset against amounts owing from Tenant), Landlord shall credit Tenant's account or

(if such adjustment is at the end of the Term) pay Tenant, as the case may be, within thirty (30) days of receipt of such statement, such amounts as may be necessary to effect such adjustment. Failure of Landlord to provide the statement called for hereunder within the time prescribed shall not relieve Tenant of any of its obligations hereunder.

Section 6.2 "Landlord's Operating Costs" Defined.

The term "Landlord's Operating Costs" means the costs and expenses incurred by Landlord in operating and maintaining the Retail Area and Retail Common Areas in a manner which Landlord deems reasonable and appropriate and in the best interests of the Retail Area. Landlord's Operating Costs shall include, without limitation, all costs and expenses of operating, maintaining, repairing, lighting, signing, cleaning, and painting the Retail Area and Retail Common Areas; maintenance of sprinkler, electrical, plumbing and mechanical systems serving the Retail Area and Retail Common Areas, removal of trash and debris from the Retail Common Areas, costs and expenses of inspecting and depreciation of machinery and equipment used in the operation and maintenance of the Retail Area and Retail Common Areas and personal property taxes and other charges incurred in connection with such equipment; the cost of maintaining signage and other materials aimed at directing passengers to any portion of the Retail Area or to other areas in the Terminal or informing passengers in the Retail Area of flight times or similar information; costs and expenses incurred in the rental of music program services and loudspeaker systems, including furnishing electricity therefor; costs of providing energy to light, heat, ventilate and air-condition the Retail Common Areas; cost of water; services, janitorial services (including costs of materials and equipment) if any, furnished by Landlord for non-exclusive use of all tenants; costs of providing any receiving and delivery services for the use of tenants (if provided); costs and expenses of personnel providing services in connection with the operation, maintenance, repairing, cleaning and protection of the Retail Area and the Retail Common Areas (including amounts incurred for wages, salaries and other compensation for services, payroll, social security, unemployment and similar taxes, workmen's compensation insurance, disability benefits, pensions, hospitalization, retirement plans and group insurance, uniforms and working clothes and the cleaning thereof, tools and equipment used by such personnel, and expenses imposed on Landlord or its agents pursuant to any collective bargaining agreement); any Taxes imposed on Landlord with respect to the Retail Area and the Retail Common Area; and Landlord's insurance costs, which shall include all premiums paid by Landlord for all insurance obtained by Landlord with respect to the Retail Area and Retail Common Areas, including, without limitation, the fire and extended coverage insurance carried by Landlord pursuant to Section 11.5, liability insurance for personal injury, death and property damage, insurance against theft or other casualties, fidelity bonds for personnel, insurance against liability for defamation and claims of false arrest occurring on and about the Retail Area and Retail Common Areas, and plate glass insurance for any glass in the Retail Area or Retail Common Areas for which Landlord (and not an individual subtenant is responsible; and any insurance (such as rent insurance) required by the Port Authority to be maintained by Landlord. Any such costs and expenses incurred which are capital expenditures (as determined in accordance with generally accepted accounting principles) shall be amortized over the depreciable life of the applicable capital item and only the allocable portion of such expenditure shall be included in the calculation of Operating Costs. Such costs and expenses shall not include any costs and expenses, the responsibility for payment of which lies with the tenant under any sublease of space within the Retail Area. Such costs and expenses shall not include depreciation (other than depreciation as above specified), nor the items described in Section 6.3 or Section 6.4 herein.

Section 6.3 Commercial Rent Tax.

Tenant agrees to be responsible for and to make payment of any commercial rent tax, occupancy tax, or other similar tax resulting from the use or occupancy of the Premises as commercial real estate (referred to herein as "Commercial Rent Tax") directly to the taxing authority.

In the event that and to the extent that Landlord incurs any Commercial Rent Tax on account of Tenant's use and occupancy of the Premises, Tenant agrees to be responsible for and to reimburse Landlord the full amount of such tax.

Section 6.4 Tenant Participation in Promotional Activities.

Tenant agrees to participate fully with the marketing, advertising and promotional programs for the Retail Area sponsored by Landlord. Tenant shall pay, as Additional Rental, (i) the Initial Promotional Contribution, such amount to be payable within thirty (30) days after Landlord bills Tenant for same, whether such billing occurs prior

to or after Tenant's initial opening for business in the Retail Area; and (ii) for each year during the term hereof, the Annual Promotional Contribution (or a pro rata portion thereof for any partial year) such amount to be paid in equal monthly installments on the first day of each calendar month, subject to annual increases provided below. Landlord will use the Annual Promotional Contribution and the Initial Promotional Contribution solely for marketing and advertising the Retail Area and providing services to patrons of the Retail Area which are intended to enhance such patrons' impressions of the Retail Area or make using the Retail Area more convenient. The failure of any other tenant or occupant of space within the Retail Area to participate in advertising for the Retail Area or make promotional contributions to Landlord shall not relieve Tenant of any of its obligations under this Section 6.4.

On January 1 of each full or partial calendar year during the Term, the Annual Promotional Contribution shall increase to an amount equal to the Annual Promotional Contribution for the immediately preceding calendar year, increased by 5%.

At least ten (10) days prior to the first day of the second calendar year and each calendar year thereafter until the end of the Term, Landlord shall provide Tenant with written notice of the increases in the Annual Promotional Contribution for the upcoming calendar year. No delay by Landlord in providing said written notice shall affect Tenant's obligation to pay the Annual Promotional Contribution, as escalated, retroactively from the beginning of such calendar year. The Annual Promotional Contribution for any year of the Term after the first calendar year or any subsequent calendar year, as the case may be, shall never be less than the preceding calendar year contribution.

In the event the level of the C.P.I. shall not be available to Landlord as of the commencement of any year of the Term, the Annual Promotional Contribution for the preceding year shall be multiplied by 1.05 to calculate the Annual Promotional Contribution for the current year until the C.P.I. is published for the month necessary to compute the adjustment provided in this Section 6.4; at such time as such adjustment can be calculated, Landlord shall notify Tenant of (x) the total amount of any increase due from the Tenant for the then current year of the Term and (y) as to the necessary adjustment to be made to each monthly payment thereafter due from Tenant for the balance of such year of the Term (as to result in Tenant having paid the full amount of any such increase by the end of the year for which the same is effective and applicable).

Section 6.5 Calculation of Tenant's Proportionate Share.

Tenant's Proportionate Share shall be determined by Landlord based upon an allocation formula which in Landlord's determination fairly allocates the Operating Costs among all space in the Retail Area rented to Tenants (except tenants operating under leases originally entered into by the Port Authority prior to the date of the Prime Lease). Tenant has been provided with a copy of Landlord's current allocation formula, but Landlord may revise such formula from time to time during the Term as Landlord deems appropriate. Landlord will provide a copy of its allocation formula to Tenant with Landlord's annual estimate of Operating Costs and with its year-end statement of actual Operating Costs (provided that Landlord's failure to do so shall not relieve Tenant of any of its obligations hereunder) and at any other time upon request of Tenant.

Landlord's determination of Tenant's Proportionate Share of Operating Costs shall be binding upon Tenant provided that (i) it is calculated in accordance with Landlord's then-current allocation formula and (ii) the allocation formula provides for all costs of bussing tables and removing trash from food courts to be allocated only to the food and beverage tenants located adjacent to a food court; and (iii) the sum of the proportionate shares of Operating Costs paid by all tenants in the Retail Area for a particular calendar year shall not exceed the actual Operating Costs for such year.

ARTICLE 7

IMPROVEMENTS

Section 7.1 Intentionally omitted.

Section 7.2 Condition of the Premises.

Tenant agrees that the Premises will be delivered by Landlord and accepted by Tenant in "AS IS" condition and that Landlord shall not be required to perform any work in or make any alteration to the Premises upon delivery to Tenant. All Tenant's Work shall be the responsibility of Tenant pursuant to Section 7.3 hereof.

Section 7.3 Tenant's Work.

(a) On or before the Commencement Date, Tenant shall, at its sole cost and expense, complete all work required to be performed pursuant to **Schedules B-1** and **B-2** ("Tenant's Work") in accordance with **Schedules B-1**, **B-2** and the Tenant Design Manual. A copy of the Tenant Design Manual has been furnished to Tenant and is incorporated herein in full. Tenant agrees that its investment in Tenant's Work, per square foot of the Premises, shall not be less than $250.00 per square foot. Tenant will be permitted by Landlord to enter the Premises prior to the Commencement Date for the purpose of performing Tenant's Work and for the purpose of installing its fixtures and other equipment, provided Tenant shall have obtained Landlord's and the Port Authority's written approval of the Final Plans, and Tenant shall have deposited with Landlord the policies or certificates of insurance required in Section 11.3 and Section 11.4. Tenant's activities shall be conducted so as not to unreasonably interfere with or unreasonably disrupt the operations of other tenants of the Retail Area who are already open for business or of the persons using the Terminal. Tenant shall, at its expense, remove from the Premises and Retail Common Areas all trash which may accumulate in connection with Tenant's activities and, should Tenant fail to do so, Landlord may, in addition to any other right or remedy of Landlord, remove such trash without notice to Tenant, at Tenant's expense, and the expenses so incurred by Landlord shall be due and payable by Tenant, as Additional Rent, upon demand. During such period, Tenant shall perform all duties and obligations imposed by this Sublease, including, without limitation, those provisions relating to insurance and indemnification, saving and excepting only the obligation to pay Rental (other than any Additional Rental arising out of any failure of Tenant to perform its obligations under this Sublease), which obligation shall commence when the Term commences. Upon the expiration of the Term or earlier termination of this Sublease, all improvements to the Premises made or performed by Tenant pursuant to Section 7.3 or Section 9.4 and **Schedules B-1** and **B-2** shall be Landlord's property and shall be surrendered to Landlord, or shall be removed by Tenant upon Landlord's request.

(b) Tenant recognizes and acknowledges that Landlord and the Port Authority are vitally interested that the store improvements, fixtures and furnishings in, and the décor of, the Premises be dignified, up-scale and of high mercantile quality in keeping with the high-quality, décor, character and standards of the Retail Area and that Landlord, accordingly, intends strictly to apply the criteria set out in the Tenant Design Manual (as the same may be amended from time to time by Landlord) when Landlord reviews Tenant's Preliminary Space Plans and Working Drawings for the Premises and fixturing plan (whether the original plans or plans and specifications for any alterations in accordance with Section 9.4). Accordingly, to provide Landlord with assurances in that regard and as a material inducement to Landlord to enter into this Sublease, Tenant agrees to construct, improve, fixture and furnish a high-quality, up-scale store in the Premises in keeping with Landlord's design criteria and the high-quality, décor, character and standards of the Retail Area, as determined by Landlord.

Section 7.4 Effect of Opening for Business.

By opening for business, Tenant shall, in the absence of notice given to Landlord to the contrary, be deemed to have certified for the benefit of Landlord and the Port Authority that Tenant has: (i) accepted the Premises; (ii) agreed that the obligations of Landlord and the Port Authority under **Schedules B-1** and **B-2** have been fully performed; (iii) waived any claim that the size, location, layout, dimensions or construction of the Premises, the Retail Area or the Retail Common Areas were not completed or furnished in accordance with the terms of this Sublease; and (iv) certified that the Term and the obligation to pay Rental have both commenced, that

Tenant has no claim for offsets or deductions against Rental and that no event has occurred which, with notice or the passage of time, or both, would constitute a default on the part of either Landlord or Tenant under this Sublease.

Section 7.5 Mechanic's Liens.

No work which Landlord permits Tenant to do or which Tenant is obligated to perform pursuant to this Sublease, whether in the nature of erection, construction, alteration or repair, shall be deemed to be for the immediate use and benefit of Landlord so that no mechanic's or other lien shall be allowed against the estate of Landlord by reason of any consent given by Landlord to Tenant to improve the Premises. Tenant shall pay promptly all persons furnishing labor or materials with respect to any work performed by Tenant or its contractor on or about the Premises. Tenant shall procure unconditional waivers and releases of lien claims (and/or notices of completion) in form acceptable to Landlord from all persons furnishing labor or materials with respect to any work performed on behalf of Tenant in the Premises, at the time each progress payment and/or final payment is made.

In the event any mechanic's or other lien shall at any time be filed against the Premises by reason of work, labor, services or materials performed or furnished, or alleged to be performed or furnished, to Tenant or to any one holding the Premises through or under Tenant, Tenant shall, within five (5) days of its recordation, cause the same to be discharged of record or bonded to the satisfaction of Landlord. If Tenant shall fail to cause such lien forthwith to be so discharged or bonded after being notified of the filing thereof, then, in addition to any other right or remedy of Landlord, Landlord may, after ten (10) days notice to Tenant, discharge the same by paying the amount claimed to be due or may cause the same to be bonded, and the amount so paid by Landlord including reasonable attorney's fees incurred by Landlord in either defending against such lien or procuring the discharge or bonding of such lien, together with interest thereon at the Default Rate, shall be due and payable by Tenant to Landlord, as Additional Rental, upon demand.

Section 7.6 Tenant's Trade Fixtures.

Provided that Tenant shall not at such time be in default of any terms or covenants of this Sublease, all trade fixtures and apparatus (as distinguished from leasehold improvements) owned by Tenant and installed in the Premises shall remain the property of Tenant shall be removable at any time, including upon the expiration of the Term, provided that Tenant shall repair any damage to the Premises caused by the removal of said fixtures and shall restore the Premises to its condition prior to the installation of said fixtures.. If Tenant is in default, Tenant shall not remove or permit the removal of said property until all defaults have been cured. The parties further agree that the foregoing phrase "trade fixtures and apparatus (as distinguished from leasehold improvements)" shall refer only to those items of equipment and trade apparatus that can be removed from the Premises without causing any damage to the Premises (i.e., any equipment, fixture or apparatus that is intended to be permanently affixed to the Premises in any way may not be removed from the Premises).

ARTICLE 8

OPERATIONS

Section 8.1 Operations by Tenant.

(a) Tenant will conduct its operation solely within the Premises and will not place or maintain any merchandise, any sign or other thing of any kind in the entry of the Premises or in the corridor or other Retail Common Areas or Common Areas or elsewhere on the exterior of the Premises, except such signs as are permitted hereunder.

(b) Tenant will not commit or suffer to be committed waste upon the Premises or any public or private nuisance or other act or thing which may disturb the quiet enjoyment of any occupant or user of the Terminal. Tenant will conduct its business in the Premises in all respects in a dignified manner and in accordance with high standards of retail store operation. Tenant shall not maintain any loudspeaker or other device in such manner as to be audible to anyone not within the Premises. Tenant shall take all steps which may be necessary to eliminate vibration outside the Premises emanating from the Premises. Tenant shall not use the Retail Common Areas for

solicitations, demonstrations, advertising or in any manner which would constitute a nuisance to shoppers, passengers or others at the Terminal. In no event shall any unusual, noxious or objectionable odors, vapors or smoke be emitted from the Premises.

(c) Tenant will at its sole cost and expense, comply with all laws and ordinances and all rules, regulations and requirements of all county, municipal, state, federal and other governmental authorities, now in force or which may hereafter be in force, pertaining to Tenant's construction or installations within the Premises and Tenant's use and occupancy of, or operations of or at, the Premises (including without limitation the National Board of Fire Underwriters, and the Fire Rating Organization of New York). Tenant shall not make or permit any use of the Premises (i) which would invalidate, conflict with or cause an increase in premiums for any policy of fire, extended coverage or rental insurance covering all or any portion of the Premises or the Airport, or (ii) which in the opinion of the Landlord or the Port Authority could constitute an extra-hazardous condition, so as to increase the risks normally attendant upon the operations contemplated under subleases in the Terminal approved by the Port Authority. Tenant agrees to comply with all recommendations of any public or private agency having authority over insurance rates with respect to the use and occupancy of the Premises by Tenant. Other than standard quantities of cleaning products customarily used by retailers and restaurants at the LaGuardia Airport passenger terminal, Tenant shall not keep or store any flammable materials at the Premises without Landlord's prior written consent. If such consent is obtained, Tenant shall not keep or store during any 24-hour period flammable 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° F shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories or the Factory Mutual Insurance Association. Tenant will install and maintain any fire extinguishing apparatus required by local regulations, the Port Authority or the requirements of insurance underwriters. Tenant shall use and maintain the Premises in such a way as to, at all times, minimize air pollution, water pollution or any other type of pollution emanating from the Premises and Landlord reserves the right to require Tenant to design and construct at Tenant's sole cost, any reasonable structures, equipment and other facilities as may be appropriate to accomplish such purposes.

(d) The Tenant shall not dispose of nor permit any one to dispose of any waste material (whether liquid or solid) by means of the 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.

(e) The Tenant shall not operate or permit others to operate or fuel or defuel any engine or any item of automotive equipment in the Terminal.

(f) The Tenant shall not use or permit the use of any truss or structural supporting member of the Terminal building or roof or any part thereof for the storage of any material or equipment, or to hoist, lift, move or support any material or equipment or other weight or load, by means of said trusses or structural supporting members.

(g) Tenant will maintain the Premises in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests. Tenant will keep the inside and outside of all glass in doors and windows of the Premises clean and shall maintain any security gate in good working order. Tenant shall not permit the accumulation of rubbish, trash, garbage and other refuse in and around the Premises, and will remove the same in accordance with the provisions of Section 10.6 hereof.

(h) Tenant will not conduct any auction, fire, bankruptcy or so-called "going out of business" sales, or conduct its business in any manner other than in the normal course of Tenant's continuing business operation. Tenant shall not conduct its business in a manner which is commonly known and accepted in the retail trade as a "discount store" or "wholesale store" or "outlet store" or "surplus store."

(i) Tenant shall receive and deliver goods and merchandise only in the manner, at such times, and in such areas as may be designated by Landlord from time to time.

(j) Tenant and its employees shall comply with all rules and regulations promulgated by the Port Authority for the Terminal, the Retail Areas, the Common Areas or the Airport, including without limitation the Port Authority's Airport Rules and Regulations, a copy of which has been delivered to Tenant. In addition, Tenant and

its employees shall comply with Landlord's Rules and Regulations for Retail Area attached here as **Schedule F** as the same may be amended from time to time by notice to Tenant, as well as any other rules and regulations promulgated by Landlord for the Retail Area or the Common Areas (specifically including but not limited to rules and regulations implementing any smoking policy established by Landlord from time to time). Tenant will, upon request of Landlord, require its employees to wear or carry badges or other suitable means of identification. In addition, upon objection by Landlord concerning the conduct, demeanor or appearance of any officer, employee, agent, representative, contractor, guest or invitee of Tenant, Tenant shall take reasonable steps to remove the cause of the objection.

(k) Tenant acknowledges the interest of Landlord in maintaining the retail portions of the Terminal in a condition which is highly dignified, not offensive to passengers using the Terminal, and not of a nature which will cause controversy or attract unwanted attention to the Terminal, the Retail Area, the Port Authority or the Airport. Accordingly, Tenant agrees that the Premises shall not be used for the sale, display, rental or other dissemination of any pornographic or so-called "adult" material, weapons of any kind, or any other material which Landlord determines, in their sole discretion, is not appropriate for sale, display, rental or dissemination at the Airport. Tenant agrees that upon notice from Landlord, it will immediately remove any such materials, and the failure to promptly remove any item referred to in such notice will constitute an Event of Default without any requirement for further notice.

(l) Tenant agrees to use its best efforts in every proper manner to develop and increase the business conducted by it under this Sublease; operate its business so as to maximize its revenues in accordance with business standards observed generally by well-run business enterprises of regional or national scope and not divert, or cause or allow to be diverted, any business from the Terminal or the Airport.

(m) Tenant shall accept payment by at least three major credit cards from its customers, such accepted credit cards to include Mastercard and Visa.

(n) Tenant shall not place any load upon any floor in the Premises exceeding the load which the floor was designed to carry or which is allowed by law, whichever is less. Tenant shall repair any floor, including supporting members, and any paved area damaged by overloading. Landlord reserves the right to further limit the weight of heavy objects and designate their positions.

(o) In the event the Permitted Use of the Premises under this Sublease is a restaurant or provides for sale of food and/or beverages, Tenant further agrees, in connection with its operations at the Premises:

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

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

(iii) The Premises and all equipment and materials used shall at all times be clean, sanitary, and free from rubbish, refuse, dust, dirt, offensive or unclean material, flies, and other insects, rodents and vermin. All apparatus, utensils, devices, machines and piping used shall be constructed so as to facilitate the cleaning and inspection thereof and shall be properly cleaned after each period of use (the interval between cleanings, however, never to exceed eight hours) with hot water and a suitable soap or detergent and shall be rinsed by flushing with hot water. Where deemed necessary by Landlord or the Port Authority, final treatment by live steam under pressure or other sterilizing procedure shall be used. All trays, dishes, crockery, glassware, cutlery, and other equipment of such type shall be cleaned and sterilized immediately before using same;

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

(v) Particular care shall be taken to wash any dishes and perform any cleaning necessary to maintain in a clean and sanitary condition, free of all vermin, any kitchen areas or any other areas in the Premises in which beverages or foods may be prepared or dispensed;

(vi) It is intended that the standards and obligations imposed by this Section 8.1(o) shall be maintained or complied with in addition to compliance with all applicable governmental laws, ordinances and regulations, and in the event that any of said laws, ordinances and regulations shall be more stringent than such standards and obligations, such laws, ordinances and regulations shall be complied with;

(vii) Tenant shall be responsible for ensuring that any Common Areas permitted by Landlord to be used for Tenant's deliveries are as clean or cleaner after any such deliveries as before any such deliveries. Tenant acknowledges that in light of the nature of Tenant's use, Landlord is particularly concerned that a high level be maintained with respect to the sanitary condition of the Premises and any such Common Areas;

(viii) Tenant shall provide and install, at its sole cost and expense, an under-sink grease trap within the Premises;

(ix) Tenant shall apply for and obtain all health permits required under state and local laws and shall promptly forward copies of any such application (and upon receipt, any such permit) to Landlord. In addition, Tenant shall notify Landlord immediately upon receipt by Tenant of notice from any such permitting authority of any violations.

(p) During the Term of this Sublease, Tenant agrees that not less than one hundred percent (100%) of the ownership interest of Tenant shall be held by a DBE Entity, as hereinafter defined. A "DBE Entity" shall mean an entity which is certified by the Office of Business and Job Opportunity of the Port Authority, in accordance with the Port Authority's then-current disadvantaged business enterprise certification standards, as a disadvantaged business enterprise. Tenant agrees, from time to time during the Term of this Lease, to deliver such information as is requested from time to time by the Landlord or the Port Authority confirming compliance by the Tenant with requirements of this Section. In the event the Port Authority determines, in its sole and absolute discretion, that Tenant is not in compliance with the requirements of this Section, Tenant agrees to effectuate such transfers (in accordance with the provisions of Article 13), to an entity acceptable to the Port Authority and certified by the Office of Business and Job Opportunity of the Port Authority as a disadvantaged business enterprise, as are necessary to bring Tenant into compliance with the requirements of this Section. Notwithstanding anything to the contrary contained in this Lease, following any such assignment, the Tenant originally named herein shall remain fully liable for the Tenant obligations hereunder including, without limitation, the obligation to pay Rent and other amounts provided under this Lease.

Section 8.2 Signage and Advertising.

(a) Tenant will not place or suffer to be placed or maintained on the exterior of the Premises (or on the interior visible from the exterior or at or on any other portion of the Airport outside the Premises) any sign, advertising matter or any other thing of any kind, and will not place or maintain any decoration, lettering, or advertising matter on the glass of any window, door of the Premises or the exterior demising walls of the Premises unless and to the extent permitted by Landlord (such permission not to be unreasonably withheld) and approved by the Port Authority. Tenant will, at its sole cost and expense, maintain such sign, decoration, lettering, advertising matter, or other thing as may be permitted hereunder in good condition and repair at all times.

Upon the expiration of the Term or earlier termination of this Sublease, Tenant shall, at Tenant's cost at the request of Landlord, remove or cover any and all signs and restore the Premises and any portion of the Terminal affected by such signs to the condition it was in prior to the installation of any such signs.

(b) Landlord shall have the right to review and approve any advertising or promotion of Tenant's operations at the Premises or in the Airport, to ensure consistency with Landlord's and the Port Authority's promotional materials and strategies and with the image of the Retail Area and the Airport which Landlord and the Port Authority are then attempting to establish or preserve.

Section 8.3 Painting, Displays and Merchandising by Tenant.

Tenant will not paint or decorate any part of the exterior of the Premises, or any part of the interior visible from the exterior thereof, without first obtaining Landlord's written approval. Tenant will install and maintain at all times, subject to the other provisions of this Section 8.3, displays of merchandise in the show windows (if any) of the Premises. In addition, Tenant recognizes and acknowledges that Landlord is vitally interested that the store operation in and the decor of the Premises be dignified and of high mercantile quality in keeping with the high quality, character and standards of the Retail Area, and that but for Tenant's assurances given below, Landlord would not enter into this Sublease. Accordingly, to provide Landlord with assurances in that regard and as a material inducement to Landlord to enter into this Sublease, Tenant covenants with Landlord as follows:

(a) In addition to the provisions herein governing Tenant alterations, construction, improvements, operations, painting and displays, Tenant agrees that the type, quality and location of the fixtures to be originally installed by Tenant and the furnishings and movable articles to be originally placed by Tenant in the Premises, the storefront, and all replacements thereof (which replacements shall be of at least equal type and quality), shall be subject to Landlord's prior written approval (such approval not to be unreasonably withheld); all of said fixtures, furnishings, movable articles and storefront shall be properly maintained by Tenant throughout the Term of this Sublease;

(b) In addition to the provisions herein governing Tenant operations, painting and displays, Tenant agrees that all merchandise shall be neatly and attractively displayed in the Premises throughout the Term of this Sublease in accordance with a written merchandising layout plan and display guidelines, which merchandising layout plan and display guidelines, and any amendments or modifications thereto, shall be subject to Landlord's prior written approval; and

(c) In addition to the provisions herein governing Tenant operations and displays, Tenant agrees to keep the Premises well-stocked with appropriate quantities of merchandise suitable for the season in which it is being displayed for sale in the Premises at all times and shall fully and adequately staff the Premises with sufficient employees for the purpose of selling such merchandise; in no event may Tenant, at any time during the Term, remove or permit the removal of, all or substantially all of Tenant's stock of merchandise from the Premises; provided that Tenant is not at such time in default of any term of this Sublease; upon the expiration or earlier termination of this Sublease, Tenant may remove all stock of merchandise from the Premises; if Tenant is in default, Tenant shall not remove, or permit the removal of, such stock of merchandise until all defaults have been cured.

Section 8.4 Hazardous Materials.

Without limiting the generality of its other covenants hereunder, Tenant agrees in regard to the use and occupancy of the Premises to comply with all environmental laws, rules, regulations, statutes and ordinances, including, without limitation, those applicable to Hazardous Substances, as defined herein. Tenant shall not dispose of any Hazardous Substances at the Premises or the Terminal. Tenant unconditionally, absolutely and irrevocably indemnifies and agrees to defend and hold harmless Landlord, the Port Authority and their respective officers, employees, agents, contractors and those claiming by, through or under Landlord or the Port Authority, from and against all loss, cost and expense (including, without limitation, attorney's fees) of whatever nature suffered or incurred by Landlord or the Port Authority on account of the use on the Premises, or the release or discharge from the Premises, of Hazardous Substances, including, without limitation, any claims, costs, losses, liabilities and expenses arising from the violation (or claimed violation) of any environmental laws or the institution of any action by any party against Tenant, Landlord or the Port Authority, based upon nuisance, negligence or other tort theory

alleging liability due to the improper generation, storage, disposal, removal, transportation or treatment of Hazardous Substances or the imposition of a lien on any part of the Retail Area, the Common Area or the Terminal under the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq., as amended ("CERCLA"), or any other federal, state or local laws pursuant to which a lien may be imposed due to the existence of Hazardous Substances. Tenant further unconditionally, absolutely and irrevocably guarantees the payment of any fees and expenses incurred by Landlord or the Port Authority in enforcing or seeking enforcement of the liability of Tenant under this indemnification.

For the purposes of this Section, "Hazardous Substances" shall mean and include, but shall not be limited to, any element, substance, compound or mixture, including disease-causing agents, which after release into the environment or work place and upon exposure, ingestion, inhalation or assimilation into any organism, either directly or indirectly, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction or physical deformations in such organisms or their offspring, and all hazardous and toxic substances, wastes or materials, any pollutants or contaminants (including, without limitation, asbestos and raw materials which include hazardous constituents), or any other similar substances, or materials which are included under or regulated by any local, state or federal law, rule or regulation pertaining to environmental regulation, contamination, clean-up or disclosure, including, without limitation, CERCLA and regulations adopted pursuant to such Act, the Toxic Substances Control Act of 1976, as heretofore or currently in effect ("TSCA") and the Resource Conservation and Recovery Act of 1976, as heretofore or currently in effect ("RCRA").

Section 8.5 Street Pricing.

(a) Tenant shall offer all items for sale at the Premises at prices not to exceed "Street Prices", which shall be defined as follows:

(i) If Tenant conducts a similar business in off-airport locations in the Greater New York City – Northern New Jersey Metropolitan Area (the "Metro Area"), "Street Prices" shall mean the price regularly charged by Tenant for the same or similar item in the Metro Area;

(ii) If Tenant does not conduct a similar business in off-airport locations in the Metro Area, "Street Prices" shall mean the average price regularly charged in the Metro Area by similar retailers for the same or similar item; and

(iii) If neither Tenant nor other similar retailers sell a particular item in the Metro Area, "Street Prices" shall mean the price regularly charged by Tenant or similar retailers for the same or similar item in any other geographic area, with a reasonable adjustment for any cost of living variance between such area and the Metro Area.

(b) Tenant shall post and maintain one or more notices in form and substance satisfactory to Landlord and the Port Authority, in a location approved by Landlord and the Port Authority, to the effect that Tenant guarantees that it subscribes to the "Street Pricing" policy set out in subsection (a) above, such notice to be clearly visible and unobstructed. In the event Landlord adopts a standard sign and/or standard language setting forth such information, Tenant agrees to use the standard signage and/or language, to be posted in locations approved by Landlord.

(c) Tenant agrees that upon Landlord's request it will provide a list of the prices of each item offered or to be offered at the Premises, as well as any other information reasonably requested by Landlord in order to assure Tenant's compliance with the provisions of this Section 8.5.

(d) Tenant shall offer a "money back guarantee" of its Street Prices, which means that it will promptly refund the price of any item purchased at the Premises by any customer who can establish that the price charged for such item exceeded the "Street Price" for such item as provided in Section 8.5.

(e) As a means of implementing the Port Authority's street pricing policy and enforcing the provisions of Section 8.5(a) Landlord may, at its sole discretion, levy "fines" of up to $1,000 per day on any tenant who fails to comply with any of the provisions of this Section 8.5 within 24 hours of receipt of any demand to do so from Landlord. Tenant agrees to pay, as Additional Rent, any such "fine" as may be levied upon it by Landlord. Landlord and Tenant agree and acknowledge that it is impossible to calculate the damages to Landlord and to the Landlord's retail program at the Airport in the event Tenant fails to comply with the Street-Pricing Policy set forth in this Section. The parties hereby agree that the fines referenced above are intended by the parties to represent liquidated monetary damages and are not intended as a penalty. To the extent such fines exceed the maximum amount permitted to be collected under applicable law, this Section shall be deemed to require only as much as may be permitted in accordance with applicable law. Landlord's rights under this Section shall be in addition to any other rights Landlord may have following an Event of Default.

Section 8.6 Approved Menu.

Tenant has provided Landlord with a complete menu of all items to be served at the Premises, including the times of day which each item is to be offered. Such menu is attached hereto as **Schedule I**. Tenant shall not change the items offered for sale at the Premises without obtaining the prior written approval of Landlord.

Section 8.7 Employee Training.

Tenant will properly train all of its employees in the proper operation of its business (including, if applicable, proper food handling procedures), the compliance with any applicable laws and regulations and the provisions of this Sublease, and the provision of good service to customers. In the event that Landlord initiates one or more customer service programs for employees of tenants in the Retail Area, Tenant will fully participate (and cause its employees to participate) in such programs and will pay to Landlord its share of such costs. Tenant's share will be paid to Landlord in accordance with the provisions of Section 6.1, except that Landlord may allocate the costs of any such program among tenants in the Retail Area in any manner which it reasonably deems appropriate, rather than in accordance with each tenant's Proportionate Share.

ARTICLE 9

REPAIRS AND ALTERATIONS

Section 9.1 Repairs To Be Made By Landlord.

Landlord agrees to keep in good order, condition and repair the Retail Common Areas (except any condition caused by any act, omission or neglect of Tenant or any contractor of Tenant or any party for whose conduct Tenant is responsible) except as provided in Article 12 and except as such areas may be affected by the ongoing construction at the Terminal. Without limitation, Landlord shall not be responsible to make any improvements or repairs other than as expressly provided in this Section, and Landlord shall not be liable for any failure to make such repairs unless Tenant has given notice to Landlord of the need to make such repairs and Landlord has failed to commence to make such repairs within a reasonable time thereafter.

Section 9.2 Repairs To Be Made By Tenant.

All repairs to the Premises or any installations, equipment or facilities therein, other than those repairs required to be made by Landlord pursuant to Section 9.1 hereof or Article 12 hereof, shall be made by Tenant at its expense, using contractors approved by the Landlord. Without limiting the generality of the foregoing, Tenant will keep the interior of the Premises, together with all electrical, plumbing, HVAC and all other mechanical systems serving the Premises, and all plate glass windows, walls, floors, ceilings, partitions and doors, in good order, condition and repair and will make all replacements thereto from time to time required at its expense; and will surrender the Premises at the expiration of the Term or at such other time as it may vacate the Premises in as good condition as when received, excepting only ordinary wear and tear (but not obsolescence). Tenant will not overload the electrical wiring serving the Premises or within the Premises, and will install at its expense, subject to the provisions of Section 9.4, any additional electrical wiring which may be required in connection with Tenant's

apparatus. Tenant shall obtain and maintain throughout the Term, at its sole expense, a repair and maintenance agreement for the HVAC system serving the Premises. Tenant shall provide Landlord with a copy of such repair and maintenance agreement within ten (10) days of the Commencement Date.

Section 9.3 Damage to Premises.

Other than damage caused by casualty or condemnation, Tenant will repair promptly, at its expense, any damage to the Premises and, upon demand, shall reimburse Landlord, as Additional Rental, for the cost of the repair of any damage elsewhere in the Retail Area, Common Areas or the Terminal caused by Tenant, its agents, employees or contractors or by bringing into the Premises any property for Tenant's use, or by the installation or removal of such property, regardless of fault or by whom such damage shall be caused (unless caused by Landlord, its agents, employees, or contractors).

In the event Tenant fails to commence to maintain, clean, repair, replace or paint the Premises within a period of five (5) days after notice from Landlord or the Port Authority that the condition of the Premises does not meet the requirements set out in this Sublease, or fails diligently to continue to completion the repair, replacement, rebuilding or painting of all of the Premises required to be repaired, replaced, rebuilt or painted by Tenant under the terms of this Sublease, Landlord or the Port Authority may, at its option, exercise self help rights provided in Section 16.10 and in addition to any other remedies which may be available to it, maintain, repair, replace, rebuild or paint all or any part of the Premises included in the said notice, and the cost thereof shall be payable by Tenant as Additional Rental.

Section 9.4 Alterations by Tenant.

Tenant will not make any alterations, renovations, improvements or other installations in, on, or to the Premises or any part thereof (including, without limitation, any alterations of the storefront or signs, structural alterations, or any cutting or drilling into any part of the Premises or any securing of any fixture, apparatus, or equipment of any kind to any part of the Premises) until Tenant shall have received Landlord's and the Port Authority's prior written approval. With respect to alterations and improvements, Landlord shall not unreasonably withhold its approval. Any such approved alterations, additions or improvements shall: (i) be in accordance with complete plans and specifications approved in advance by Landlord and the Port Authority; (ii) be made by contractors or mechanics approved by Landlord; (iii) be in compliance with all applicable codes and rules, regulations, and all procedures and requirements of Landlord and the Port Authority including the requirements of Section 7.3, Section 7.6 and **Schedule B;** (iv) be made at Tenant's sole expense and at such times (specifically excluding peak travel times) and in such manner as Landlord may from time to time designate without interference with or disruption of the operations of tenants or other occupants of the Retail Area; (v) become part of the Premises and the property of Landlord; and (vi) be made in compliance with and all contractors performing work on the Premises (and subcontractors thereof, at any tier of construction) shall comply with those requirements set forth in **Schedule D** and **Schedule E** and Tenant shall include and require its contractors (and subcontractors thereof at any tier of construction) to include in its construction contracts as direct obligations of the parties to such contracts, the requirements set forth on **Schedule E.** Tenant shall pay Landlord or Landlord's contractor for the reasonable costs of review of the plans and specifications for such alterations, renovations, additions or improvements, and general supervision of Tenant's construction work.

Section 9.5 Changes and Additions to Retail Area.

(a) Landlord reserves the right at any time and from time to time, without the same constituting breach of Landlord's covenant of quiet enjoyment (express or implied) or an actual or constructive eviction, and without incurring any liability to Tenant or otherwise affecting Tenant's obligations under this Sublease: to make such changes, alterations, improvements, repairs or replacements in or to the Retail Area (including the Retail Common Areas) and the fixtures and equipment thereof, and in or to other areas of the Terminal, as Landlord may deem necessary or desirable in connection with the remodeling, reconstruction, redevelopment, redesigning or expansion of the Retail Area or otherwise, and in connection therewith, to change the arrangement and/or location of entrances or passageways, parking areas, doors and doorways, access ramps, corridors, elevators, escalators or other public parts of the Retail Area, Retail Common Areas or the Terminal; to make additions, alterations, and modifications to and rearrangements and reductions of the Retail Area, including the Retail Common Areas; to change the

dimensions and types of stores; to convert Retail Common Areas into leaseable areas; and to expand the size of the Retail Area by acquiring or making available additional area in the Terminal; provided, however, that no such changes shall permanently deny reasonable access to and egress from the Premises.

(b) Tenant acknowledges that Landlord or the Port Authority may, as of the date hereof or anytime hereafter, make improvements to the Retail Area or the Terminal, and that such improvements may require substantial construction work in the Retail Area during normal business hours, which may disrupt Tenant's business operations and create noise, dust and other concomitants of construction work. Tenant agrees that it shall have no right whatsoever to any abatement of Rental or other compensation or to any claim of breach of Landlord's covenant of quiet enjoyment (express or implied) or an actual or constructive eviction or for loss of business or inconvenience, or in any event for consequential damages on account of any such construction work, and without incurring any liability to Tenant or otherwise affecting Tenant's obligations under this Sublease. Without limiting the generality of the foregoing: Landlord or the Port Authority may enter the Premises for any of the purposes in this Sublease authorized, or for repairing, altering, remodeling, reconstructing, redeveloping, or expanding any portion of the Retail Area or the Terminal; Landlord or the Port Authority may stop or interrupt any service or utility system, when necessary by reason of accident or emergency or construction work until the necessity for said interruption or stoppage has ended; Landlord or the Port Authority may temporarily or permanently close, alter, change, modify and/or relocate any entrances, passageways, doors and doorways, corridors, elevators, escalators or other parts of the Retail Area, Common Areas or the Terminal; and Landlord or the Port Authority may at any time and from time to time make such changes, alterations, additions, improvements, repairs or replacements in or to the Retail Area (including the Premises and Common Areas) and the fixtures and equipment thereof and the Terminal, as well as in or to the entrances, passages, elevators, escalators, and stairways thereof, as it may deem necessary or desirable, and to change the arrangement and/or location or entrances, passageways, doors and doorways, and corridors, elevators, stairs, toilets, or other public parts of the Retail Area, Common Areas or the Terminal. Landlord shall make commercially reasonable efforts to minimize disturbance to Tenant's business resulting from the exercise of Landlord's rights to undertake construction work. If, as a result of the exercise by the Landlord of Landlord's rights hereunder to undertake construction work, access to or egress from one or more of the retail locations included in the Premises is materially obstructed or services of utilities to the Premises (or such retail location included in the Premises) is interrupted, in each case for a period of more than ten (10) consecutive days (five (5) consecutive days in the case of work undertaken by Landlord and not required by the Port Authority, provided that this parenthetical shall not apply if the Port Authority has assumed the position of Landlord under this Sublease), such that Tenant is unable to and does not conduct business operations at such retail locations included in the Premises (such occurrence is referred to hereinafter as a "Business Interruption") then Tenant shall give Landlord written notice ("Interruption Notice") of such Business Interruption. If such Business Interruption continues for more than five (5) days after Landlord's receipt of the Interruption Notice, Fixed Minimum Rent shall thereafter abate (ratably by square footage if the Business Interruption occurs in fewer than all locations in the Premises) for the period during which, by reason of such Business Interruption, the Tenant remains unable to and does not conduct business operations at the Premises (or retail location included in the Premises), as reasonably determined by Landlord. No such Business Interruption shall otherwise affect this Sublease or any of Tenant's obligations hereunder. Tenant's right to an abatement hereunder shall be its sole and exclusive remedy for such Business Interruption and the foregoing rights of Tenant shall be applicable to Business Interruptions resulting from Landlord's actions hereunder, but shall not be applicable to actions undertaken by the Port Authority.

Section 9.6 Management and Operation of Common Areas.

Landlord will operate and maintain or will cause to be operated and maintained the Retail Common Areas in a manner deemed by Landlord to be reasonable and appropriate and in the best interests of the Retail Area. Landlord will have the right (i) to establish, modify and enforce reasonable rules and regulations with respect to the Common Areas; (ii) to enter into, modify and terminate agreements pertaining to the use and maintenance of the Common Areas; (iii) to close all or any portion of the Common Areas from time to time; and (iv) to do and perform such other acts in and to the Common Areas as Landlord shall determine to be advisable.

ARTICLE 10

UTILITIES

Section 10.1 Utilities.

Except as expressly provided in this Article 10, Tenant shall be responsible for arranging for the provision of all utility services directly with the supplier and Tenant shall make payment for any such services directly to the supplier. Landlord shall have no obligation to provide any services of any nature whatsoever to Tenant or to, in or for the benefit of the Premises, or to observe or perform any obligations of Landlord under this Sublease in any case where any services, or obligations are required under the Prime Lease to be provided, performed or observed by the Port Authority for the benefit of Landlord with respect to the Premises. Landlord shall not be responsible in any way whatsoever for the quality, impairment, interruption or stoppage of utilities (except water and sewer services required to be provided under Section 10.3) and Tenant agrees to look solely and directly to the Port Authority (or the utility supplier, as applicable) for the furnishing of any such utilities. Tenant shall have no claim against Landlord for any such default by the Port Authority under the Prime Lease. Tenant shall be solely responsible for the operation of all equipment, systems, piping, tie-ins, utilities, lines and connections, mechanical, electrical, communication and other systems located within the Premises and shall perform, in accordance with the provisions of Section 9.4, all preventative maintenance, repairs, replacements and rebuilding of such systems.

Tenant shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, ventilation, air-conditioning and heating systems, communications system, elevators and escalators, electrical system, fire-protection system, sprinkler system, alarm system, fire hydrants and hoses and other utility and other systems, if any, installed or located on, under, in or adjacent to the Premises now or in the future.

Section 10.2 Electricity.

Tenant shall purchase, in reasonable quantity, electricity directly from the Port Authority at the same charge which would be made by the public utility supplying electricity to the Terminal based on the quantity used solely by Tenant (among other factors or conditions that would be applied by the public utility in determining such charge) but in no event less than the amount which would reimburse the Port Authority for its cost of obtaining and supplying electricity to Tenant.

The Port Authority may separately meter (or require Tenant to separately meter) the Premises for the purposes of measuring Tenant's usage, however, in the event that the Premises are not separately metered or the meter is, for any reason, unable to record Tenant's usage during any period, Tenant's usage for that period will be determined based on Landlord's (or the Port Authority's) reasonable estimate of Tenant's actual use for the applicable period.

Tenant shall be solely responsible for making all connections and tie-ins to the electrical service at the point designated by the Port Authority. In addition, Tenant shall be solely responsible for transforming and distributing the electricity so supplied throughout the Premises, as appropriate to Tenant's requirements. The Port Authority may discontinue such service by giving notice to Tenant fifteen (15) days prior to such discontinuance. Tenant shall, following the discontinuance, be responsible for acquiring electrical service directly from the public utility.

Payment shall be made (by check payable to the Port Authority) by Tenant to the Port Authority (or otherwise as directed by the Port Authority) at the Address for Payment of Electric and Water Charges set forth in Section 1.1, within ten days of receipt by Tenant of a bill for such services. Any failure on the part of Tenant to make such payment shall be a breach or default under this Sublease with the same effect as a failure to pay Rental and shall be considered an Event of Default entitling Landlord to terminate this Sublease and the Port Authority to withdraw or revoke its consent to this Sublease and to cause its termination for cause.

Section 10.3 Water and Sewer.

Tenant shall purchase domestic cold water and sewerage services from the Port Authority for use at the Premises in reasonable quantities at a rate to be determined by the Port Authority. The Tenant will separately meter the Premises for the purpose of measuring Tenant's water consumption, however, in the event the Premises are not separately metered or the meter, for whatever reason, is unable to record Tenant's consumption during any period, Tenant's consumption for that period will be determined based on the Port Authority's reasonable estimate of Tenant's actual consumption for the applicable period.

Section 10.4 Heat and Air Cooling.

Pursuant to the terms of the Prime Lease, the Port Authority has agreed to heat the Premises to an even and comfortable working temperature from October 1 through April 30 on such days and during such hours as the Terminal and the Premises are open for the conduct of retail business serving the public and to furnish air-cooling sufficient to maintain the Premises (except for storage and locker room areas) at a comfortable temperature from May 1 through September 30 on such days and during such hours as the Terminal and the Premises are open for the conduct of retail business serving the public. Such air-cooling shall be furnished subject to the terms of the Prime Lease and in accordance with the following:

(a) If the air-cooling on the Premises can be controlled by mechanisms within the Premises or portions thereof, Tenant shall shut off the air-cooling before closing and leaving any particular portion of the Premises at any time for any period. Landlord or Port Authority shall have the right to enter the Premises for the purpose of observing Tenant's compliance with the provisions hereof and Landlord or Port Authority may, at Tenant's expense, lock, seal or install any timing device on or in connection with any air-cooling control mechanism so as to provide that each portion of the Premises shall only be air-cooled during the hours and days stipulated hereunder;

(b) If Tenant, in accordance with this Sublease, erects any partitions or makes any improvements, which partitions or improvements stop, hinder, obstruct or interfere with the cooling of the air or the heating of the Premises, then Tenant shall be responsible for installing supplementary heating or cooling capacity at its expense. No such action by Tenant shall impose any obligation on the Landlord or Port Authority to install facilities, fixtures or equipment for air-cooling or for heating additional to those presently existing or presently contemplated or to increase the capacity or output of existing or presently contemplated facilities, equipment or fixtures and Tenant shall not in any such event be relieved of any of its obligations hereunder because a comfortable temperature is not maintained. No approval given by Landlord or the Port Authority to the erection of partitions or the making of any improvements shall be or be deemed to be a representation that the work approved of will not stop, hinder, obstruct or interfere with either the cooling of the air or the heating of the Premises or any portion thereof;

(c) Tenant shall not waste or dissipate the air-cooling or heating service by any act or omission including but not limited to the permitting of outside doors or windows to remain open. Without otherwise affecting any rights or remedies in the event of any breach by Tenant of its obligations under this Section 10.4, the Port Authority shall have the right to discontinue the heating or air-cooling service during any period of such waste or dissipation and any failure of the Port Authority to supply any such service under such conditions shall not affect any of Tenant's obligations under this Sublease. It is hereby understood further that the installation by Tenant of any equipment which itself requires air-cooling or which requires additional quantities of air-cooling or which requires additional quantities of air-cooling at the portion of the Premises where such equipment is installed, or the concentration in any portion of the Premises of such a number of people so as to require additional quantities of air-cooling, shall not impose any obligation on the Port Authority to increase the capacity or output of initially existing facilities, equipment or fixtures for the supply of chilled water and Tenant shall not in any such event be relieved of any of its obligations hereunder; and

(d) The Port Authority may at its option furnish the air-cooling either in whole or partially by installing complete units on the Premises and no such installation on the Premises shall be construed to be an eviction of Tenant or shall be grounds for any diminution or abatement of the Rental payable hereunder.

Section 10.5 Government Regulation.

If any federal, state, municipal or other governmental body, authority or agency or any public utility assesses, levies, imposes, makes or increases any charge, fee or rent on the Port Authority for any service, system or utility now or in the future supplied to or available to the Premises (including but not limited to any sewer rent or charge for the use of sewer systems), Tenant shall, at the option of the Port Authority exercised at any time and from time to time by notice to Tenant, pay, in accordance with the said notice, such charge, fee or rent or increase thereof (or the portion thereof allocated by the Port Authority to the Premises or the operations therein) either directly to the governmental body, authority or agency or to the public utility or directly to the Port Authority.

Section 10.6 Trash and Garbage Removal.

Tenant shall be solely responsible, at Tenant's expense, for removal of trash, garbage, debris and other waste material from the Premises, on a daily basis, in a manner approved by Landlord unless the Landlord elects to provide such services. Tenant shall contract with the Port Authority's disposal contractor at the Terminal for the disposal of its trash, garbage, debris and other waste material. In the event Landlord elects to provide such services, the Landlord's costs of providing such services shall be included in Landlord's Operating Costs in accordance with the provisions of Section 6.2 and Tenant shall pay to Landlord the Tenant's Proportionate Share of such costs in accordance with the provisions of Section 6.1. All trash, garbage and debris, while on the Premises, shall be temporarily stored in suitable waste receptacles, made of metal or other suitable material, with tight-fitting covers, sufficient to safely store whatever is to be contained therein as determined by the Landlord.

Section 10.7 Cleaning Services.

Tenant shall, at its expense, provide the Premises (including, without limitation, exterior plate glass, exterior doors and framing, exterior wall, exterior signs and the service entrance) with those janitorial, window cleaning, pest and vermin control, waste removal, repainting and other services required to maintain the Premises in a clean, sanitary, safe, and attractive condition in accordance with the standards of first class, upscale retail establishments, but in any event not less than the standards of the Retail Area. In the event that either Landlord or the Port Authority provide pest and vermin control services for the Premises and other locations within the Retail Area, Tenant will reimburse Landlord for the cost of providing such services to the Premises; Tenant shall supplement such services if necessary in order to keep the Premises free from pests and vermin.

Section 10.8 Discontinuance and Interruptions of Services.

Neither Landlord nor the Port Authority shall be liable to Tenant in damages or otherwise (i) if any utility shall become unavailable from the Port Authority or from any public utility company, public authority or any other person or entity supplying or distributing such utility, or (ii) for any interruption in any service hereunder (including, without limitation, any heating, ventilation or air-conditioning) caused by the making of any necessary repairs or improvements or by any cause beyond the reasonable control of Landlord (or the Port Authority, as the case may be), and the same shall not constitute a termination of this Sublease or an eviction of Tenant. In no event shall Port Authority or Landlord be liable to Tenant for indirect or consequential damages.

The Port Authority is under no obligation to supply services if and to the extent and during any period that the supplying of any such service or the use of any necessary component shall be prohibited or rationed by any federal, state or municipal law, rule, regulation, requirement, order or direction and if the Port Authority deems it in the public interest to comply therewith even though such law, rule, regulation, requirement, order or direction may not be mandatory on the Port Authority as a public agency. The Port Authority is not obligated to perform or furnish (and may cease performance of) any service whatsoever in connection with the Premises at any time while Tenant wastes any such services (or Landlord wastes any services to it under the Prime Lease) or is in default under this Sublease (or Landlord is in default under the Prime Lease.)

Section 10.9 Deliveries.

Tenant shall, at Tenant's sole cost and expense, make deliveries in a timely manner, to a designated area in accordance with the Landlord's rules and regulations. Landlord may, at its option, provide receiving and delivery services to tenants in the Retail Area. In such event Tenant shall use such service for all of its deliveries to the Terminal and the Premises, and the cost of providing such services shall be included in the Landlord's Operating Costs in accordance with the provisions of Section 6.2 and Tenant shall pay its Proportionate Share of such cost in accordance with the provisions of Section 6.1.

In the event that Landlord determines that allocating the cost of receiving and the delivery service in accordance with Tenant's Proportionate Share, would not be an equitable manner in which to allocate such costs, the Landlord, in its sole discretion, may make an allocation of such costs and Tenant agrees to pay its share, as determined by Landlord. Landlord will upon request provide Tenant with Landlord's basis for such allocation, in reasonable detail.

ARTICLE 11

INDEMNITY AND INSURANCE

Section 11.1 Indemnity by Tenant.

To the maximum extent permitted by law, Tenant shall indemnify and save harmless Landlord, the directors, officers, agents and employees of Landlord, and those in privity of estate with Landlord, the Port Authority, the commissioners, employees, representatives, directors and officers of the Port Authority, and the City of New York from and against all claims, expenses (including, without limitation, attorney's fees) or liability of whatever nature: (i) arising from any default, act omission or negligence of Tenant, or Tenant's contractors, licensees, agents, servants or employees, or the failure of Tenant or such persons to comply with any rule, order, regulation or lawful direction now or hereafter in force of any public authority, in each case to the extent the same are related, directly or indirectly, to the Premises or Tenant's use thereof; or (ii) arising, directly or indirectly, from any accident, injury or damage, however caused, to any person or property on or about the Premises; or (iii) arising directly or indirectly, out of default by Tenant under any of the terms or covenants of this Sublease, or in connection with any mechanical, electrical, plumbing, or any other equipment or installations that are to be maintained or repaired by Tenant; or (iv) arising from any accident, injury or damage to any person or property occurring outside of the Premises but within the Terminal or the general area of the Terminal, where such accident, injury or damage results, or is claimed to have resulted from, any act, omission or negligence on the part of Tenant, or Tenant's contractors, licensees, agents, servants or employees or customers, or anyone claiming by, through or under Tenant.

Without limiting the generality of this Section 11.1, Tenant agrees to indemnify Landlord and save it harmless from and against all claims relating to the sale of beer, wine and other alcoholic beverages in the Premises and arising from (1) any act, omission or negligence of Tenant, or Tenant's contractors, licensees, agents, servants or employees, or (2) any accident, injury or damage whatsoever caused to any person or to the property of any person occurring from and after the Commencement Date and until the end of the Term hereof, whether such accident, injury or damage occurs within the Premises, the Retail Area, the Common Areas, the Terminal, or otherwise. Tenant shall not be obligated to indemnify Landlord from any claims, expenses or liability arising from the negligence or intentional misconduct of Landlord or its agents or employees. This indemnity and hold harmless agreement shall include indemnity against all costs, expenses (including, without limitation, reasonable attorneys' fees) and liabilities incurred in or in connection with any such claim, or any action or proceeding brought thereon. If any action or proceeding be brought against Landlord by reason of any such claim, Tenant upon notice from Landlord shall at Tenant's expense resist or defend such action or proceeding and employ counsel therefor acceptable to Landlord.

The provisions of this Section 11.1 shall survive the expiration or termination of this Agreement.

Section 11.2 Landlord Not Responsible for Acts of Others.

Landlord shall not be responsible or liable to Tenant, or to those claiming by, through or under Tenant, for any loss or damage which may be occasioned by or through the acts or omissions of the Port Authority or of persons occupying space adjoining the Premises or any other part of the Retail Area, or, to the maximum extent permitted by law, for any loss or damage resulting to Tenant, or those claiming by, through or under Tenant, or its or their property, from the breaking, bursting, stoppage or leaking of electrical cable and wires, and water, gas, sewer or steam pipes. To the maximum extent permitted by law, Tenant agrees to use and occupy the Premises, and to use such other portions of the Retail Common Areas and Retail Area, as Tenant is herein given the right to use, at Tenant's own risk.

Section 11.3 Tenant's Insurance.

At all times after the execution of this Sublease, Tenant will take out and keep in force, at its expense Tenant's Required Insurance Coverage specified in Section 1.1, specifically including but not limited to:

(a) commercial general liability insurance, written on an occurrence basis and including contractual liability coverage to cover any liabilities assumed under this Sublease and including cross-liability coverage, insuring against all claims for injury to or death of persons or damage to property on or about the Premises; the limit of such public liability coverage shall be not less than the limit specified in Section 1.1;

(b) all-risk property insurance, written at replacement cost value and with an agreed amount endorsement, covering all of the leasehold improvements and Tenant's personal property in the Premises (including, without limitation, inventory, trade fixtures, floor coverings, furniture and other property removable by Tenant under the provisions of this Sublease);

(c) if and to the extent required by law, worker's compensation or similar insurance with limits and additional coverage as described in Section 1.1;

(d) if requested by Landlord, business interruption insurance, rent insurance, sprinkler damage insurance, and such other types of insurance coverages and amounts as the Landlord may reasonably require, such amounts to be consistent with other major airports in North America, or as the Port Authority may require, in its sole and absolute discretion; and

(e) Tenant agrees to maintain Tenant's Additional Required Insurance specified in Section 1.1 hereof.

Notwithstanding the foregoing, Landlord reserves the right upon thirty (30) days' notice to Tenant to require that it increase the coverage limits on such insurance, provided that such increase is consistent with that required of similarly-situated tenants of Landlord in the Retail Area. The foregoing insurance shall be in compliance with the requirements of this Article 11 and shall insure against all claims, demands or actions for injury to, or death of, one or more persons in one or more accidents, and for damage to property, as well as for damages due to time loss or means of support; so that at all times Landlord and the Port Authority will be fully and completely protected against any claims that may arise by reason of the dispensing of beer, wine and other alcoholic beverages in the Premises.

Section 11.4 Tenant's Contractor's Insurance.

Tenant shall require any contractor of Tenant performing work on the Premises to take out and keep in force, at no expense to Landlord, the insurance coverages set out in **Schedule B**, attached hereto.

Section 11.5 Landlord's Insurance.

Landlord shall take out and keep in force all insurance required pursuant to the terms of the Prime Lease, as amended from time to time, to be maintained by Landlord.

Section 11.6 Policy Requirements.

The company or companies writing any insurance which Tenant is required to take out and maintain or cause to be taken out or maintained pursuant to Section 1.1, Section 11.3 and Section 11.4 hereof as well as the form of such insurance shall at all times be subject to Landlord's and the Port Authority's approval and any such company or companies shall be licensed to do business in New York and shall have an A.M. Best rating of A-VII or better. Each policy evidencing insurance required in Section 11.3(a) and Section 11.3(e) shall name Landlord (including MarketPlace LaGuardia Limited Partnership and MarketPlace LaGuardia, Inc.), the Port Authority, all parties to be named as additional insureds pursuant to Section 1.1 hereof and such persons as are in privity of estate with Landlord (as may be set forth in a notice given from time to time by Landlord) and Tenant are named as additional insureds (collectively, "Insured Parties"), as their respective interests appear, each with the same effect as if separately insured and shall also contain a provision by which the insurer agrees that such policy shall not be canceled except after thirty (30) days' written notice to Landlord, the Port Authority, and any person in privity of estate with Landlord. Landlord shall have the right to change the Insured Parties from time to time upon notice to Tenant, provided that at all times Landlord, Tenant, and the Port Authority shall be Insured Parties. Each such policy, or a certificate thereof, shall be deposited with Landlord by Tenant promptly upon commencement of Tenant's obligation to procure the same. If Tenant shall fail to perform any of its obligations under Section 11.3 or Section 11.4, then in addition to any other right or remedy of Landlord, Landlord may perform the same and the cost thereof shall be deemed Additional Rental and shall be payable upon Landlord's demand. In the event Tenant carries limits of insurance higher than those required under the terms of this Sublease, such higher limits shall be applicable to the Insured Parties in addition to Tenant.

In the defense of any claim, demand, expense or liability which is to be covered under insurance policies by Tenant as described in this Sublease (even if such claim, demand, expense or liability is groundless, false or fraudulent), Tenant agrees on its own behalf, and shall cause its insurers to agree, not to, 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.

Section 11.7 Increase in Insurance Premiums.

Tenant will not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Premises which will contravene Landlord's policies of hazard or liability insurance or which will prevent Landlord from procuring such policies with companies acceptable to Landlord. If anything done, omitted to be done or suffered by Tenant to be kept in, upon or about the Premises shall cause the rate of fire or other insurance on the Premises or on other property of Landlord or of others within the Retail Area to be increased beyond the minimum rate from time to time applicable to the Premises or to any such property for the use or uses made thereof, Tenant will pay, as Additional Rental, the amount of any such increase upon demand.

Section 11.8 Waiver of Right of Recovery.

Insofar as, and to the extent that, the following provision may be effective without invalidating or making it impossible to secure insurance coverage obtainable from responsible insurance companies doing business in New York (even though extra premium may result therefrom), Landlord and Tenant mutually agree that, with respect to any hazard which is covered by insurance then being carried by them (or required under the terms of this Sublease to be covered by them), respectively, the one carrying (or required hereunder to carry) such insurance and suffering such loss releases the other of and from any and all claims with respect to such loss; and they further mutually agree that their respective insurance companies shall have no right of subrogation against the other on account thereof. If the release of either party provided above shall contravene any law with respect to exculpatory agreements, the liability of the party for whose benefit such release was intended shall remain but shall be secondary to that of the other party's insurer.

ARTICLE 12

DAMAGE AND DESTRUCTION

Section 12.1 Casualty.

In the event the Premises are damaged or destroyed, as a result of fire or other casualty (without fault on the part of Tenant, its employees, officers, guests, invitees, contractors or persons doing business with Tenant) Landlord may, at its election, repair such damage or terminate the Sublease, with respect to all or any portion of the Premises.

In the event the Sublease or the Prime Lease is terminated as a result of any fire or other casualty this Sublease shall expire as of the effective termination date in such notice of termination. Landlord shall, within sixty (60) days after the date upon which such damage occurs, provide written notice to Tenant of Landlord's election to repair the Premises or terminate this Sublease, and in the event Landlord elects to repair such damage, such notice will contain Landlord's estimated time for completion of repairs (the "Estimated Time to Repair").

In the event that the Estimated Time to Repair exceeds one hundred eighty (180) days, Tenant may terminate this Sublease by giving Landlord notice of its election, in writing, not later than that date which is twenty (20) days after the date of Landlord's notice of the Estimated Time to Repair. Such termination shall be effective sixty (60) days after the date of Tenant's notice of its election to terminate.

In the event Tenant does not exercise its right to terminate this Sublease, Landlord shall diligently pursue such repairs. In the event Tenant reopens its business at the Premises, Tenant shall be deemed to have waived its right to terminate.

In the event Landlord elects to rebuild or repair any or all of the Premises, Tenant shall be obligated to rebuild, repair and/or replace the leasehold improvements in the Premises (including those items set forth on Schedules B-1 and B-2 hereof), at Tenant's expense, to substantially the same condition as the condition prior to such casualty.

Section 12.2 Condemnation.

If the Premises (or any portion thereof), or twenty-five percent (25%) or more of the Terminal shall be taken by condemnation or right of eminent domain or any other action or proceeding by any governmental agency, or by the Port Authority under applicable provisions of the Prime Lease, Landlord shall have the right to terminate this Sublease, by written notice, with respect to all or any portion of the Premises. Such termination shall be effective as of the date specified in such notice. Tenant hereby agrees to deliver such portion of the Premises, as requested, on the date specified in such notice. If more than ten (10%) of the Premises are permanently taken by condemnation or right of eminent domain, Fixed Minimum Rent and the Percentage Rent Breakpoints shall be proportionately adjusted to reflect such reduction. If more than thirty percent (30%) of the Premises (other than minor portions in connection with intrusions for pipes, conduits, and the like) are permanently taken by condemnation or right of eminent domain or any other proceeding by any governmental agency, the Tenant may, by giving Landlord written notice no later than ten (10) days after the date of such taking, elect to terminate this Sublease. Such termination shall be effective as of the date Tenant is deprived of the use of such portion of the Premises. Landlord and Tenant agree that time is of the essence with respect to Tenant's right to terminate under this Section.

In the event the Sublease is terminated with respect to any portion of the Premises, Tenant shall, at Tenant's cost, restore the remainder of the Premises, as nearly as practicable, to its condition prior to such condemnation or taking.

Landlord shall have and Tenant hereby grants and assigns to Landlord, all rights to recover for damages to the Premises and the Terminal and the leasehold interest hereby created, and to compensation accrued or to accrue by reason of such taking or damages. Tenant covenants to deliver such further assignments and assurances of such assignment as Landlord may from time to time request.

Tenant shall not assert any claim to any compensation, award or part thereof against Landlord, the condemning authority or the Port Authority as a result of any condemnation, Tenant hereby acknowledging that Landlord and the Port Authority shall be entitled to all awards made or to be made and all consideration of Rental free of any claim of right of the Subtenant. Nothing herein shall limit Tenant's right to prosecute in any condemnation proceedings, a claim for the value of any of Tenant's trade fixtures installed in the Premises by Tenant, at Tenant's expense, or for relocation expenses provided that such action shall not effect the amount of compensation otherwise recoverable hereunder by Landlord or the Port Authority from the taking authority.

No taking or conveyance pursuant to this Section 12.2 shall be or be construed as an eviction of Tenant or a breach of this Sublease and Tenant shall have no basis for any claim against Landlord or the Port Authority for damages, consequential or otherwise.

ARTICLE 13

ASSIGNMENT AND SUBLETTING

Section 13.1 Assignment and Subletting Prohibited.

Tenant will not assign this Sublease, in whole or in part, nor sublet all or any part of the Premises, nor license concessions or sublease departments therein, nor grant leasehold mortgages or collateral assignments affecting this Sublease, without first obtaining the written consent of Landlord and the Port Authority. This prohibition includes any subletting or assignment which would otherwise occur by operation of law, merger, consolidation, reorganization, transfer or other change of Tenant's corporate or proprietary structure, or an assignment or subletting to or by a receiver or trustee in any Federal or state bankruptcy, insolvency, or other proceedings. Consent by Landlord or the Port Authority to any assignment or subletting shall not constitute a waiver of the requirement for such consent to any subsequent assignment or subletting.

Section 13.2 Transfer of Corporate Shares.

If Tenant (or Tenant's Guarantor) is a corporation (other than a corporation the outstanding voting stock of which is listed on a "national securities exchange", as defined in the Securities Exchange Act of 1934), partnership, business trust or other entity having transferable shares or interests, and if at any time after execution of this Sublease a transfer of ten percent (10%) or more of the shares or interests of Tenant (or Tenant's Guarantor) entity by sale, assignment, bequest, inheritance, operation of law or other disposition (including such a transfer to or by a receiver or trustee in Federal or state bankruptcy, insolvency, or other proceedings) shall be deemed to be an assignment of this Sublease. Tenant agrees to give Landlord written notice of such proposed event and a request for Landlord's approval, at least thirty (30) days prior to the date of such proposed transfer.

Section 13.3 Acceptance of Rent From Transferee.

The acceptance by Landlord or the Port Authority of the payment of Rental following any assignment or other transfer prohibited by this Article shall not be deemed to be a consent by Landlord or the Port Authority to any such assignment or other transfer nor shall the same be deemed to be a waiver of any right or remedy of Landlord or the Port Authority hereunder.

Section 13.4 Other Assignment and Subletting Requirements.

If Tenant subleases all or any portion of the Premises or assigns or otherwise transfers this Sublease or Tenant's interest therein, Tenant shall pay to Landlord, at the times and in the manner specified by Landlord, one hundred percent (100%) of any Excess Rent (as defined below). For purposes of this Section, the term "Excess Rent" shall mean the difference between all amounts which Tenant receives from an assignee or sublessee by virtue of an assignment or sublease pursuant to the provisions of this ARTICLE 13 and the total charges due under this Sublease for the subleased or assigned area, provided such difference is greater than zero, less Transfer Expenses (as hereinafter defined). For purposes hereof, "Transfer Expenses" shall be deemed to mean (i) the reasonable out-of-pocket costs and expenses of Tenant in making such sublease or assignment, as the case may be, such as brokers'

fees, attorneys' fees and advertising fees, and (ii) the cost of improvements or alterations made by Tenant expressly for the purpose of preparing the Premises for such subtenant or assignee. In determining the foregoing, the costs set forth in clauses (i) and (iii) shall be amortized on a straight-line basis over the term of the sublease, or the remainder of the term of this Lease, if an assignment, and the costs set forth in clause (iv) shall be amortized on a straight-line basis over the greater of (x) the longest useful life of such improvements, alterations or property (as permitted pursuant to the Internal Revenue Service Code of 1986, as amended), or (y) the term of the sublease, or the remainder of the term of this Lease, if an assignment). In any case, the Tenant originally named herein shall remain fully liable for Tenant obligations hereunder, including, without limitation, the obligation to pay the rent and other amounts provided under this Sublease. Tenant also hereby agrees to pay as additional rent to Landlord, within fifteen (15) days of billing therefor, all legal and other fees and administrative expenses incurred by Landlord in connection with reviewing any assignment, other transfer or subletting by Tenant or change in or transfer of the control of Tenant (whether or not such assignment, subletting, transfer or change is approved), including without limitation any costs or expenses incurred in obtaining the Port Authority's consent, and with related documentation. It shall be a condition of the validity of any assignment or other transfer or subletting that the assignee or transferee or subtenant agree directly with Landlord, in form satisfactory to Landlord, to be bound by all Tenant obligations hereunder from and after the effective date of the assignment, transfer or sublease, including, without limitation, the obligation to pay rent and other amounts provided for under this Sublease and the covenant against further assignment or other transfer or subletting. It shall also be a condition of the validity of any assignment or other transfer or subletting that the assignee or transferee or subtenant agree in writing to the standard consent agreement of the Port Authority, which consent shall be in form satisfactory to the Port Authority.

ARTICLE 14

DEFAULT

Section 14.1 "Event of Default" Defined.

Any one or more of the following events shall constitute an "Event of Default":

(a) Tenant shall fail to pay the Rental or other charges on or before the same becomes due hereunder, and such failure continues for more than five (5) days after notice from Landlord;

(b) Tenant shall fail to perform or observe any term or condition of this Sublease which, because of its character, would immediately jeopardize Landlord's interest (such as, but without limitation, failure to maintain public liability insurance) and such failure continues for 48 hours after notice (which may be oral) from Landlord thereof;

(c) Tenant fails to comply with any request by Landlord to conform to the requirements of Landlord's Street Pricing policy set forth in Section 8.5;

(d) Tenant ceases, suspends or significantly reduces its operations, without Landlord's prior written approval, for a substantially continuous period of twenty -four (24) hours or more;

(e) Tenant shall fail to perform or observe any other term or condition contained in this Sublease within the time specified or in the event there is no time specified for such performance, within three (3) days after notice from Landlord thereof (unless such default is of such a nature that it cannot be cured within such three-day period, in which event no Event of Default shall occur so long as Tenant shall commence the curing of the default within such three-day period and shall thereafter promptly and diligently prosecute the curing of the same);

(f) Tenant shall vacate or abandon the Premises;

(g) Tenant shall fail to take possession of the Premises within fifteen (15) days after the Premises Delivery Date, or if Tenant has taken possession of the Premises within such fifteen-day period, thereafter fails to promptly and diligently perform Tenant's Work;

(h) intentionally omitted

(i) except as otherwise provided by applicable law, if the estate hereby created shall be taken on execution or by other process of law, or if Tenant shall be judicially declared bankrupt or insolvent according to law, or if any assignment shall be made of the property of Tenant for the benefit of creditors, or if a receiver, guardian, conservator, trustee in involuntary bankruptcy or other similar officer shall be appointed to take charge of all or any substantial part of Tenant's property by a court of competent jurisdiction, or if a petition shall be filed for the reorganization of Tenant under any provisions of law now or hereafter enacted, and such proceeding is not dismissed within forty-five (45) days after it is begun, or if Tenant shall file a petition for such reorganization, or for arrangements under any provisions of such laws providing a plan for a debtor to settle, satisfy or extend the time for the payment of debts;

(j) as a result of any action by Tenant (or failure to act when required), Landlord shall receive a notice of default under the Prime Lease from the Port Authority;

(k) any other event expressly identified as an "Event of Default" in this Sublease;

provided, however, that if Landlord is required hereunder to give Tenant notice of such default and Landlord shall have sent to Tenant a notice of any such default, even though such default shall have been cured and this Sublease not terminated, and during the same twelve month period in which Landlord shall have sent such notice of default to Tenant, Tenant shall thereafter during such twelve month period default in any matter ("Subsequent Default"), then such Subsequent Default shall be deemed to be an Event of Default upon Landlord giving Tenant notice thereof and Tenant shall have no grace period within which to cure such Subsequent Default.

Section 14.2 Remedies.

Upon the occurrence and continuance of an Event of Default, Landlord, without notice to Tenant in any instance (except where expressly provided for below), may do any one or more of the following:

(a) Landlord may exercise its right of self-help provided in Section 16.10.

(b) Landlord may, at any time thereafter, at Landlord's option, give written notice to Tenant stating that this Sublease and the Term shall expire and terminate on the date specified in such notice, which date shall not be less than three (3) days after the giving of such notice, whereupon this Sublease and the Term and all rights of Tenant under this Sublease shall automatically expire and terminate as if the date specified in the notice given pursuant to this Section 14.2(b) were the originally scheduled expiration date and Tenant shall immediately quit and surrender the Premises, but Tenant shall remain liable for damages as provided herein or pursuant to law. Thereupon Landlord may re-enter the Premises, by summary proceedings or otherwise, and may remove Tenant and all other persons and property from the Premises, and may store such property in a public warehouse or elsewhere at the cost of and for the account of Tenant without resort to legal process and without Landlord being deemed guilty of trespass or becoming liable for any loss or damage occasioned thereby and without prejudice to any other remedies which Landlord may have hereunder, at law or in equity.

(c) Landlord may exercise any other legal or equitable right or remedy which it may have.

(d) Landlord may decline to retake possession of the Premises and may sue for the Rental as the same becomes due or sue for the present value of the Rental to accrue under this Sublease and other damages or remedies to which Landlord may be entitled.

(e) Landlord may elect to retake possession of the Premises and, without initially reletting the Premises, sue for the present value of the Rental to accrue under this Sublease and other damages or remedies to which Landlord may be entitled.

(f) Landlord may retake possession of the Premises, relet the Premises and sue for damages. During the period of time that Landlord is trying to relet the Premises, Tenant will be liable for the full Rental. Landlord may

sue from month to month for the damages which accrue in accordance with this subsection, or may sue for the present value of the total damages which will be due throughout the remaining Term in accordance with the measure of damages set forth in Section 14.3. The election of whether to sue on a month-to-month basis or for the total amount shall be at the sole option and discretion of Landlord.

(g) If Tenant vacates or abandons the Premises, Landlord shall have the right, but not the obligation, to relet the Premises for the remainder of the Term of this Sublease. Nothing herein shall be construed as in any way denying Landlord the right in the event of any breach or default under this Sublease to treat the same as an entire breach at Landlord's option and immediately sue for the entire damages occasioned thereby, including the present value of all future damages to be incurred.

(h) Landlord's re-entry or taking of possession of the Premises shall not be construed as an election to terminate this Sublease unless Landlord gives written notice of such termination. Any re-entry or taking of possession by Landlord shall not affect or diminish the ongoing obligation or liability of Tenant for all Rental and other obligations due and owing under this Sublease. Re-entry by Landlord will not obligate Landlord to mitigate damages by reletting. Wherever in this Sublease Landlord has reserved or is granted the right of re-entry into the Premises, the use of such word is not intended, nor shall it be construed to be limited to its technical legal meaning. If Landlord re-enters, it may take possession of the Premises, remove all persons and property from the Premises and store such property at Tenant's expense or resort to legal process without being deemed guilty of trespass or becoming liable for any loss or damage occasioned thereby.

(i) Landlord may relet the Premises or any part thereof for such term or terms (which may extend beyond the Term), and at such rentals and upon such other terms and conditions as Landlord in its sole discretion deems advisable and such reletting shall not in any way relieve Tenant from the obligations and liabilities under this Sublease. Any and all amounts received upon such reletting and all rentals received by Landlord therefrom shall be applied first to any indebtedness owed by Tenant to Landlord other than Rental due hereunder, then to pay any cost and expense of reletting, including brokers' and attorneys' fees and costs of alterations and repairs, then to the Rental due hereunder; if there is any residue, it shall be applied to any deficiencies of future Rental that may become due under this Sublease. At the expiration of the Term any funds due Tenant shall then be paid. It is understood that said funds shall not draw interest while held by Landlord as security for Tenant's obligations hereunder.

(j) Notwithstanding any reletting without termination, Landlord may, at any time in the future after said reletting, elect to deem this Sublease terminated for any prior breach or default.

(k) The covenant to pay Rental and other amounts hereunder and to perform all obligations hereunder are independent covenants from the other terms and provisions of this Sublease and Tenant shall have no right to hold back, offset or fail to pay any such amounts for any alleged default by Landlord or for any other reason whatsoever.

(l) The remedies described herein are not exclusive and are cumulative, and Landlord will be entitled to any and all other remedies now or hereafter provided by law or in equity in the event of any default or breach by Tenant of the terms of this Sublease. Landlord may pursue one or more remedies against Tenant and need not elect its remedy until such time as findings of fact have been made by judge or jury, whichever is applicable, in a trial court of competent jurisdiction. To the extent permitted by law, Tenant waives any right of redemption, re-entry or repossession. Landlord agrees, upon surrender of the Premises by Tenant in accordance with the requirements of Section 3.2, to use commercially reasonable efforts to mitigate its damages in the event of any default by Tenant hereunder. For purposes of this Section, reasonable efforts shall not require Landlord to market or sublet the Premises in preference to any other space then available in the Terminal. In the event that the Port Authority takes the position of Landlord under this Sublease, the Port Authority is expressly exempt from any responsibility to mitigate damages contained in this Section 14.2(l).

(m) Tenant acknowledges that the continued operation of business in the Premises in the manner and upon the terms set forth in this Sublease are of a special importance to the commercial viability of the Retail Area. Therefore, in the event this Sublease is not canceled and terminated upon the occurrence of the events set forth in Section 14.1(h), then Tenant, and the trustee in bankruptcy or other representative of Tenant, or, in the event of an assignment, Tenant's assignee shall, prior to the assumption of this Sublease by such representative or trustee or assignee, comply with all of the provisions of Article 13 hereof and, in addition, provide adequate assurance to

Landlord: of the source of Rental and other consideration payable under this Sublease; that any Percentage Rental payable under this Sublease shall not decline substantially after the date of such assumption or assignment, as the case may be; that assumption or assignment of this Sublease will not breach any provision of the Prime Lease and will not breach substantially any provision in any other sublease, financing agreement, or master agreement relating to the Retail Area; of the continued use of the Premises in accordance with the Permitted Use only, Tenant hereby acknowledging that only in the operating of such business for the Permitted Use may Landlord be adequately assured that assumption or assignment of this Sublease will not disrupt substantially the tenant mix or balance in the Retail Area; that the quality of goods to be sold in the Premises will not decline; that the operation of the business in the Premises shall continue to be of the high standard compatible with Landlord's other tenants in the Retail Area; that Tenant's suppliers of merchandise or goods for sale in the Premises are willing to continue to furnish such merchandise and goods of the same quality and caliber as theretofore sold in the Premises, of the source of funds necessary to pay for Tenant's merchandise and goods to be sold in the Premises, all on a current basis; of the continuous operation of business in the Premises in strict accordance with the requirements of Article 4 hereof; that the design and furnishings of the Premises shall continue to be acceptable to Landlord in accordance with the terms hereof; and of such other matters as Landlord may reasonably require at the time of such assumption or assignment. The furnishing of assurances in accordance with the foregoing, or as may be directed by a court of competent jurisdiction, shall not be deemed to waive any of the covenants or obligations of Tenant set forth in this Sublease. In the event that any person assuming this Sublease, or taking the same by assignment, shall desire to make alterations to the Premises, Landlord may further require adequate assurance, by lien and completion bond, cash deposit or such other means as Landlord may approve, of the source of payment for the estimated cost of any work to be performed in connection therewith. Notwithstanding the foregoing, such alterations shall be subject in all respects to the rights and obligations of Landlord or Tenant relating to such alterations, including, without limitation, those set forth in Article 9 hereof.

Section 14.3 Damages.

(a) If Landlord elects to terminate this Sublease under the provisions of Section 14.2 above, Landlord may recover from Tenant damages computed in accordance with the following formula in addition to its other remedies:

(i) the worth at the time of award of any unpaid Rental which has been earned at the time of such termination; plus

(ii) the worth at the time of award of the amount by which any unpaid Rental which would have been earned after termination until the time of award exceeds the amount of such Rental less that Tenant proves could have been reasonably avoided; plus

(iii) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Sublease or which in the ordinary course would be likely to result therefrom including, without limitation, late charges owing to the Port Authority as a result of delays caused by Tenant, the cost of repairing the Premises and reasonable attorneys' fees; plus

(iv) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable state law. Damages shall be due and payable from the date of termination. For the purposes of clauses (i) and (ii) of this Section, the "worth at the time of award" shall be computed by adding interest at the Default Rate to the past Rental due.

(b) For the purpose of this Article, "Rental" for each calendar year of the unexpired Term shall be the Rental (including Annual Fixed Minimum Rent, Annual Percentage Rental and Additional Rental) payable during the preceding year, or, if the default occurs less than one (1) year from the Commencement Date, an amount equal to one and one-half (1.5) times the average Annual Fixed Minimum Rent for the initial Term set forth in Section 1.1.

(c) In addition to the foregoing, Tenant also agrees to indemnify and save Landlord harmless from and against all reasonable expenses and attorney's fees which Landlord may incur in connection with any termination of this Sublease or reentry or repossession or the re-letting of the Premises, that Landlord may re-let the Premises, or

any portion thereof, for a period which may, at Landlord's option, be less than or exceed the period which would otherwise have constituted the balance of the Term, and may grant commercially reasonable concession or free rent, and to reimburse Landlord, upon demand therefor, for the unamortized portion of (x) the costs incurred by Landlord (including, without limitation, buildout costs, construction allowance, architect's and engineer's fees, and attorney's fees for preparation and negotiation of this Sublease) in connection with the improvement and/or preparation of the Premises for occupancy by Tenant and (y) any brokerage commission incurred by Landlord with respect to this Sublease (in both cases, the unamortized portions shall be calculated as of the date of termination of the Sublease and shall include interest thereof at the Default Rate). Any suit brought to collect the amount of deficiency for any month shall not prejudice in any way the right of Landlord to collect the deficiency for any subsequent month by a similar proceeding.

(d) In the event of any default by Tenant hereunder, Tenant will reimburse Landlord for all expenses and reasonable attorneys' fees incurred by Landlord in collecting any amount due from Tenant, enforcing any obligation of Tenant hereunder, curing any default of Tenant or in obtaining possession of, or in re-letting the Premises; and Tenant shall pay all reasonable attorneys' fees and expenses arising out of any litigation in which Landlord shall become involved by reason of any default, act or failure to act, or negligence of Tenant or anyone acting under Tenant.

(e) In addition to all other remedies provided in this Sublease, Landlord shall be entitled to restrain by injunction any violation, or any attempted or threatened violation, of any of the covenants, conditions, or provisions of this Sublease.

Section 14.4 Landlord's Default.

Landlord shall in no event be in default in the performance of any of Landlord's obligations hereunder unless and until Landlord shall have failed to perform such obligations within thirty (30) days after written notice by Tenant to Landlord properly specifying wherein Landlord has failed to perform any such obligation (unless such default is of a nature that it cannot be cured within such thirty day period, in which event no default shall occur so long as Landlord shall commence the curing of the default within the thirty day period and promptly prosecute the curing of the same). In no event shall Landlord ever be liable to Tenant for indirect or consequential damages.

Further, if the Port Authority notifies Tenant that the Port Authority has assumed Landlord's rights under this Sublease, Tenant shall not assert any right to deduct the cost of repairs or any monetary claims against Landlord theretofore accrued from Rental thereafter due and payable, but shall look solely to Landlord and not the Port Authority for satisfaction of such claim.

In the event Tenant shall claim under any provision of this Sublease that Landlord has unreasonably withheld or delayed its consent or approval to some request of Tenant, Tenant shall have no claim for damages by reason of such alleged withholding or delay, and Tenant's sole remedy therefor shall be declaratory or injunctive relief, but in any event without the recovery of damages.

Section 14.5 Miscellaneous.

Nothing herein contained shall be construed as limiting or precluding the recovery by Landlord against Tenant of any sums or damages to which, in addition to the damages particularly provided above, Landlord may lawfully be entitled by reason of any default hereunder on the part of Tenant. Further, if this Sublease is guaranteed on behalf of Tenant, all of the foregoing provisions of this Article 14 with respect to bankruptcy, etc. of Tenant shall be treated as reading "Tenant or the guarantor" hereof and shall, accordingly, apply fully to any such guarantor.

ARTICLE 15

LANDLORD'S ACCESS TO THE PREMISES

Section 15.1 Landlord's Right of Access.

Landlord and the Port Authority shall have the right to enter the Premises at all reasonable hours (or at any time in the event of an emergency) for the purpose of inspecting or of making repairs, alterations or additions to the Premises, the Retail Area or the Terminal and Landlord shall also have the right to make access available at all reasonable hours to prospective purchasers of any part of the Retail Area. In addition, the Port Authority shall have all rights of access and entry reserved in Section 14 of the Prime Lease. Tenant shall not place any additional lock on or change any lock on the operational mechanism of any door of the Premises without the prior consent of Landlord.

For a period commencing three (3) months prior to the expiration of the Term, Landlord may have reasonable access to the Premises at all reasonable hours for the purpose of exhibiting the same to prospective tenants.

Section 15.2 Access During the Last Month of Term.

If during the last month of the Term, Tenant shall have removed substantially all of Tenant's property therefrom (not including property which will be owned by Landlord at the expiration of the Term), Landlord may immediately enter and alter, renovate and redecorate the Premises, without elimination or abatement of Rental, or incurring liability to Tenant for any compensation, and such acts shall have no effect upon otherwise applicable terms of this Sublease.

ARTICLE 16

MISCELLANEOUS

Section 16.1 Covenant of Quiet Enjoyment.

Subject to the terms and provisions of this Sublease and the Prime Lease and on payment of Rental and compliance with all of the terms and provisions of this Sublease, Tenant shall lawfully, peaceably and quietly have, hold, occupy and enjoy the Premises during the Term hereof, without hindrance or ejection by Landlord or by any persons lawfully claiming under Landlord; the foregoing covenant of quiet enjoyment is in lieu of any other covenant, express or implied.

Section 16.2 Brokerage.

Landlord and Tenant each warrants and represents to the other that it has dealt with no broker in connection with the consummation of this Sublease. In the event of any brokerage claims against Landlord or Tenant from any party predicated upon dealings with the other party named herein Landlord and Tenant each agree to defend the same and hold the other harmless from and indemnify the other against such claim.

Section 16.3 Notices.

Any notice, demand, request, approval, consent or other instrument which may be or is required to be given under this Sublease shall be in writing and shall be deemed to have been given when sent by telegram or mailgram, when mailed by United States registered or certified mail, return receipt requested, postage prepaid, or when received or refused, if sent by overnight courier or delivery service, addressed to Landlord or Tenant at the respective addresses set forth in Section 1.1 of this Sublease, and in the case of notices to Landlord with a copy to Landlord's Counsel set forth in Section 1.1, and in the case of notices to Tenant with a copy to Tenant's Counsel set forth in Section 1.1, or to such other address or addresses as either party may designate by notice to the other in accordance with this Section.

Section 16.4 No Personal Liability of Landlord.

Tenant agrees to look solely to Landlord's then equity interest in the Retail Area and the Prime Lease for recovery of any judgment from Landlord; it being specifically agreed that neither Landlord (whether Landlord be an individual, partnership, firm, corporation, trustee or other fiduciary) nor any of the partners comprising Landlord, nor any beneficiary of any trust of which any person holding Landlord's interest is trustee nor any successor in interest to any of the foregoing shall ever be personally liable for any such judgment, or for the payment of any monetary obligation to Tenant. The covenants of Landlord contained in this Sublease shall be binding upon Landlord and Landlord's successors only with respect to breaches occurring during Landlord's and Landlord's successors' respective periods of ownership of Landlord's interest hereunder.

Section 16.5 Non-Discrimination.

Tenant herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, and this Sublease is made and accepted upon and subject to the following conditions: that there shall be no discrimination against or segregation of any person or group of persons on account of sex, marital status, race, color, creed, religion, national origin, ancestry, or otherwise as prohibited by law, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the Premises or the Retail Area, nor shall Tenant itself, or any person claiming under or through Tenant, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Premises or the Retail Area; and that Tenant, its successors and assigns hereby agree to comply with the Nondiscrimination Requirements, as amended from time to time by the Port Authority, attached hereto as **Schedule D**.

Section 16.6 Subordination.

Tenant's rights under this Sublease are, and shall remain subject and subordinate to, all matters of public record, as they now exist or may hereafter be amended, with respect to the Retail Area.

Section 16.7 Status Report.

Recognizing that Landlord may find it necessary to establish to third parties, such as the Port Authority, accountants, banks, lenders or the like, the then-current status of performance hereunder, Tenant shall, upon the request of Landlord from time to time, promptly furnish a statement of the status of any matter pertaining to this Sublease, as reasonably requested by Landlord. Without limiting the generality of the foregoing, Tenant specifically agrees, promptly upon the commencement of the Term hereof, to acknowledge to Landlord satisfaction of any requirements with respect to construction except for such matters as Tenant may set forth specifically in said statement.

Section 16.8 Recording.

Tenant agrees not to record this Sublease, but each party hereto agrees, on the request of the other, to execute, acknowledge and deliver a Memorandum of Sublease or Short Form Sublease reasonably satisfactory in form to Landlord's attorneys. In no event shall such document set forth the Rental or other charges payable by Tenant under this Sublease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Sublease, and is not intended to vary the terms and conditions of this Sublease. In the event of termination of this Sublease, Tenant agrees to execute a recordable instrument setting forth the fact of and date of such termination and hereby irrevocably designates and appoints Landlord as its attorney-in-fact to execute in the name of Tenant and to record such instrument.

Section 16.9 Landlord's Security Interest.

To secure the performance of Tenant's obligations under this Sublease, Tenant hereby grants to Landlord a security interest in and an express contractual lien upon all of Tenant's equipment, furniture, furnishings, appliances, goods, trade fixtures, inventory, ordinary goods, chattels and personal property which now or hereafter is brought

upon the Premises by Tenant, and all after acquired property, replacements and proceeds (provided, however, that such grant of a security interest shall not be deemed effective or binding until the Port Authority has given its written consent to this Sublease.) The parties agree that this Sublease shall constitute a security agreement for purposes of the Uniform Commercial Code in effect in the state in which the Premises are located. Landlord is authorized to prepare and file financing statements covering the security described above and Tenant hereby irrevocably designates and appoints Landlord as its attorney-in-fact to execute and file in the name of Tenant any such statements. Tenant shall execute upon demand any such statements. Failure to so execute shall constitute a default under this Sublease. Upon the occurrence and continuation of any Event of Default, any and all of Tenant's obligations to Landlord secured hereby shall, at Landlord's option, be immediately due and payable without notice or demand. In addition to all rights or remedies of Landlord under this Sublease and the law, including the right to a judicial foreclosure, Landlord shall have all rights and remedies of a secured party under the Uniform Commercial Code in effect in the state in which the Premises are located. Landlord's security interest shall be subordinate to the lien or security interest of any vendor or lessor of equipment or chattels upon the Premises or of any lender taking or succeeding to a purchase money security interest thereon, and upon Tenant's written request, if no default exists hereunder, Landlord shall execute an instrument confirming such subordination. This security agreement and the security hereby created shall survive the termination of this Sublease, until all Tenant's obligations hereunder are satisfied if such termination results from Tenant's default. In the event that the Prime Lease is terminated for any reason, the security interest granted hereby shall be automatically assigned to and inure to the benefit of the Port Authority.

Section 16.10 Self-Help.

Landlord shall have the right, but shall not be required, to pay such sums or do any act which requires the expenditure of moneys which may be necessary or appropriate by reason of the failure or neglect of Tenant to perform any of the provisions of this Sublease, whether or not Landlord has given notice to Tenant of the need for such action or payment and whether or not Tenant has commenced to cure the default or condition complained of by Landlord. In the event of the exercise of such right by Landlord, Tenant agrees to pay to Landlord forthwith upon demand all such sums, with interest thereon from the date Landlord pays such sums at the Default Rate; and if Tenant shall default in such payment, Landlord shall have the same rights and remedies as Landlord has hereunder for the failure of Tenant to pay the Rental.

Section 16.11 Unavoidable Delays.

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, inability to procure labor or materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, fire or other casualty or other reason of a similar or dissimilar nature beyond the reasonable control of the party delayed in performing work or doing acts required under the terms of this Sublease, then performance of such act shall be excused for the period of the delay and the period from the performance of any such act shall be extended for a period equivalent to the period of such delay (any such delay is herein referred to as an "Unavoidable Delay"). During the period of performance of Tenant's Work, the provisions of this Section 16.11 shall not operate to excuse Tenant from completing construction of the Premises within the Time Estimated for Completion of Tenant's Work unless Tenant gives written notice of the delaying event to Landlord within three (3) days of the occurrence of such delaying event. Such written notice shall specify the nature of the delaying event and the number of days of delay claimed to be resulting therefrom. The Time Estimated for Completion of Tenant's Work shall be extended for a period equivalent to the period of actual delay. After the Commencement Date, the provisions of this Section shall not operate to extend the Term. This Section 16.11 shall not be applicable to Tenant's obligations to procure insurance or to pay Rental or any other sums, moneys, costs, charges or expenses required to be paid by Tenant hereunder. Unless Tenant gives notice to Landlord within ten (10) days after becoming aware that an event described above will delay its performance hereunder, such event shall not excuse such delay. Tenant shall not be entitled to more than ten days extension for any delay caused by the failure of Landlord to fulfill its obligations hereunder or to take any other action except to the extent that such delays are caused by Landlord's failure to take such action within five days after Tenant has given notice to Landlord stating the action required to be taken and the manner in which Tenant may be delayed if Landlord fails to take such action.

Section 16.12 No Joint Venture.

Any intention to create a joint venture or partnership relation between the parties is hereby expressly disclaimed. The provisions of this Sublease in regard to the payment by Tenant and the acceptance by Landlord of a percentage of Gross Sales is a reservation for rent for the use of the Premises.

Section 16.13 Waiver.

Failure on the part of Landlord or Tenant to complain of any action or non-action on the part of the other, no matter how long the same may continue, shall never be a waiver by Landlord or Tenant of its rights hereunder. Further, no waiver at any time of any of the provisions hereof by Landlord or Tenant shall be construed as a waiver of any of the other provisions hereof, and a waiver at any time of any of the provisions hereof shall not be construed as a waiver at any subsequent time of the same provisions. The consent or approval of Landlord or Tenant to or of any action by the other requiring such consent or approval shall not be construed to waive or render unnecessary Landlord's or Tenant's consent or approval to or of any subsequent similar act by the other.

Section 16.14 Invalidity of Particular Provisions.

If any term or provision of this Sublease, or the application thereof, to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such term or provisions to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Sublease shall be valid and be enforced to the fullest extent permitted by law.

Section 16.15 Provisions Binding, Etc.

Except as herein otherwise expressly provided, the terms hereof shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of Landlord and Tenant and, if Tenant shall be an individual, upon and to his heirs, executors, administrators, legal representatives, successors and assigns. Each term and each provision of this Sublease to be performed by Tenant shall be construed to be both a covenant and a condition. The reference contained to the successors and assigns of Tenant is not intended to constitute a consent to assignment by Tenant, but has reference only to those instances in which Landlord may later give consent to a particular assignment as required by the provisions of this Sublease. If Tenant is several persons, natural or corporate, the liability of such persons for compliance with the obligations of Tenant under this Sublease shall be joint and several.

If Tenant (or a general partner of Tenant) is a corporation, the persons executing this Sublease on behalf of Tenant (or such general partner) hereby covenant and represent and warrant that: Tenant (or such general partner) is a duly constituted corporation in good standing qualified to do business in the state in which the Retail Area is located, and all Tenant's (or such general partner's) franchises and corporate taxes have been paid to date; and such persons are duly authorized by the governing body of such corporation to execute and deliver this Sublease on behalf of the corporation.

In the event Tenant is a partnership, the persons executing this Sublease on behalf of Tenant hereby represent and warrant that: Tenant is duly organized and validly existing and is qualified to do business in the state in which the Retail Area is located; all future forms, reports, fees and other documents necessary for Tenant to comply with applicable laws will be filed by Tenant when due; and such persons are duly authorized to execute and deliver this Sublease on behalf of the partnership.

Section 16.16 When Sublease Becomes Binding.

Subject to Section 2.1, this document shall become effective and binding only upon the execution and delivery hereof by both Landlord and Tenant. All negotiations, consideration, representations and understandings between Landlord and Tenant, are incorporated herein and may be modified or altered only by written agreement signed by both Landlord and Tenant, and no act or omission of any employee or agent of Landlord or course of prior dealings between the parties, shall alter, change or modify any of the provisions hereof. This Sublease may be

executed in more than one counterpart, and each such counterpart shall be deemed to be an original document. Without limiting the generality of the foregoing provisions of this Section 16.16, Tenant acknowledges that it has made such inspections of the Premises, the Retail Area and the Terminal as Tenant has deemed necessary, is leasing the Premises in "as is" condition, in the condition they are now (reasonable wear and tear and damage by fire or other casualty or taking excepted), without any representation or warranty whatsoever with respect to the condition of the Premises or the Retail Area; Tenant further acknowledges that, in entering into this Sublease, Tenant has not relied upon, nor has Landlord made, any prior oral or written understandings or representations concerning the Premises, the Retail Area, the Terminal, the condition of the Premises, the Retail Area or the Terminal, projected volumes of business for the Premises, the Retail Area or the Terminal, economic or business projections; or the like.

Section 16.17 Interpretation.

(a) The captions, table of contents and index of defined terms appearing in this Sublease are inserted only as a matter of convenience and in no way amplify, define, limit, construe or describe the scope or intent of the Sections of this Sublease nor in any way affect this Sublease. Except where otherwise expressly provided, each reference in this Sublease to a Section or Article shall mean the referenced Section or Article in this Sublease.

(b) The neuter, feminine or masculine pronoun when used herein shall each include each of the other genders and the use of the singular shall include the plural.

(c) The parties hereto agree that all the provisions of this Sublease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate provision hereof.

(d) Although the printed provisions of this Sublease were drawn by Landlord, this Sublease shall not be construed for or against Landlord or Tenant, but this Sublease shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.

(e) The parties hereto agree that all references in this Sublease to statutes shall be deemed to refer to such statutes or regulations as they may be amended from time to time and to any successor statute or regulation thereto.

If, references to a Section, include all Subsections thereof; references to a Subsection (e.g., Section 6.1) include all subdivisions (e.g., 6.1(a)) thereof. In this Sublease (i) the use of the terms "include," "includes," or "including" means "include without limitation," "includes without limitation," or "including without limitation," respectively, as the case may be; (ii) the word "or" is used in its inclusive sense, i.e., when the word "or" is used in this Sublease to describe a result occasioned by the occurrence of any multiple specified events or conditions, the result shall also be occasioned by the occurrence of more than one of the events or conditions, unless the context otherwise indicates; (iii) "may" is used in the permissive sense, creates discretionary authority, and does not impose a duty; (iv) "shall" and "will" are used in the imperative sense and each imposes a duty; (v) a statement or definition followed by a listing of examples shall not invoke ejusten generis, i.e., the examples are descriptive only and shall not limit the generality of the statement or definition; and (vi) where a general category is described by specific examples introduced by "including," the listing of the specific examples shall not be interpreted to be exhaustive.

Section 16.18 Amendment.

This Sublease contains the entire agreement of the parties and may not be modified except by an instrument in writing. Further any amendment, modification, supplement or extension of the Sublease which does not have the express written approval of the Port Authority shall be void and of no force and effect.

Section 16.19 Applicable Law; Choice of Law and Forum.

The laws of the State of New York shall govern the validity, performance and enforcement of this Sublease. If either party institutes legal suit or action for enforcement of any obligation contained herein, it is agreed that the venue of such suit or action shall be the county in which the Retail Area is located, or the United States District Court having jurisdiction over such county. Tenant and Landlord hereby waive trial by jury in any

action, proceeding or counterclaim brought by either party against the other or any matter whatsoever arising out of or in any way connected with this Sublease, the relationship of Landlord and Tenant created hereby, Tenant's use or occupancy of the Premises, and/or any claim for injury or damage. In the event Landlord commences any action or proceeding for non-payment of Rental, Tenant shall not interpose any counterclaim of any nature or description, other than a compulsory counterclaim, in any action or proceeding. The foregoing shall not be construed as a waiver of Tenant's right to assert such claim in a separate action or proceeding instituted by Tenant.

Section 16.20 Tenant's Certification.

Tenant hereby warrants, represents and certifies that Tenant is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person", or other banned or blocked person, group, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control and that it is not engaged in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of any such person, group, entity, or nation. Tenant agrees that any breach of the foregoing shall at Landlord's election be a default under this Sublease for which there shall be no cure, and Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorneys' fees and costs) arising from or related to any breach of the foregoing warranty, representation, and certification. The provisions of this Section 16.20 shall survive the expiration or earlier termination of the Term.

IN WITNESS WHEREOF, the parties have caused this Sublease to be executed under seal as of the date set forth in Section 1.1.

Landlord: **MarketPlace LaGuardia Limited Partnership**

By: MarketPlace LaGuardia, Inc.
Its general partner

By: _____
Its
Hereunto duly authorized

Tenant: **M.A.R. Air Foods Inc.**, a New York corporation

By: _____
Ram Singla, Its Chairman
Hereunto duly authorized

Attachments:

Schedule A	-	Plan Showing the Retail Area and Location of Premises
Schedule B	-	Construction
Schedule C	-	Certificate of Vote
Schedule D	-	Nondiscrimination Requirements
Schedule E	-	Contractor Bid Conditions
Schedule F	-	Rules and Regulations for the Retail Area
Schedule G	-	Port Authority Consent to Sublease
Schedule H	-	Guaranty of Sublease
Schedule I	-	Approved Menu
Schedule J	-	Form of Letter of Credit

Delivered separately: Tenant Design Manual

Schedule A

Plan Showing the Retail Area and Location of Premises

Schedule B

Construction

Schedule B for CSAR5

Construction

Description of Landlord's Work and Tenant's Work

LaGuardia Airport
Central Terminal Building
Flushing, NY 11371

Reference is made to that certain print package entitled Tenant Design Manual (hereinafter "Tenant Design Manual"), a copy of which has been furnished to the Tenant and all of the terms and provisions of which are hereby incorporated herein in full by reference. Notice is hereby given to the Tenant that the terms and provisions of this **Schedule B** are general and approximate due to the varying physical characteristics of the several premises comprising the Retail Area. The Tenant is advised to review the Tenant Design Manual carefully in order to determine the particular construction details applicable to the demised premises. It is understood and agreed that in the event of a conflict between the provisions of this **Schedule B** and the Tenant Design Manual, the provisions of this **Schedule B** shall govern. In the event of any discrepancy between **Schedule B**, the Tenant Design Manual and the plans and specifications as finally approved by the Landlord and the Port Authority in any dispute between the Landlord and Tenant, the plans, as finally approved, shall govern. At the time Tenant submits the plans and specifications for approval, Tenant agrees to use good faith efforts to notify Landlord of any discrepancy of which Tenant has knowledge, between **Schedule B**, the Tenant Design Manual and the plans and specifications which Tenant is submitting for approval.

A. DESCRIPTION OF EXISTING SERVICES.

1. SANITARY SEWER

A capped lateral sanitary sewer connection exists at a location below the demised premises for the tenant's use.

2. WATER

A domestic water connection with valve exists at a location in the demised premises for the tenant's use.

3. SPRINKLER

A complete sprinkler system exists in the demised premises. It is the tenant's responsibility to make all modifications to the sprinkler system that may be necessary to ensure compliance with applicable building codes.

4. ELECTRICAL SERVICE

A 277/480 volt, 3 phase, 4 wire service exists in the premises for the tenant's use. It is the Tenant's responsibility to determine the adequacy of this existing service, and, if necessary, all costs to increase the size of the electric service.

5. GAS SERVICE

Gas service has been provided by the gas utility. Tenant shall at its sole expense be responsible for the installation of all piping from such service to the demised premises.

6. TELEPHONE SERVICE

The Tenant is responsible for the installation of its telephone service. The Tenant shall make arrangements with and pay to the telephone company any charges imposed by the telephone company for any work which affects the demised premises.

7. HVAC

A fresh air ventilation supply duct exists in the demised premises from the central outside air system.

The premises are served by chilled and hot water piping that exist in the demised premises.

A smoke purge exhaust duct exists in the demised premises and is connected to the central system.

8. FIRE ALARM

A fire alarm loop from the Landlord's fire alarm panel exists in the demised premises.

9. DEMISING WALLS

These walls are existing and consist of metal studs and gypsum board.

B BUILDING SHELL

1. Structural Frame, Roof, Exterior of the Building – As Is condition – Responsibility of Port Authority.

2. Floor Slab – The floor slab is the responsibility of the Tenant. Any work performed by the Tenant relating to the floor slabs for the demised premises, including without limitation, slab preparation, slab installation, placement of concrete, and any demolition will be preformed by the Tenant's contractor at the Tenant's expense, in accordance with plans and specifications which shall have been approved by the Landlord's Representative prior to commencing any such work. All such work shall be inspected by the Landlord's Representative.

C. SIGN BANDS

The Landlord has installed sign brackets and spot lighting (where applicable) in the following locations for which Tenant will fabricate and install a tenant identification sign conforming to Landlord specifications.

Sign Type C1 - bracket and spot lighting located in the common space adjacent to the escalators.

Sign Type C2 - bracket only located on the exterior of the Departures Level curbside.

Sign Type C3 - bracket and spot lighting located on a pylon in the food court seating area.

Sign Type C4 - two (2) brackets only located in the ceiling of the Departures Level arcade.

D. DESIGN REVIEW

Tenant will reimburse Landlord for fees incurred in the review of Tenant's drawings.

E. DESCRIPTION OF THE TENANT'S WORK

All other work required to complete and fully equip the demised premises shall be done by the Tenant at the Tenant's sole cost and expense; and the same shall be done as follows:

A. GENERAL CONDITIONS

All work done by the Tenant in the demised premises shall be governed in all respects by, and be subject to, the following:

1. The Port Authority of New York and New Jersey; and New York City Building Requirements.

   a. The detailed store plans for the completion of the demised premises must be prepared under the supervision of a New York registered architect or registered engineer. All plans including architectural, mechanical, electrical and sign drawings shall have affixed thereto a State of New York registration stamp.

   b. Prior to submission of plans to the applicable Building Department(s), the Tenant's drawings must be submitted to the Landlord's Representative for review in accordance with the procedure outlined in the Tenant Design Manual. Plans will not be accepted by the applicable departments of the Port Authority and New York City Department of Buildings without the prior approval of the Landlord's Representative, which approval shall verify only that the drawings are complete and in compliance with the Tenant' agreement with the Landlord, and shall not relieve the Tenant of the obligation to conform to the requirements of the applicable Building Department(s), State and all other applicable codes.

   c. Plans for the Tenant's work shall be delivered to the Landlord's Representative and reviewed as set forth in the Tenant Design Manual all as if set forth herein.

   d. The Tenant shall reimburse the Landlord for plan review as set forth in the Schedule of Charges included in the Tenant Design Manual or in a separate Schedule of Charges to be prepared by the Landlord.

2. The Tenant shall not commence the Tenant's work until the Tenant has secured the Landlord's written approval of all contractors to be used in performing the Tenant's work and of the plans and specifications required to be submitted by the Tenant to the Landlord. The Tenant's work shall be coordinated with the work being done by the Landlord and/or other tenants of the Landlord in order that such work will not interfere with nor delay the completion of work by the Landlord and/or other tenants of the Landlord. The performance of the Tenant's work shall cause no interference whatsoever with the completion of the Landlord's work in the demised premises, nor in the remainder of the terminal.

3. The Tenant's work shall be performed in a first-class workmanlike manner and shall be in good and usable condition at the date of completion thereof.

4. The Landlord shall have the right (but shall not be obligated) to perform by its own contractor or subcontractor, on behalf of and for the account of the Tenant, any of the Tenant's work which the Landlord determines, in the interest of expedition of work on the Terminal or Retail Area, should be performed. The Landlord contemplates that the work which the Landlord shall in any event require to be done by the Landlord's contractor or subcontractor will include, without limitation, work which affects any structural components of, or the general utility systems for, the building in which the demised premises are located. The Landlord shall notify

the Tenant of work which will be required to be done by the Landlord's contractor or subcontractor before the Tenant commences performance of any substantial part of its work. The Tenant shall promptly, on demand, reimburse the Landlord for all costs of planning and performing such work when and as incurred by the Landlord and for any costs incurred by the Landlord in obtaining all permits in connection wherewith.

5. Compliance with Laws: All of the Tenant's work shall conform to applicable statutes, ordinances, regulations, codes and to requirements of the Landlord's insurance underwriters. The Landlord's approval of plans and specifications shall not constitute an acknowledgement that work done in accordance therewith will so conform, and the Tenant shall be solely responsible for corrections in the Tenant's work required by any governmental agency or insurance underwriters. The Tenant shall obtain and convey to the Landlord approvals from all agencies having jurisdiction over matters relative to electrical, gas (if available), water, heating and cooling, and telephone work, and shall secure its own building and occupancy permits. The Landlord reserves the right to require changes in the Tenant's work when necessary by reason of code requirements or directives of governmental authorities having jurisdiction over the demised premises.

4. Approvals: No approval by the Landlord shall be valid unless the same be in writing and signed on behalf of the Landlord.

5. Insurance: Prior to commencement of the Tenant's work and until the last to occur of (a) the completion of the Tenant's work, or (b) the Commencement Date, the Tenant shall maintain, or cause to be maintained, casualty insurance in builder's risk form, covering the Landlord, the Landlord's agents and beneficiaries, the Landlord's Architect, the Landlord's contractor or subcontractors, the Tenant and the Tenant's contractors as their interests may appear, against loss or damage by fire, vandalism and malicious mischief, and such other risks as are customarily covered by the so-called "extended coverage endorsement" upon all the Tenant's work in place, and all materials, equipment, supplies, and temporary structures of all kinds incident to the Tenant's work and builders' machinery, tools and equipment, all while forming a part of, or contained in, such improvements or temporary structures while on the demised premises or when adjacent thereto while on malls, drives, sidewalks, streets or alleys, all in the full insurable value thereof at all times by reputable insurance companies licensed to do business in the State of New York. In addition, the Tenant agrees to require all contractors and subcontractors engaged in the performance of the Tenant's work to effect and maintain and deliver to the Tenant and the Landlord certificates evidencing the existence of, prior to the commencement of the Tenant's work and until the completion thereof, the following insurance coverages:

a. Worker's Compensation Insurance – In accordance with the laws of the State of New York, including Employer's Liability Insurance, to the limit of $1,000,000 each accident.

b. Comprehensive General Liability Insurance in the same form as the Tenant is required to carry under the terms of the Sublease to which this schedule is attached, with minimum limits of liability of $1,000,000 each Occurrence; $2,000,000 General Aggregate Limit; $2,000,000 Products – Completed Operations Aggregate Limit; $1,000,000 Personal and Advertising Liability; $50,000 Fire Legal Liability; and $5,000 Medical Expenses Limit (each person); or in such greater reasonable amounts as the Landlord may hereafter from time to time advise the Tenant in writing. The Port Authority and the Landlord shall be named as additional insureds,

and the policy will contain an endorsement whereby the insurer agrees not to raise any defense involving in any way the jurisdiction of the tribunal over the person 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. In addition, such contractors and subcontractors shall carry an Excess Liability policy in umbrella form with a minimum limit of liability of $5,000,000.

c. Business Automobile Liability, including "non-owned and hired" automobiles, with a combined single limit of $2,000,000.

Prior to the commencement of the Tenant's work, the Tenant shall deliver to the Landlord's Representative certificates of all required insurance, and evidence of the payment of premiums thereon (and certificates of renewal, and evidence of premium payments with reference thereto, where appropriate). All such insurance shall provide, and certificates thereof shall state, that the same is non-cancellable and non-amendable without twenty (20) days' prior written notice to the Landlord.

8. In any contract or undertaking which the Tenant may make with a contractor for work in the demised premises, provision shall be made for dismissal from the job of workmen whose work is, in the Landlord's (and, for this purpose, "the Landlord" shall include a reference to the Landlord's Representative) reasonable judgement, unskilled or otherwise objectionable, and any such workmen shall be discharged, and the Tenant shall exonerate, indemnify and hold the Landlord (and th Landlord's Representative) harmless from any such loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Tenant shall use, and the Tenant shall require its contractor and subcontractors to use, every legal effort to prevent work stoppages on the demised premises or elsewhere in the Terminal, to the extent attributable to work being performed on the demised premises, irrespective of the reason for any such stoppage, in recognition of the fact that it is of the utmost importance to the Landlord and all those occupying or to occupy space in the Terminal that there be no interruption in the progress of the work and to that end, in the event that the conduct or presence of any employee(s) of the Tenant or the Tenant's contractor(s) or subcontractor(s) causes a labor dispute or work stoppage, the Tenant expressly agrees to have such employee(s) immediately removed from the Terminal upon the Landlord's request, and the Tenant's failure to do so shall constitute a default under the lease. The tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Representative) harmless from any loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Landlord's Contractor has included in his contract with all subcontractors the following Harmony Clause. The Tenant will be required to include this clause in all contracts with general and subcontractors so that there will be no interruption in the process of work.

Harmony Clause

" There shall be no manifestations on the project of any dispute between any labor organization and any Tenant contractor or subcontractor, including but not limited to, any area standards picketing against said contractor or subcontractor.

Should there be any manifestation of a labor dispute between any Tenant contractor or subcontractor and any union, which results in a stoppage of work on the part of said contractor or subcontractor's employees or the employees of any other employer or supplier on the project or at the Terminal, which in the sole judgement of the Landlord will cause, or is likely to cause, unreasonable delay in the progress of construction or operation of any business at the Terminal, then upon written notice from the Landlord, the Tenant shall have the obligation and the right to declare the contractor or subcontractor in default of his contract, and upon such notice, the Tenant shall have the right to take such steps as are necessary to finish the uncompleted portion of the work to be performed by the contractor or subcontractor.

B. GENERAL CONSTRUCTION

The Tenant shall perform all work necessary to prepare the demised premises for opening for business and shall comply with the plan approval procedure outlined in the Tenant Design Manual which, by reference, is made part of this Schedule B. The finish work which the Tenant is to perform shall include, but not be limited to, the following:

1. STOREFRONTS

a. The Tenant shall construct the storefront and closure, including all required structural supports.

b. The design of the storefront shall be in harmony with the other stores of the Retail Area and shall conform to the standards of design and construction contained in the Tenant Design Manual. In any event, the storefront shall be subject to the prior approval of the Landlord's Representative.

c. The Tenant shall furnish and install all signs in accordance with the Tenant Design Manual. All are subject to approval of the Landlord and the Landlord's Representative.

2. FLOOR SLABS

a. Any work performed by the Tenant relating to the floor slabs for The demised premises, including, without limitation, slab preparation, placement of concrete, any demolition, will be performed by the Tenant's contractor at the Tenant's expense, in accordance with the plans and specifications which shall have been approved by the Landlord's Representative prior to commencing any such work.

3. CEILINGS

a. The Tenant shall use the underwriter's approved non-combustible ceiling treatment as set forth in the Tenant Design Manual. Minimum ceiling heights shall be in accordance with the Tenant Design Manual.

b. No combustible materials will be permitted above the ceiling. The Tenant shall not hang any material or fixtures from the roof deck or bottom chord of structural members. Preferably, all hanging shall

be done from the top chord of structural members by means of trapeze-type hangers. Any such "hangers" shall be subject to the prior approval of the Landlord.

c. The Tenant shall not hang anything from the ceiling grid system or existing mechanical systems in the Terminal.

INTERIOR WALLS & PARTITIONS

a. The Tenant shall install on the Tenant's side of demising stud wall a two-hour rated material from finished floor to the underside of the floor slab above the premises, as required by local or state authorities.

b. The Tenant will not be permitted to hang fixtures from nor attach fixtures to the aforementioned partition. The Tenant will be required to install a fixture partition adjacent to the demising partitions for the attachment of fixtures in this location. In lieu of installing a fixture partition, the Tenant may submit a sketch of proposed additional framing or bracing to the Landlord for approval. The Tenant must indicate on such sketch the weights and methods of carrying same on the partitions.

c. All interior finish materials shall meet the flamespread requirements of all applicable codes, ordinances and regulations.

5. FLOOR COVERING

a. The Tenant shall install all floor covering within the demised premises

6. TRASH AND RUBBISH

The Tenant shall provide for an area for dry rubbish collection containers within the demised premises.

If the Tenant generates garbage, wet garbage containers shall be provided by the Tenant.

The Tenant and the Tenant's contractors shall be totally responsible during construction and fixturing for their own trash removal.

7. PLUMBING

The Tenant shall install all plumbing work for the demised premises, including but not limited to, toilets, urinals, lavatories, drinking fountains, electric hot water systems and other fixtures. Work shall include all waste piping, vent piping, water and waste connections to laterals and stubs installed by the Landlord. If gas is required, Landlord will determine the route of gas line installation and the party responsible for installation.

b. Upon request of the Landlord, the Tenant will make the toilets of the demised premises "public".

8. SPRINKLERS

a. The Tenant shall adjust the existing sprinkler head layout and piping (installed by the Landlord) as required to provide a fully

sprinklered, demised premises. The Tenant shall furnish and install new sprinkler heads in accordance with the Landlord's insurance carrier.

b. Sprinkler systems must also comply with all applicable codes and regulations, including but not limited to, requirements of the Port Authority of New York and New Jersey and New York City Departments and the Landlord's insurance carriers.

9. FIRE EXTINGUISHERS

a. The Tenant shall furnish and install fire extinguishers as required by applicable authorities, including the Port Authority of New York and New Jersey and New York City Fire Departments and the Landlord's insurance carriers.

10. HEATING, VENTILATING AND AIR CONDITIONING

a. The Tenant shall provide and install a fully self-contained heating and air conditioning system necessary to service the in the demised premises in accordance with the Tenant Design Manual and applicable code requirements. The equipment to be installed by the Tenant may include air distribution equipment, heating and cooling coils, diffusers, grilles, fire dampers, duct work, duct insulation, temperature controls and wiring.

b. Air conditioning equipment is permitted on the roof only in locations designated by the Landlord. Steel supports and curbs for roof equipment, whether furnished and installed by the Landlord or the Tenant, will be at the Tenant's expense. The foregoing will vary according to the particular physical characteristics of the demised premises and the Tenant should review the Tenant Design Manual for specific details.

c. All roof openings, blocking, flashing, steel supports and related work will be done by the Landlord's Contractor. The Tenant shall make arrangements with the Landlord's Contractor directly for such work. All work is subject to the approval of the Landlord's Representative and the Landlord's Architect.

d. Food tenants will be required to furnish any and all hoods, exhaust fans, makeup air units with heating provisions, and duct work in their premises.

e. The complete HVAC system must be in operation, inspected and balanced prior to the opening of the demised premises for business. The Tenant is responsible for balancing the HVAC distribution system by a balancing contractor approved by the Landlord.

11. ELECTRICAL

a. The Tenant shall furnish and install a complete electrical system for fire alarm, power and lighting as required by the Tenant Design Manual and applicable codes.

b. The Tenant shall make arrangements for the installation of Tenant's submeter and pay all costs and charges in connection therewith.

c. The Tenant shall furnish, install, support, and connect all lighitng fixtures, including lamps.

d. The Tenant shall furnish and install all lighting timers, contactors, controls, etc.

12. OTHER INTERIOR WORK

The Tenant shall furnish and install all store fixtures; same to be new and at least equal in quality and design to fixtures used in other better-grade, recently opened stores of the Tenant or the Tenant's parent company. All fixtures to be subject to the approval of the Landlord's Representative, said approval not to be unreasonably withheld or delayed provided same conform to the foregoing.

13. MATERIALS

No materials used in connection with the Tenant's work in or about the Terminal shall contain any asbestos or other hazardous or toxic materials (collectively, "hazardous materials"). If the transportation, storage, use or disposal of any hazardous materials anywhere on the Terminal associated in any way with the Tenant's work results in any 1) contamination of the soil or surface or groundwater or 2) loss or damage to person(s) or property, then Tenant agrees to respond in accordance with the following paragraph:

Tenant agrees (i) to notify the Landlord immediately of any contamination, loss or damage, (ii) after consultation and approval by the Landlord, to clean up the contamination in full compliance with all applicable statutes, regulations and standards, and (iii) to indemnify, defend and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorneys' fees, arising from or connected with any such contamination, claim of contamination, loss or damage. This provision shall survive the termination of the lease to which this **Schedule "B"** is annexed. No consent or approval by the Landlord shall in any way be construed as imposing upon Landlord any liability for the means, methods, or manner of removal, containment or other compliance with applicable law for and with respect to the foregoing.

Tenant shall immediately notify Landlord upon Tenant's receipt of any inquiry, notice, or threat to give notice by any governmental authority or any other third party with respect to any hazardous material.

14. OTHER MATTERS

a. No mezzanines constructed by the Tenant will be permitted within the demised premises, except as indicated on Landlord's Building Plan and as described in the Tenant Design Manual.

b. Surrounding tenants and the Landlord have the right to run duct work, piping, electrical conduit, etc., through the demised premises. Same shall be above the ceiling line, and where possible, tight to underside of roof structure or below floor slab; and in all events, such work shall be done in locations and in a

manner approved in advance by the Landlord's Representative. For coordination with surrounding tenants, the Tenant shall provide to the Landlord's Representative reproducible drawings of his complete mechanical and electrical systems for approval. The Tenant shall furnish reproducible shop drawings of the as built mechanical, electrical, and plumbing systems if they are significantly changed for the original approved design.

Schedule B for BR5/6

Construction

Description of Landlord's Work and Tenant's Work

LaGuardia Airport
Central Terminal Building
Flushing, NY 11371

Reference is made to that certain print package entitled Tenant Design Manual (hereinafter "Tenant Design Manual"), a copy of which has been furnished to the Tenant and all of the terms and provisions of which are hereby incorporated herein in full by reference. Notice is hereby given to the Tenant that the terms and provisions of this **Schedule B** are general and approximate due to the varying physical characteristics of the several premises comprising the Retail Area. The Tenant is advised to review the Tenant Design Manual carefully in order to determine the particular construction details applicable to the demised premises. It is understood and agreed that in the event of a conflict between the provisions of this Schedule B and the Tenant Design Manual, the provisions of this **Schedule B** shall govern. In the event of any discrepancy between **Schedule B**, the Tenant Design Manual and the plans and specifications as finally approved by the Landlord and the Port Authority in any dispute between the Landlord and Tenant, the plans, as finally approved, shall govern. At the time Tenant submits the plans and specifications for approval, Tenant agrees to use good faith efforts to notify Landlord of any discrepancy of which Tenant has knowledge, between **Schedule B**, the Tenant Design Manual and the plans and specifications which Tenant is submitting for approval.

1. DESCRIPTION OF EXISTING CONDITIONS AT THE PREMISES.

A. UTILITIES

1. Sanitary Sewer - A lateral sanitary sewer main exists below the floor in the concourse. It is the sole responsibility of the Tenant to make all waste and vent connections to the existing main.

2. Water - A domestic cold water main exists below the floor in the concourse. It is the sole responsibility of the Tenant to make all connections to the existing main.

3. Electrical Service - A 120/208 volt service exists in the demised premises for the Tenant's use. It is the sole responsibility of the Tenant to determine if these existing services are adequate for its own use.

4. Telephone Service – The Tenant is responsible for the installation of its telephone service. The Tenant shall make arrangements with and pay to the telephone company any charges imposed by the telephone company for any work which affects the demised premises. The Landlord will supply an empty conduit at the Tenant's expense from the telephone closet to the demised premises.

5. HVAC - The premises are served from the common areas.

B. COMMON FACILITES

1. Corridors – To be located as the Landlord shall determine and in accordance with applicable building codes.

2. Truck Receiving Facilities – All deliveries to and from the demised premises will be made, either directly or indirectly, by the Tenant from designated areas determined by the Landlord.

3. Retail Common Areas – Air conditioned and lighted with architectural treatment as determined by the Landlord.

C. DESIGN REVIEW

Tenant will reimburse Landlord for fees incurred in the review of Tenant's drawings.

II. DESCRIPTION OF THE TENANT'S WORK

All other work required to complete and fully equip the demised premises shall be done by the Tenant at the Tenant's sole cost and expense, and the same shall be done as follows:

A. GENERAL CONDITIONS

All work done by the Tenant in the demised premises shall be governed in all respects by, and be subject to, the following:

1. The Port Authority of New York and New Jersey; and New York City Building Requirements.

   a. The detailed store plans for the completion of the demised premises must be prepared under the supervision of a New York registered architect or registered engineer. All plans including architectural, mechanical, electrical and sign drawings shall have affixed thereto a State of New York registration stamp.

   b. Prior to submission of plans to the applicable Building Department(s), the Tenant's drawings must be submitted to the Landlord's Representative for review in accordance with the procedure outlined in the Tenant Design Manual. Plans will not be accepted by the applicable departments of the Port Authority and New York City Department of Buildings without the prior approval of the Landlord's Representative, which approval shall verify only that the drawings are complete and in compliance with the Tenant' agreement with the Landlord, and shall not relieve the Tenant of the obligation to conform to the requirements of the applicable Building Department(s), State and all other applicable codes.

   c. Plans for the Tenant's work shall be delivered to the Landlord's Representative and reviewed as set forth in the Tenant Design Manual all as if set forth herein.

   d. The Tenant shall reimburse the Landlord for plan review as set forth in the Schedule of Charges included in the Tenant Design Manual or in a separate Schedule of Charges to be prepared by the Landlord.

1. The Tenant shall not commence the Tenant's work until the Tenant has secured the Landlord's written approval of all contractors to be used in performing the Tenant's work and of the plans and specifications required to be submitted by the Tenant to the Landlord. The Tenant's work shall be coordinated with the work being done by the Landlord and/or other tenants of the Landlord in order that such work will not interfere with nor delay the completion of work by the Landlord and/or other tenants of the Landlord. The performance of the Tenant's work shall cause no

interference whatsoever with the completion of the Landlord's work in the demised premises, nor in the remainder of the terminal.

3. The Tenant's work shall be performed in a first-class workmanlike manner and shall be in good and usable condition at the date of completion thereof.

4. The Landlord shall have the right (but shall not be obligated) to perform by its own contractor or subcontractor, on behalf of and for the account of the Tenant, any of the Tenant's work which the Landlord determines, in the interest of expedition of work on the Terminal or Retail Area, should be performed. The Landlord contemplates that the work which the Landlord shall in any event require to be done by the Landlord's contractor or subcontractor will include, without limitation, work which affects any structural components of, or the general utility systems for, the building in which the demised premises are located. The Landlord shall notify the Tenant of work which will be required to be done by the Landlord's contractor or subcontractor before the Tenant commences performance of any substantial part of its work. The Tenant shall promptly, on demand, reimburse the Landlord for all costs of planning and performing such work when and as incurred by the Landlord and for any costs incurred by the Landlord in obtaining all permits in connection wherewith.

5. Compliance with Laws: All of the Tenant's work shall conform to applicable statutes, ordinances, regulations, codes and to requirements of the Landlord's insurance underwriters. The Landlord's approval of plans and specifications shall not constitute an acknowledgement that work done in accordance therewith will so conform, and the Tenant shall be solely responsible for corrections in the Tenant's work required by any governmental agency or insurance underwriters. The Tenant shall obtain and convey to the Landlord approvals from all agencies having jurisdiction over matters relative to electrical, gas (if available), water, heating and cooling, and telephone work, and shall secure its own building and occupancy permits. The Landlord reserves the right to require changes in the Tenant's work when necessary by reason of code requirements or directives of governmental authorities having jurisdiction over the demised premises.

6. Approvals: No approval by the Landlord shall be valid unless the same be in writing and signed on behalf of the Landlord.

7. Insurance: Prior to commencement of the Tenant's work and until the last to occur of (a) the completion of the Tenant's work, or (b) the Commencement Date, the Tenant shall maintain, or cause to be maintained, casualty insurance in builder's risk form, covering the Landlord, the Landlord's agents and beneficiaries, the Landlord's Architect, the Landlord's contractor or subcontractors, the Tenant and the Tenant's contractors as their interests may appear, against loss or damage by fire, vandalism and malicious mischief, and such other risks as are customarily covered by the so-called "extended coverage endorsement" upon all the Tenant's work in place, and all materials, equipment, supplies, and temporary structures of all kinds incident to the Tenant's work and builders' machinery, tools and equipment, all while forming a part of, or contained in, such improvements or temporary structures while on the demised premises or when adjacent thereto while on malls, drives, sidewalks, streets or alleys, all in the full insurable value thereof at all times by reputable insurance companies licensed to do business in the State of New York. In addition, the Tenant agrees to require all contractors and subcontractors engaged in the performance of the Tenant's work to effect and maintain and deliver to the Tenant and the Landlord certificates evidencing the existence of, prior to the commencement of the Tenant's work and until the completion thereof, the following insurance coverages:

a. Worker's Compensation Insurance – In accordance with the laws of the State of New York, including Employer's Liability Insurance, to the limit of $1,000,000 each accident.

b. Comprehensive General Liability Insurance in the same form as the Tenant is required to carry under the terms of the Sublease to which this schedule is attached, with minimum limits of liability of $1,000,000 each Occurrence; $2,000,000 General Aggregate Limit; $2,000,000 Products – Completed Operations Aggregate Limit; $1,000,000 Personal and Advertising Liability; $50,000 Fire Legal Liability; and $5,000 Medical Expenses Limit (each person); or in such greater reasonable amounts as the Landlord may hereafter from time to time advise the Tenant in writing. The Port Authority and the Landlord shall be named as additional insureds, and the policy will contain an endorsement whereby the insurer agrees not to raise any defense involving in any way the jurisdiction of the tribunal over the person 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. In addition, such contractors and subcontractors shall carry an Excess Liability policy in umbrella form with a minimum limit of liability of $5,000,000.

c. Business Automobile Liability, including "non-owned and hired" automobiles, with a combined single limit of $2,000,000.

Prior to the commencement of the Tenant's work, the Tenant shall deliver to the Landlord's Representative certificates of all required insurance and evidence of the payment of premiums thereon (and certificates of renewal and evidence of premium payments with reference thereto, where appropriate). All such insurance shall provide, and certificates thereof shall state, that the same is non-cancelable and non-amendable without twenty (20) days' prior written notice to the Landlord.

8. In any contract or undertaking which the Tenant may make with a contractor for work in the demised premises, provision shall be made for dismissal from the job of workmen whose work is, in the Landlord's (and, for this purpose, "the Landlord" shall include a reference to the Landlord's Representative) reasonable judgement, unskilled or otherwise objectionable, and any such workmen shall be discharged, and the Tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Representative) harmless from any such loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Tenant shall use, and the Tenant shall require its contractor and subcontractors to use, every legal effort to prevent work stoppages on the demised premises or elsewhere in the Terminal, to the extent attributable to work being performed on the demised premises, irrespective of the reason for any such stoppage, in recognition of the fact that it is of the utmost importance to the Landlord and all those occupying or to occupy space in the Terminal that there be no interruption in the progress of the work and to that end, in the event that the conduct or presence of any employee(s) of the Tenant or the Tenant's contractor(s) or subcontractor(s) causes a labor dispute or work stoppage, the Tenant expressly agrees to have such employee(s) immediately removed from the Terminal upon the Landlord's request, and the Tenant's failure to do so shall constitute a default under the lease. The tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Representative) harmless from any loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Landlord's Contractor has included in his contract with all subcontractors the following Harmony Clause. The Tenant will be required to include this clause in all contracts with general and subcontractors so that there will be no interruption in the process of work.

Harmony Clause

" There shall be no manifestations on the project of any dispute between any labor organization and any Tenant contractor or subcontractor, including but not limited to, any area standards picketing against said contractor or subcontractor.

Should there be any manifestation of a labor dispute between any Tenant contractor or subcontractor and any union, which results in a stoppage of work on the part of said contractor or subcontractor's employees or the employees of any other employer or supplier on the project or at the Terminal, which in the sole judgement of the Landlord will cause, or is likely to cause, unreasonable delay in the progress of construction or operation of any business at the Terminal, then upon written notice from the Landlord, the Tenant shall have the obligation and the right to declare the contractor or subcontractor in default of his contract, and upon such notice, the Tenant shall have the right to take such steps as are necessary to finish the uncompleted portion of the work to be performed by the contractor or subcontractor.

B. GENERAL CONSTRUCTION

The Tenant shall perform all work necessary to prepare the demised premises for opening for business and shall comply with the plan approval procedure outlined in the Tenant Design Manual which, by reference, is made part of this **Schedule B**. The finish work which the Tenant is to perform shall include, but not be limited to, the following:

1. STOREFRONTS

a. The Tenant shall construct the storefront and closure, including all required structural supports.

b. The design of the storefront shall be in harmony with the other stores of the Retail Area and shall conform to the standards of design and construction contained in the Tenant Design Manual. In any event, the storefront shall be subject to the prior approval of the Landlord's Representative.

c. The Tenant shall furnish and install all signs in accordance with the Tenant Design Manual. All are subject to approval of the Landlord and the Landlord's Representative.

2. FLOOR SLABS

a. Any work performed by the Tenant relating to the floor slabs for The demised premises, including, without limitation, slab preparation, placement of concrete, any demolition, will be performed by the Tenant's contractor at the Tenant's expense, in accordance with the plans and specifications which shall have been approved by the Landlord's Representative prior to commencing any such work.

3. CEILINGS

a. The Tenant shall use the underwriter's approved non-combustible ceiling treatment as set forth in the Tenant Design Manual. Minimum ceiling heights shall be in accordance with the Tenant Design Manual.

b. No combustible materials will be permitted above the ceiling. The Tenant shall not hang any material or fixtures from the roof deck or bottom chord of structural members.

c. The Tenant shall not hang anything from the ceiling grid system or existing mechanical systems in the Terminal.

4. INTERIOR WALLS & PARTITIONS

a. The Tenant will be required to install a stud wall partition, or glass wall partition at the rear of the premises as defined in the Tenant Design Manual.

b. All interior finish materials shall meet the flamespread requirements of all applicable codes, ordinances and regulations.

6. FLOOR COVERING

a. The Tenant shall install all floor covering within the demised premises

7. TRASH AND RUBBISH

a. The Tenant shall provide for an area for dry rubbish collection containers within the demised premises.

b. If the Tenant generates garbage, wet garbage containers shall be provided by the Tenant.

c. The Tenant and the Tenant's contractors shall be totally responsible during construction and fixturing for their own trash removal.

8. PLUMBING

a. The Tenant shall install all plumbing work for the demised premises, including but not limited to, toilets, urinals, lavatories, drinking fountains, electric hot water systems and other fixtures. Work shall include all waste piping, vent piping, water and waste connections to laterals and stubs installed by the Landlord. If gas is required, Landlord will determine the route of gas line installation and the party responsible for installation.

10. FIRE EXTINGUISHERS

a. The Tenant shall furnish and install fire extinguishers as required by applicable authorities, including the Port Authority of New York and New Jersey and New York City Fire Departments and the Landlord's insurance carriers.

10. HEATING, VENTILATING AND AIR CONDITIONING

a. The Tenant shall, if desired, provide and install a fully self-contained heating and air conditioning system necessary to service the in the demised premises in accordance with the Tenant Design Manual and applicable code requirements. The equipment to be installed by the Tenant may include air distribution equipment, heating and cooling coils, diffusers, grilles, fire dampers, duct work, duct insulation, temperature controls and wiring.

b. Air conditioning equipment is permitted on the roof only in locations designated by the Landlord. Steel supports and curbs for roof equipment, whether furnished and installed by the Landlord or the Tenant, will be at the Tenant's expense. The foregoing will vary according to the particular physical characteristics of the demised premises and the Tenant should review the Tenant Design Manual for specific details.

c. All roof openings, blocking, flashing, steel supports and related work will be done by the Landlord's Contractor at the Tenant's expense. All work is subject to the approval of the Landlord's Representative and the Landlord's Architect.

d. Food tenants will be required to furnish any and all hoods, exhaust fans, makeup air units with heating provisions, and duct work in their premises.

e. The complete HVAC system must be in operation, inspected and balanced prior to the opening of the demised premises for business. The Tenant is responsible for balancing the HVAC distribution system by a balancing contractor approved by the Landlord.

12. ELECTRICAL

a. The Tenant shall furnish and install a complete electrical system for fire alarm, power and lighting as required by the Tenant Design Manual and applicable codes.

b. The Tenant shall make arrangements for the installation of Tenant's submeter and pay all costs and charges in connection therewith.

c. The Tenant shall furnish, install, support, and connect all lighting fixtures, including lamps.

a. The Tenant shall furnish and install all lighting timers, contactors, controls, etc.

13. OTHER INTERIOR WORK

a. The Tenant shall furnish and install all store fixtures; same to be new and at least equal in quality and design to fixtures used in other better-grade, recently-opened stores of the Tenant or the Tenant's parent company. All fixtures to be subject to the approval of the Landlord's Representative, said approval not to be unreasonably withheld or delayed provided same conform to the foregoing.

14. MATERIALS

No materials used in connection with the Tenant's work in or about the Terminal shall contain any asbestos or other hazardous or toxic materials (collectively, "hazardous materials"). If the transportation, storage, use or disposal of any hazardous materials anywhere on the Terminal associated in any way with the Tenant's work results in any 1) contamination of the soil or surface or groundwater or 2) loss or damage to person(s) or property, then Tenant agrees to respond in accordance with the following paragraph:

> Tenant agrees (i) to notify the Landlord immediately of any contamination, loss or damage, (ii) after consultation and approval by the Landlord, to clean up the contamination in full compliance with all applicable statutes, regulations and standards, and (iii) to indemnify, defend and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorneys' fees, arising from or connected with any such contamination, claim of contamination, loss or damage. This provision shall survive the termination of the lease to which this **Schedule "B"** is annexed. No consent or approval by the Landlord shall in any way be construed as imposing upon Landlord any liability for the means, methods, or manner of removal, containment or other compliance with applicable law for and with respect to the foregoing.

Tenant shall immediately notify Landlord upon Tenant's receipt of any inquiry, notice, or threat to give notice by any governmental authority or any other third party with respect to any hazardous material.

Schedule C

Certificate of Vote

I, RAM SINGLA [name of secretary], Secretary of MARAIR FOODS INC [name of corporation], hereby certify that the following is a true copy of a resolution of the board of directors of this corporation adopted at a meeting duly called and held on 12/20/07 [date], a quorum being present and acting throughout, and that such resolution has not been revoked, amended or modified and is in full force and effect:

> VOTED: That the President [or other officer] be and is hereby authorized, singly, to execute and deliver on behalf of this corporation a lease between MarketPlace LaGuardia Limited Partnership, as landlord, and this corporation, as tenant, and all related amendments, agreements, certificates, consents, instruments and documents, for approximately 1280 rentable square feet of retail space located in the Central Terminal Building at LaGuardia Airport, New York City, New York, upon such terms and conditions as the signing officer shall determine to be necessary or appropriate. The signature of the President [or refer to other officer as applicable] thereon shall conclusively evidence its approval by this vote.

This is to certify further that as of the date hereof RAM SINGLA is the President [or refer to other officer as applicable] of this corporation.

Ram Singla
Secretary

Dated: 3/2, 20 08

[SEAL]

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Schedule D

Nondiscrimination Requirements

1. Tenant shall not exclude any person from participation in, nor deny any person the benefits of, nor otherwise subject any person to discrimination in, the use by Tenant of the Premises or in the construction of any Improvements or the furnishing of any services at the Premises on the grounds of race, creed, color, national origin, sex, age, disability or marital status and Tenant shall use such space 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, Non-discrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, 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 Tenant's operations at the Premises, whether by reason of agreement between the Port Authority and the United States Government or otherwise.

Tenant's non-compliance with the provisions of this Schedule D shall constitute a material breach of this Sublease. In the event of any such breach of any of the above non-discrimination provisions, Landlord and the Port Authority each may take appropriate action to enforce compliance; or in the event such noncompliance shall continue for a period of seven (7) days after receipt of written notice from Landlord or the Port Authority, Landlord and the Port Authority each shall have the right to terminate this Sublease and the letting thereunder with the same force and effect as a termination under Section 16.2 of this Sublease, or may pursue such other remedies as may be provided by law; and as to any or all of the foregoing, each of Landlord and the Port Authority may take such action as the United States may direct. Tenant shall indemnify and hold harmless Landlord and the Port Authority from any claims and demands of third persons, including the United States of America, resulting from Tenant's noncompliance with any of the provisions of this **Schedule D** and Tenant shall reimburse Landlord and the Port Authority for any loss or expense incurred by reason of such noncompliance. Nothing contained in this **Schedule D** shall grant or shall be deemed to grant to Tenant the right to perform any construction at the Premises;

2. In addition to and without limiting any other term or provision of this Sublease, Tenant shall 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, sex, age, disability or marital status be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant shall assure that no person is excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this paragraph. Tenant also shall require that its covered suborganizations provide written assurances to Tenant and the Port Authority that they similarly will undertake affirmative action programs and that they will require written assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect;

3. In addition to and without limiting any other term or provision of the Sublease:

(a) Tenant 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 or **Schedule E** or section 2 of this **Schedule D**, Tenant shall, in connection with (i) its continuing operation, maintenance and repair of the Premises, or any portion thereof, including all purchasing procurement and subcontractors opportunities associated with the operations under this Sublease, including without limitation, the purchase of supplies, equipment, labor and other services, and (ii) every agreement for concession or consumer services in the Premises throughout the Term, 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 Tenant, to ensure, to the maximum extent feasible and consistent with cost competitiveness and other considerations properly present in the exercise of good business judgment (A) maximum opportunities for employment and contracting by minorities and women, (B) meaningful participation and (C) meaningful interest (in the business to be operated in any portion of the Premises) by Minority Business Enterprises

("MBEs") and Women-owned Business Enterprises ("WBEs") (such program is referred to herein as the "Tenant's Affirmative Action Program"). In meeting the said commitment Tenant shall submit to Landlord and Port Authority for its review and approval Tenant's Affirmative Action Program, within thirty (30) days after the execution of this Sublease. Tenant shall incorporate in Tenant's Affirmative Action Program such revisions and changes which Landlord and Port Authority initially or from time to time may reasonably require. Tenant throughout the term of the letting under this Sublease shall document its efforts in implementing Tenant's Affirmative Action Program, shall keep Landlord and Port Authority fully advised of Tenant's progress in implementing Tenant's Affirmative Action Program and shall supply to Landlord and Port Authority such information, data and documentation with respect thereto as Landlord and Port Authority may from time to time and at any time request, including but not limited to annual reports.

4. The following terms used in this **Schedule D** shall have the following meanings:

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

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

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

(d) "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 subcontractors from MBEs and WBEs, including circulation of solicitations to minority and female contractor associations. Tenant shall maintain records detailing the efforts made to provide for meaningful MBE and WBE participation as called for in Paragraph 3 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 Tenant 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 Landlord and Port Authority (Office of Business and Job Opportunity) detailing its compliance with the provisions hereof.

(e) "Meaningful participation" shall mean that at least twelve percent (12%) of the total dollar value of such purchases and subcontracts is from Minority Business Enterprises and that at least five percent (5%) of the total dollar value of such purchases and subcontracts is from Women-owned Business Enterprises.

(f) "Meaningful interest" shall mean that at least twenty percent (20%) in the aggregate of all gross dollar sales and other receipts generated in each annual period of this Sublease from retail activities and other subordinate agreements hereunder by businesses which are approved by the Port Authority as the parties to such agreements and which are owned, controlled and actually managed and operated by Disadvantaged Business Enterprises.

(g) To qualify for certification as a DBE, a firm must be:

(i) a small business concern; and

(ii) owned and controlled by one or more socially and economically disadvantaged individuals; and

(iii) actually managed and operated by one or more of the socially and economically disadvantaged individuals who control it.

With respect to a corporation, "control" as used in this paragraph shall mean legal and beneficial ownership by one person, firm or corporation, or a group acting in concert, of a majority of the issued and outstanding shares of the capital stock and voting rights of another corporation. With respect to a person or firm other than a corporation, "control" as used in this paragraph shall mean the power to direct the management and policies of such person or firm, whether by legal or beneficial ownership or otherwise.

Determination of Business Size:

(1) The size standards established by the SBA in 13 CFR Part 121, as revised on May 25, 1988, are used for making size determinations.

(2) No retail firm is considered small if, including its affiliates, it averaged annual gross sales in excess of $30 million over the previous three years.

(3) All affiliates of a firm, as well as the firm itself, are considered when determining gross sales earned or number of persons employed. Affiliation exists if one firm controls or has the power to control the other, or a third party or parties controls or has the power to control both firms:

Socially and Economically Disadvantaged Individuals:

(1) Any person having a current 8(a) certification form from the Small Business Administration is considered to be socially and economically disadvantaged.

(2) The Port Authority makes a "rebuttable presumption" that individuals in the following groups who are citizens of the United States (or lawful permanent residents) are socially and economically disadvantaged:

(i) Portuguese: (a person of Portuguese, Brazilian, or other Portuguese culture or origin, regardless or race);

(ii) Black: (a person having origins in any of the Black racial groups of Africa);

(iii) Hispanic: (a person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race);

(iv) American Indian and Alaska Native: (a person having origins in any of the original peoples of North America); or

(v) Asian American: (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands).

The Port Authority will generally assume that business owners who fall into one of these groups are socially and economically disadvantaged. Their disadvantaged status will not generally be investigated unless a third party challenge is made.

(3) Other individuals may be found to be socially and economically disadvantaged on a case-by-case basis. For example, a disabled Vietnam veteran, an Appalachian white male, or another person may claim to be disadvantaged. If such individual requests that his or her firm be certified as DBE, the Port Authority, as part of the certification process, will determine whether the individual is socially and economically disadvantaged under the criteria established by the Federal Government. These owners must demonstrate that their disadvantaged status arose from individual circumstances, rather than by virtue of membership in a group.

The Port Authority has compiled a list, which may be supplemented and revised from time to time by the Port Authority, to indicate the firms the Port Authority determines satisfy the criteria for DBE certification. Such list shall be made available upon request. The Port Authority makes no representation as to the financial responsibility of such firms, their technical competence to perform, nor any other performance-related qualifications. Only listed DBEs and such firms not so listed but certified by the Port Authority as DBEs hereunder will count toward the DBE goals.

Certification of DBEs hereunder shall be made by the Office of Business and Job Opportunity of the Port Authority. To utilize a firm not so listed, there must be submitted to the Port Authority a written request for a determination that the proposed firm is eligible for certification. This shall be done by completing and forwarding such form as may be required by the Port Authority from time to time. All such requests shall be in writing addressed to the Office of Business and Job Opportunity, The Port Authority of New York and New Jersey, One World Trade Center, 63 East, New York, NY 10048. Eligibility for certification shall only be made in writing over the name of the Director in charge of the Office of Business and Job Opportunity. The determination of the Port Authority shall be final and binding on the applicant. For inquiries or assistance please contact Mr. John Alexander at (212) 435-6513.

5. With respect to Paragraph 3(b)(i) hereof,

(a) It is agreed that Tenant shall develop on-the-job training opportunities and/or participate in training programs including upgrading programs and apprenticeship and trainee programs relevant to its respective employment needs.

(b) Tenant shall employ and train all operations, maintenance and other personnel required for the performance of the applicable matter. In addition to the training of the initial personnel staff, Tenant shall train replacement personnel as needed to meet staffing requirements.

(c) Tenant shall also place in effect a testing program whereby personnel within a specific job classification are tested initially and periodically retested for proficiency within that job classification. With concurrence by Landlord, certain job classifications may be exempted from such testing or retesting.

(d) Tenant shall provide all instructors, literature, training aids, and equipment necessary to train personnel. Tenant shall provide sufficient classroom and on-the-job training for personnel to ensure their competence. The training shall provide at least three (3) months of on-the-job training for all personnel. Personnel will be required to pass the testing program appropriate to their positions prior to assuming those positions on a full time basis. Tenant shall administer such test and retrain personnel as needed.

(e) Tenant shall document its efforts in implementing the said program, shall keep Landlord and Port Authority fully advised of Tenant progress in implementing the said program and shall supply to Landlord

and Port Authority such information, data and documentation with respect thereto as Landlord and Port Authority may from time to time and at any time request. Such material shall include but is not limited to providing Landlord and Port Authority within a month following the commencement of the term of this Sublease, and whenever thereafter requested by the Port Authority, a list of skilled and unskilled positions and supervisory and management positions required to complete and sustain performance.

Tenant's non-compliance with the provisions of this Paragraph 5 shall constitute a material breach of this Sublease. In the event of the breach by Tenant of any of the above provisions of this Paragraph 5 each of Landlord and Port Authority may take any appropriate action to enforce compliance; or in the event such non-compliance shall continue for a period of seven (7) days after receipt of written notice from Landlord or the Port Authority, Landlord and the Port Authority each shall have the right to terminate this Sublease and the letting thereunder with the same force and effect as a termination under Section 16.2 of this Sublease, or may pursue such other remedies as may be provided by law.

In the implementation of Paragraphs 3 and 5, Landlord or Port Authority may consider compliance by Tenant 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 Paragraphs 3 and 5 as effectuating the provisions of these Paragraphs 3 and 5. If Landlord or 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 Landlord or Port Authority may waive the applicability of the provisions of this Paragraph 3 to the extent that such duplication or conflict exists.

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; and

6. Tenant shall furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at Terminal; furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and, without being construed in derogation of Section 8.5 of this Sublease, charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that Tenant may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers; and

7. Tenant acknowledges that:

(a) 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 Tenant of the covenants, promises and obligations contained in this Sublease is therefore a special consideration and inducement to any consent to any sublease by the Port Authority, and 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 Tenant of such covenants, promises and obligations, Tenant will promptly comply therewith, at the time or times when and to the extent that the Port Authority may direct.

(b) Without limiting the generality of this Paragraph 5, this Sublease is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23, subpart F. Tenant agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement covered by 49 CFR part 23, subpart F.

(c) Tenant agrees to include the above statements in any subsequent concession agreements that it enters and cause those businesses to similarly include the statements in further agreements, the foregoing not to be construed as approval by Landlord or the Port Authority of any such agreements as required.

8. Tenant shall require all contractors (and subcontractors thereof, at any tier of construction) to include in all contracts for construction relating to the Premises the following statements:

(a) 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;

(b) At the request of either the Port Authority or Landlord, 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 Landlord 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;

(c) 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;

(d) The contractor will include the provisions of subparagraphs (a) through (c) 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;

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

Schedule E

Contractor Bid Conditions

Part I. Affirmative Action Guidelines – Equal Employment Opportunity

I. As a matter of policy the Port Authority and Landlord hereby require Tenant and Tenant shall require the Contractor, as hereinafter defined, to comply with the provisions set forth hereinafter in this **Schedule E** and in Section 31 of the Prime Lease. The provisions set forth in this Part I are similar to the conditions for bidding on federal government contracts adopted by the Office of Federal Contract Compliance and effective May 8, 1978.

Tenant as well as each bidder, contractor and subcontractor of Tenant and each subcontractor of a contractor at any tier of construction (herein collectively referred to as "the Contractor") must fully comply with the clause entitled "Equal Employment Opportunity" and conditions set forth herein (said conditions being herein called "Bid Conditions"). Tenant 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. Tenant 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. Tenant 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 Contractors' workforce at the construction site are as follows:

30%	Minority,	All	Skilled	Trades
40%	Minority,			Laborers
6.9%	Female,	All	Skilled	Trades
6.9%	Female Laborers			

In the event that during the performance of such contract the Office of Federal Contract Compliance establishes different goals for the New York City area Tenant/Contractor shall be deemed bound to such different goals and this Section shall be deemed amended to substitute such goals for the goals set forth above. These goals are applicable to all Tenant's/Contractor's construction work performed in and for the Premises. The term "Contractor" hereinafter shall include Tenant should Tenant or an affiliate thereof be the contractor.

The 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 goals shall be a violation of the contract and, where the contractor is the Tenant, the Sublease. Compliance with the goals will be measured against the total work hours performed.

(b) The Contractor shall provide written notification to Tenant and Tenant shall provide written notification to Landlord and 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 numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions the Contractor may have taken.

(4) Provide immediate written notification to Tenant 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 EEO 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 decisions 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 other 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 Contractor's 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 employment 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 Tenant. 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 action 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, Tenant 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 was performed. Records shall be

maintained in an easily understandable 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 Tenant and Tenant shall itself and shall require the general contractor or other construction supervisor and each of Tenant'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 twelve percent (12%) of the total dollar value of the construction contracts (including subcontracts) covering the construction work are for the participation of Minority Business Enterprises and that at least two percent (2%) of the total dollar value of the construction contracts (including subcontracts) are for the participation of Women-owned 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 Tenant 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.

Schedule F

Rules and Regulations for the Retail Area

TRASH REMOVAL/RECYCLING

The Tenant shall contract the services of the on-site carting company for all trash removal and pay all costs or fees for this service directly to the carting company.

The Tenant is always responsible for the removal of its own trash to the compactor. Whenever possible, trash should be removed from the premises before or after business hours to minimize any inconveniences to airport patrons.

Compactor Location

A trash chute is located in the service corridor behind the West Food Court service operators. Always place trash in the chute. If the compactor is full or fails to operate for any reason, notify the management office. Store the trash in your premises until the compactor is returned to service. Leaving trash on the floor of the service corridor is forbidden. Trash that is allowed to pile up in the service corridor generates foul odors and increases the chances of attracting rodents.

Recycling

A recycling program based on a New York City ordinance is in effect at the Airport. Tenants must separate cans, bottles, plastic, and cardboard from their typical garbage in the West End Food Court, recycling carts are located near the trash chute for the containment of these items. In the East End, recycling carts are located near the compactor located outside the Terminal.

General Rules

Trash may not be left outside your store or in back hallways, stairwells, or passageways for any reason.

Never use the trash receptacles in the common area for your garbage. Remember, you, not the custodians, are responsible for disposing of your own garbage.

Trash should be removed from the premises on a regular basis. It should not accumulate within your store. Allowing wet garbage to accumulate may create a pest problem, and the accumulation of dry garbage is a potential source of fire.

SIGNAGE

The Tenant's storefront signage must be continuously illuminated during business hours.

As a general rule, all signage must remain within the lease line and be professionally fabricated. No handwritten signs, banners or flags are permitted, and under no circumstances shall any sign be attached to the storefront or adjacent windows.

All permanent signage must be approved in writing by the Landlord.

HOUSEKEEPING ISSUES

Merchant Operations Inspection

Landlord will periodically conduct inspections of your store. Specific areas which are targeted include maintenance issues such as:

Trash removal/control

Overall cleanliness/condition of storefront and storefront windows

Overall cleanliness/condition of store interior

Presentation and condition of visual merchandising displays

Proper operation of lighting and/or menuboards

Identification of code violation

Extermination

Currently the Port Authority provides extermination services within the premises on a regular basis. If normal exterminating services are not sufficient in controlling pests or vermin, the Tenant should consult with the exterminating representative regarding other methods of treatment. In all cases, however, the Tenant has ultimate responsibilities for the proper maintenance of the premises and may be required to supplement the exterminating services.

Window Cleaning

Tenants are responsible for keeping the interior and exterior of storefront windows clean. Windows must be cleaned on a regular basis, and should be scheduled before or after business hours.

Inspection Requirements/Maintenance of Systems

Tenants are responsible for the routine inspection, maintenance and repair of any and all smoke detection devices, fire suppression and extinguishing systems by licensed companies. Copies of all reports should be forwarded to the MarketPlace Development Management Office.

All food service operators shall contract for the periodic removal of solids from their grease interceptors, and the necessary servicing of grease producing equipment including, but not limited to, fans, ducts, hoods, drip pans, etc.

Conveyance of Services

The Tenant, their employees or contractors may not perform any work in the common area during hours the Food Court is open without the prior consent of the Landlord.

The Tenant shall not permit its contractor to perform work of any nature unless the contractor has submitted a properly completed Certificate of Insurance to the Landlord. In the event that a Certificate of Insurance is not on file with the Landlord, the Landlord will request that the Tenant's Contractor stop all work immediately until proper evidence of such a Certificate is submitted.

Store Operations

The Tenant shall not permit their employees or agents to engage in promotions on behalf of the Tenant in the common area without the prior written consent of the Landlord.

Tenants shall not play loud music or generate other noise that, in the opinion of the Landlord, prohibits the right of others from the quiet and peaceful enjoyment of the common area.

Tenants shall allow the Landlord or its representative immediate access to the premises upon reasonable request.

Deliveries

All deliveries to the premises shall be made according to the attached delivery plan. Delivery vehicles may not be left unattended. Deliveries should be scheduled so they do not conflict with peak hours at the airport.

The Departures Level ramp and roadway is restricted in height to vehicles less than 11'6" and in weight to vehicles less than 30,000 GVW. All vehicles exceeding these requirements must make deliveries to the Arrivals Level of the Central Terminal Building and follow the route shown on the delivery plan.

Delivery staff should at all times respect the flow of passengers within the Terminal. Proper right of way should be given to passengers when entering an elevator or steering a cart through the common areas of the Terminal.

All delivery carts, utility carts and trash collection dumpsters must adhere to the following specifications:

4" revolving white rubber, non-marking corner bumpers on platforms or base of carts.

Full encircling rubber bumpers around lower platform base.

Handles, bag holders or other components of carts that can cause damage, are to be protected with 3" revolving, white rubber, non-marking bumpers.

The base of all carts shall be of tubular construction.

All carts shall be equipped with 8" x 1.75" Semi-Pneumatic ball bearing wheels.

Schedule G

Port Authority Consent to Sublease

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

CONSENT TO SUBLEASE

Consent Agreement No. AGA-
Port Authority Lease No. AGA-317
Facility - LaGuardia Airport

THIS CONSENT TO SUBLEASE AGREEMENT (hereinafter called the "Consent"), made _____ by and among THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), and MARKETPLACE LAGUARDIA LIMITED PARTNERSHIP (hereinafter called the "Lessee") and _____, a _____ corporation (hereinafter called the "Sublessee") with an office and place of business at _____, whose representative is _____.

WITNESSETH, That:

WHEREAS, by an agreement of lease dated September 19, 1994, bearing Port Authority Lease No. AGA-317 (said agreement of lease, as heretofore and hereafter supplemented and amended being hereinafter called the "Lease"), the Port Authority leased to MarketPlace LaGuardia Limited Partnership certain areas in the Central Terminal Building (hereinafter called the "Terminal") including those in its passenger concourses, its Center Section and its East and West Wings (hereinafter collectively referred to as the "premises") at LaGuardia Airport (hereinafter called the "Airport") to be used by such parties as may be approved by the Port Authority as provided therein; and

WHEREAS, the Lessee and the Sublessee have requested the consent of the Port Authority to a proposed sublease agreement between the Lessee and the Sublessee, dated _____, pursuant to which the Lessee has made available to the Sublessee ____ spaces in the premises (sometimes hereinafter collectively called the "Space") upon which the Sublessee shall operate a store, and maintain storage space, to provide for the sale at retail of the goods/services set forth therein, a copy of which agreement is attached hereto, hereby made a part hereof and hereinafter called the "Sublease Agreement";

WHEREAS, the applicable provisions of the Lease require, and the Sublease Agreement provides, that the Sublease Agreement shall be subject and subordinate to the Lease as the same may be amended, supplemented or extended and, further, that it shall not take effect without the prior written consent of the Port Authority thereto embodied in an instrument signed by the Port Authority;

WHEREAS, the Sublessee and the Lessee have requested the consent of the Port Authority to the Sublease Agreement;

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

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

2. Notwithstanding any provision of the Sublease Agreement to the contrary, including but not limited to Sections 1.1 and 3.2 thereof, this Consent and the Sublease Agreement shall terminate, without notice to the Lessee or the Sublessee, on the day preceding the date of expiration or earlier termination of the Lease, or on such earlier date as the Lessee and the Sublessee may agree upon (in those circumstances where the Lease does not require the consent of the Port Authority to such earlier termination); provided, however, that the Sublease Agreement shall not terminate in the event of the termination of the Lease prior to the expiration of the term of the Sublease Agreement if the Port Authority shall notify the Sublessee and the Lessee at or prior to such effective date of termination of the Lease that the Port Authority shall and does assume the rights and obligations of the Lessee thereunder from the date of such notice and upon such notice the Sublessee shall be deemed to have fully attorned to the Port Authority, all as more specifically set forth in the Lease. In the event of such termination, the Sublessee shall cease its activities and operations at the Terminal, quit the Space and remove its property and property for which it is responsible therefrom on or before the effective date of termination of the Sublease Agreement.

3. If the Lessee shall at any time be in default of any of its monetary obligations under the Lease, and for so long as the Port Authority deems such default to be continuing or uncured, the Sublessee 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, but all such payments shall be credited against the obligations of the Lessee or of the Sublessee as the Port Authority may determine for each payment or part thereof.

4. (a) The Sublessee, in its operations under or in connection with the Sublease Agreement, agrees to assume, observe, be bound by and comply with all the terms, provisions, covenants and conditions of the Lease applicable thereto as if it were the Lessee under the Lease.

(b) All acts and omissions of the Sublessee (including but not limited to those on or with respect to non-exclusive areas, if any) shall be deemed to be acts and omissions of the Lessee under the Lease and, as between the Lessee and the Port Authority, the Lessee shall also be severally responsible for said acts and omissions, including, but not limited to, the obligations of indemnification and repair. Accordingly, pursuant to the foregoing sentence, those acts or omissions of the Sublessee which, if undertaken by the Lessee, would constitute a default or breach under the Lease are subject to the application of Lease provisions which are relevant to default and breach by the Lessee, including but not limited to those provisions which may provide Lessee with a grace period to cure a default and which may provide the Lessee an opportunity to perform where fulfillment of its obligation requires activity over a period of time.

5. (a) Without in any way affecting the obligations of the Lessee under the Lease and under this Consent, and the obligations of the Sublessee with regard to the indemnification provisions of the Lease, the Sublessee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including attorneys' fees and other legal expenses, including the costs of its "in-house" legal staff as such costs are determined by the Port Authority, incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death and personal injuries or for property damages arising out of the interest of the Sublessee under the Sublease Agreement, any default of the Sublessee in the performance or observance of any term or provision hereof or out of the use, operation, control, or occupancy of the Space by the Sublessee or by others with its consent or out of any of the acts or omissions of the Sublessee, its officers, employees, contractors, agents, representatives, guests, invitees and business visitors on said Space or out of any of the acts or omissions of the Sublessee, its officers, agents, representatives and employees elsewhere at the Airport, including claims and demands of the City of New York 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.

(b) If so directed, the Sublessee shall at its own expense defend any suits 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, and it shall cause its insurers to agree not to, 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) Notwithstanding anything to the contrary stated herein, including but not limited to the provisions of paragraph 6 herein, in any instance where the Sublessee's obligation to indemnify and hold harmless the Port Authority under this Consent is inconsistent, in conflict with or otherwise different from any obligation to indemnify the Port Authority under any provision of the Lease (to which the Sublease Agreement is subordinate and subject) which requires the Lessee to cause its subtenants to indemnify the Port Authority, then the controlling provisions shall be those which provide the broadest and most comprehensive indemnification of the Port Authority.

6. (a) Neither this Consent nor anything contained herein shall constitute or be deemed to constitute a consent to nor shall there be created an implication that there has been consent to any enlargement or change in the rights, powers and privileges granted to the Lessee under the Lease, nor consent to the granting or conferring of any rights, powers or privileges to the Sublessee as may be provided under the Sublease Agreement if not granted to the Lessee under the Lease, unless specifically set forth in this Consent, nor shall this Consent or anything contained herein impair or affect any of the duties, liabilities, or obligations imposed on the Lessee under the Lease.

(b) The Sublease Agreement is an agreement between the Lessee and the Sublessee with respect to the various matters set forth therein. Neither this Consent nor anything contained herein shall constitute an agreement between the Port Authority, the Lessee, or the Sublessee that, except as expressly provided for in paragraph 2 herein under the circumstances therein described and then only to the extent therein provided, the provisions of the Sublease Agreement shall apply and pertain as between them, it being understood that the terms, provisions, covenants, conditions and agreements of the Lease shall, in all respects, be controlling, effective and determinative.

(c) In the event of differences and inconsistencies between the terms of the Sublease Agreement and the terms of the Lease, the terms of the Lease shall control, it being the intention of the Lessee and the Port Authority merely to permit the conduct of retail operations by the Sublessee to the extent permitted by the Lease, the Sublease Agreement and this Consent 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. In addition, in any case of difference or inconsistency between the provisions of this Consent and those of the Sublease Agreement, this Consent shall be controlling. The specific mention of or reference to the Lessee or the Port Authority in any part of the Sublease Agreement including, without limitation thereto, any mention of any consent or approval of either the Port Authority or the Lessee now or hereafter to be obtained, shall not be or be deemed to create an inference that either the Port Authority or the Lessee has granted its consent or approval thereto or shall hereafter grant its consent or approval thereto, or that the discretion of either the Port Authority or the Lessee as to any such consent or approval shall in any way be affected or impaired. The lack of any specific reference in any provision of the Sublease Agreement to the Port Authority's or the Lessee's approval or consent shall not be deemed to imply that no such approval or consent is required and the Lease shall, in all respects, be controlling, effective and determinative.

(d) No provision of the Sublease Agreement including, but not limited to, those imposing obligations on the Sublessee 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 Sublease Agreement covering actions which shall or may be undertaken by the Sublessee including, but not limited to, construction on the Space, title to property, the right to assign the Sublessee's interest in the Sublease Agreement, or to further sublease the subject Space or any part thereof, and the right to perform services, be deemed to imply or infer that either the Port Authority's or the Lessee's consent or approval thereto will be given or that the discretion of either the Port Authority or the Lessee with respect thereto will in any way be affected or impaired. Reference in this paragraph to specific matters and provisions contained in the Sublease Agreement shall not be construed as indicating any limitation upon the rights of either the Port Authority or the Lessee with respect to their respective discretion as to the granting or withholding of approvals or consents as to other matters and provisions in the Sublease Agreement which are not specifically referred to herein.

(e) It is hereby acknowledged and agreed by the Lessee and the Sublessee that, except as expressly provided in Section 1(e) of the Lease, the Port Authority has no obligation under the Lease, this Consent or otherwise to pay, subsidize or in any manner whatsoever finance, directly or indirectly, all or any portion of any amount of the Sublessee's unamortized capital investment in the Space or at the premises. Any specific mention of or reference in the Sublease Agreement to the Port Authority in connection with any payment or other compensation to the Sublessee, upon termination of the Sublease Agreement or the Lease or upon revocation of this Consent with or without cause, of any amount of the Sublessee's unamortized capital investment in the Space or at the premises shall not be or be deemed to create an obligation or inference of an obligation on the part of the Port Authority to either the Sublessee or the Lessee to pay, subsidize or finance said unamortized capital investment, except in the event of a termination under Section 1(e) of the Lease, in which event the Port Authority's responsibility with respect to the Sublessee shall be strictly limited to the obligation expressly set forth in such Section 1(e).

(f) Notwithstanding anything to the contrary stated in the Sublease Agreement, certain modifications to the Sublease shall be deemed to have been made thereto, as follows, all of which shall supercede any provisions in the Sublease Agreement which are inconsistent or conflict with such modifications:

(i) in the last paragraph of Section 5.6 of the Sublease Agreement, the Port Authority shall not be bound by any confidentiality obligation undertaken by the Lessee under the Sublease Agreement, it being understood that the Port Authority has the right to apply whatever freedom of information policy is relevant under the circumstances.

(ii) in the event the Sublease is assigned to and assumed by the Port Authority for any reason whatsoever, wherever the Sublease requires or implies that the Lessee shall provide the Sublessee with written notice of a monetary default and breach and/or a grace period for payment obligations, the same shall not bind, apply to or be enforceable against the Port Authority. Accordingly, the Port Authority shall not be obligated to provide written notice to the Sublessee of a monetary default or breach, nor shall the Subtenant be entitled to grace periods with respect to its payment obligations. The foregoing shall be deemed to apply notwithstanding any provisions in the Sublease Agreement to the contrary, e.g., Section 5.7 (entitled "Payment of Rental") and Article 14 (entitled "Default").

(iii) in the event the Sublease Agreement is assigned to and assumed by the Port Authority for whatever reason whatsoever, whenever the Sublease requires the Lessee to be reasonable, to not unreasonably withhold, delay or condition its consent or approval, to use its reasonable efforts, to use best efforts, to provide reasonable notice of inspections, or the like, the same shall not bind, apply to or be enforceable against the Port Authority which, it is understood, shall be obligated in such instances only not to act arbitrarily and capriciously.

(iv) Without limiting the generality of Section 10.2, entitled "Electricity", the Lessee's responsibilities to provide connections and tie-ins for electrical service, at Lessee's own cost and expense, shall be governed by the provisions of the Lease.

7. No changes or amendments to the Sublease Agreement nor any renewals or extensions thereof shall be binding or effective upon either the Port Authority or the Lessee unless the same have been approved in advance by the Port Authority and the Lessee in writing. The Port Authority may at any time and from time to time by notice to the Sublessee modify, withdraw or amend any approval, direction, or designation given hereunder or pursuant hereto.

8. Anything contained in the Sublease Agreement or this Consent to the contrary notwithstanding, nothing in the Sublease Agreement or this Consent shall be deemed to imply that the Sublessee has the right to make any alteration, demolition, installation, addition or improvement to the premises or the Space, structural or non-structural, exterior or interior, including without limitation the installation of any signs at the Airport, except pursuant to the express written approval of the Port Authority and an approved Alteration Application which the Lessee shall prepare and submit to the Port Authority as more specifically provided in the Lease.

9. (a) The Port Authority shall have the right to separately revoke this Consent at any time by the Port Authority without cause, on thirty (30) days' notice to the Lessee and Sublessee, as to any one or more of the

spaces at the Terminal at which the Sublessee has permission to operate, and no such revocation shall be deemed to affect the Lease or the continuance thereof, but the Sublease Agreement as it applies to the space or spaces which are the subject of revocation shall be terminated thereby.

(b) In addition to all other rights of the Port Authority the Port Authority shall have the right to separately revoke the permission granted hereunder without cause, on thirty (30) days' notice, as to any one or more of the concession spaces and storage spaces at the Terminal at which the Sublessee has permission to operate, in which event the Sublessee's obligations with respect to the remaining concession and storage space(s) shall remain in effect.

10. (a) Neither any assignment by the Lessee to the Port Authority of its interest under the Sublease Agreement, nor the application or payment of security deposits to or for the benefit of the Port Authority, nor any direction to the Sublessee to pay rent or other amounts to the Port Authority, nor the payment thereof to and acceptance thereof by the Port Authority shall constitute or denote an assumption by the Port Authority of any of the obligations of the Lessee under the Sublease Agreement.

(b) Without limiting the generality and notwithstanding the provisions of paragraph 6(b) herein, the Sublessee and the Lessee further acknowledge and expressly agree that the Port Authority shall have the right to enforce the Sublease Agreement directly against the Sublessee, including but not limited to all insurance provisions thereof.

11. The Lessee and the Sublessee acknowledge and agree that, except as may be specifically and expressly set forth in the Lease and subject to the terms and conditions of the Lease, the Port Authority shall not be obligated to perform or furnish any services or utilities whatsoever in connection with the Sublease Agreement or the use and occupancy of the Space thereunder, including without limitation any obligation to provide or install or cause to be provided or installed any meters or submeters. Without limiting the generality of the foregoing, whenever the Port Authority undertakes pursuant to the Lease to sell, furnish and supply directly to the Sublessee a particular service or utility (e.g., Section 41 of the Lease), the Sublessee shall take the same from the Port Authority and make payment directly to the Port Authority, as required by the Lease, including but not limited to the payment as directed by the Port Authority of any charge, fee or rent or increase thereof (or the portion thereof allocated by the Port Authority to the Space or the operations therein) which any federal, state, municipal or other governmental body, authority or agency or any public utility assesses, levies, imposes, makes or increases.

12. (a) In addition to the insurance required to be maintained by the Lessee under the Lease, the Sublessee during the period the Sublease Agreement shall remain in effect shall in its own name as insured and including the Port Authority and the Lessee as additional insureds obtain, maintain and pay the premiums on a policy or policies of commercial general liability insurance, covering bodily injury, including death, products liability and property damage liability, none of the foregoing to contain care, custody or control exclusions, the foregoing to provide for coverage in the limits set forth below. All the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protection afforded the Sublessee thereunder with respect to any claim or action against the Sublessee by a third person shall pertain and apply with like effect with respect to any claim or action against the Sublessee by the Port Authority or Lessee, or both, but such endorsement shall not limit, vary, change or affect the protection afforded the Port Authority and Lessee as additional insureds. In addition, the insurance required hereunder shall provide or contain an endorsement providing that the protection afforded the Port Authority or Lessee, or both, thereunder as additional insureds with respect to any claim or action against the Port Authority or Lessee, or both, by the Sublessee shall be the same as the protection afforded the Sublessee thereunder with respect to any claim or action against the Sublessee by a third person as if the Port Authority and 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 Sublessee under subparagraphs (a) and (b) hereof.

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

Without limiting the provisions hereof, in the event the Sublessee 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 Sublease Agreement remains in effect. The Port Authority at any such time may make additions, deletions, amendments to or modifications of the above-scheduled insurance requirements, including an increase in such minimum limits, and may require such other and additional insurance, in such reasonable amounts, against such other insurable hazards, as the Port Authority may deem advisable and the Sublessee shall promptly comply therewith.

(b) 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 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 Sublease 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 Sublessee 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.

13. The granting of this Consent by the Port Authority shall not be or be deemed to operate as a waiver of the rights of the Port Authority or as a consent as to any subsequent use, occupancy or sublease (by the Lessee or by the Sublessee) of the Space or any other portion or area of the premises under the Lease, or to any assignment of the Lease or the Sublease Agreement or of any rights under either of them, whether in whole or in part.

14. Reference herein to the "Sublessee" shall mean and include the Sublessee, its officers, agents, employees and also others on the Airport with the consent of the Sublessee.

15. 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 Sublessee under any term provision of this Consent or because of its execution or because of any breach or alleged or attempted breach thereof or otherwise.

16. The Sublease 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.

17. Certain Definitions.

(a) "**Airport**" shall mean LaGuardia Airport, consisting of certain premises identified as "LaGuardia Airport" on Sheet LGA-1 of Exhibit A, and more particularly described in Exhibits B-1 and B-2, annexed to the City Lease, and such other property and

premises as may be acquired in connection with and added to such premises pursuant to the terms of the City Lease.

(b) **"City"** shall mean The City of New York, a municipal corporation of the State of New York.

(c) **"City Insureds"** shall mean the following entities: The City of New York, the officials and employees of The City of New York (to the extent that the officials and employees of the Port Authority of New York and New Jersey are likewise insured) and the New York City Economic Development Corporation, a local development corporation formed pursuant to Section 1411 of the Not-For-Profit Corporation Land of the State of New York, or such successor entity as may be designated by the City.

(d) **"City Lease"** shall mean the Amended and Restated Agreement of Lease of the Municipal Air Terminals between The City of New York, as Landlord, and The Port Authority of New York and New Jersey, as Tenant, dated as of November 24, 2004 and recorded in the office of the City Register of the City on December 3, 2004 under City Register File No. 2004000748687, as the same may have been or may be amended or supplemented.

18. The City Lease.

(a) The Lessee and the Sublessee acknowledge that they have received a copy of, and are familiar with the contents of, the City Lease (excepting exhibits, schedules and appendices referenced therein, copies of which are available to, but were not requested by, the Lessee and Sublessee). The Permittee acknowledges that no greater rights or privileges are hereby granted to the Lessee and the Sublessee than the Port Authority has the power to grant under the City Lease.

(b) In accordance with the provisions of the City Lease, the Port Authority, the Lessee and the Sublessee hereby agree as follows:

(i) This Consent is subject and subordinate to the City Lease and to any interest superior to that of the Port Authority;

(ii) The Lessee and the Sublessee shall not pay the fees or other sums under this Consent for more than one (1) month in advance (excluding security and other deposits required under this Consent). Sublessee agrees that amounts due to Landlord under Section 14.3 of the Sublease are Landlord's damages and do not and are not intended to constitute rent payable in advance in the ordinary course of business in contravention of this Section 18(b)(ii);

(iii) With respect to this Consent, the Lessee and the Sublessee on the termination of the City Lease will, at the option of the City, enter into a direct consent on identical terms with, the City;

(iv) The Lessee and the Sublessee shall indemnify the City with respect to all matters described in Section 31 of the City Lease to the extent such matters are referenced in, with respect to the Lessee, Lessee's indemnification obligations in the Lease, and with respect to the Sublessee, Sublessee's indemnification obligations in the Sublease and in this Consent;

(v) The Lessee and the Sublessee shall not use any portion of the Airport for any use other than as permitted under the City Lease;

(vi) The Lessee and the Sublessee shall exercise the privileges granted under the Lease and the Sublease, respectively, in a manner consistent with the Port Authority's obligations

under Section 28 of the City Lease to the extent applicable to, for the Lessee, Lessee's obligations under the Lease, and for the Sublessee, Sublessee's obligations under the Sublease and this Consent;

(vii) The failure of the Lessee and the Sublessee to comply with the foregoing provisions (after, with respect to the Lessee, the notice and the cure period provided in Section 18(a)(10) of the Lease) shall be an event of default under this Consent, which shall provide the Port Authority with the right to terminate this Consent and exercise any other rights that the Port Authority may have as the grantor of the privilege hereunder; and

(viii) The City Insureds (as such term is defined in the City Lease) shall be named as additional insureds or loss payees, as applicable, under each policy of insurance procured by the Lessee and the Sublessee pursuant to the terms of the Lease, the Sublease and this Consent, as applicable.

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

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

_____
Secretary

By _____

(Title)_____

(Seal)

ATTEST:

MARKETPLACE LAGUARDIA LIMITED PARTNERSHIP

By: Marketplace LaGuardia, Inc., General Partner

_____
Secretary

By _____

Print Name_____

(Title)_____ President

(Corporate Seal)

ATTEST:

M.A.R. AIR FOODS INC.

_____
Secretary

By _____

Print Name_____

(Title)_____ President

(Corporate Seal)

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

ATTEST:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

_____
Secretary

By _____

(Title)_____

ATTEST:

MARKETPLACE LAGUARDIA LIMITED PARTNERSHIP

By: Marketplace LaGuardia, Inc., General Partner

_____
Secretary

By _____

(Title)_____ President
(Corporate Seal)

ATTEST:

_____

_____
Secretary

By _____

(Title)_____
(Corporate Seal)

Form - All-Purpose Ack. N.Y. (rev 1/4/2000)

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

On the day of in the year 2008, 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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

STATE OF)
) ss.
COUNTY OF)

On the day of in the year 2008, 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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

STATE OF)
) ss.
COUNTY OF)

On the day of in the year 2008, 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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(notarial seal and stamp)

Schedule H

Guaranty

FOR VALUE RECEIVED, and in consideration for and as an inducement to **MarketPlace LaGuardia Limited Partnership** (the "Landlord") to enter into a sublease (the "Sublease") of even date herewith with _____ (the "Tenant") for premises in the Central Terminal Building at LaGuardia Airport, the undersigned (the "Guarantor") hereby unconditionally, absolutely and irrevocably:

1. Guarantees to Landlord the performance of all Tenant's obligations under the Sublease, including specifically, but without limitation: (i) payment of fixed minimum rent, percentage rental, additional rent and all other charges required to be paid thereunder; and (ii) the payment of all costs, expenses and damages (including reasonable attorneys' fees and expenses) which may arise as a result of any Tenant default under the Sublease, or this Guaranty; and waives all notices or demands required or permitted under the Sublease (except for copies of notices of default under the Sublease), including specifically, but without limitation, notice of any modification, extension or indulgence granted thereunder.

2. Covenants and agrees:

(a) That this Guaranty shall remain in full force and effect throughout the term of the Sublease, as it may be extended or renewed, and to any holdover term following any extension or renewal, and shall not be terminated, modified, affected or impaired by reason of: (i) any extension, renewal, modification, adjustment or amendment of the Sublease; (ii) any action which Landlord may take or fail to take against Tenant or against any other guarantor, if there be more than one; (iii) any waiver, indulgence or extension of time which Landlord may grant respecting the Sublease or this Guaranty; (iv) any failure to enforce any of the terms, covenants or conditions of the Sublease or this Guaranty; or (v) any assignment by Tenant, voluntary or otherwise, of its interest under this Sublease, or subletting, licensing or other arrangement concerning all or any part of the premises leased thereunder, whether or not Landlord has consented to same. Any requirement for acceptance of this Guaranty by Landlord is hereby waived.

(b) That with regard to any rights which may accrue to Landlord under or in connection with the Sublease or this Guaranty, Landlord may, at its option but after the expiration of any applicable grace or cure periods under the Sublease, proceed against Guarantor, or any one or more guarantors if there be more than one, without having commenced any action, or having obtained any judgment against Tenant or against the Guarantor or against any other guarantor if there be more than one; and Guarantor's and each other guarantor's liability with regard to the Sublease shall be as a primary party, with the same force and effect as if Guarantor and each other guarantor had originally signed the Sublease as a tenant.

(c) The liability of the Guarantor hereunder shall in no way be affected by: (a) the release or discharge of the Tenant in any creditors', receivership, bankruptcy or other proceedings; (b) the impairment, limitation or modification of the liability of the Tenant or the estate of the Tenant in bankruptcy, or of any remedy for the enforcement of the Tenant's said liability under the Sublease resulting from the operation of any present or future provision of the Federal Bankruptcy Act or other statute or from the decision in any court; (c) the rejection or disaffirmance of the Sublease in any such proceedings; (d) the assignment or transfer of the Sublease by the Tenant; (e) any disability or other defense of the Tenant; or (f) the cessation from any cause whatsoever of the liability of the Tenant. Without limiting the generality of the foregoing, the Guarantor hereby waives all suretyship defenses or defenses in the nature thereof.

(d) Until all the covenants and conditions in the Sublease on the Tenant's part to be performed and observed are fully performed and observed, the Guarantor: (a) shall have no right of subrogation against the Tenant by reason of any payments or acts of performance by the Guarantor, in

compliance with the obligations of the Guarantor hereunder; (b) waives any right to enforce any remedy which the Guarantor now or hereafter shall have against the Tenant by reason of any one or more payments or acts of performance in compliance with the obligations of the Guarantor hereunder; and (c) subordinates any liability or indebtedness of the Tenant now or hereafter held by the Guarantor to the obligations of the Tenant to the Landlord under the Sublease.

(e) That this instrument shall be governed by, and construed in accordance with, the laws of the State of New York; that this instrument shall be binding upon Guarantor and each other guarantor and their respective successors and assigns; that this instrument shall inure to the benefit of Landlord and Landlord's heirs, successors, assigns, legal representatives and grantees; that if any provisions hereof shall prove to be invalid, void or unlawful, the remaining provisions hereof shall in no way be affected, impaired or invalidated and shall remain in full force and effect; that where the context requires or admits, words of one gender shall include another gender, and the singular shall include the plural and vice versa; that if there be more than one guarantor hereunder, the guarantors shall be jointly and severally liable hereunder; and that as of the date hereof Tenant is an affiliate of and controlled by Guarantor.

WITNESS the execution hereof as a sealed instrument this _____ day of _____, 20__.

GUARANTOR: _____

By: _____
Its _____
Hereunto duly authorized

Witness:

_____

Guarantor's Address:

_____

_____

Schedule I

Approved Menu

- *Green Salads – Tossed with Toppings*
- *Salads Other – A variety of deli salads for example: hummus, chicken salad, pasta salads, etc.*
- *Pastas – Prepared hot with sauces*
- *Soups – Daily soup selections*
- *Bakery – Croissants, Muffins, Yogurt Loaf, Pies, Jumbo Gourmet Cookies, etc.*
- *Desserts – cakes, pies*
- *Fresh Fruits, Fruit Salads*
- *Fresh Vegetables with Dips*
- *Quesadillas – Filled with assorted fillings*
- *Premium Gourmet Coffee*
- *Dried Fruits & Nuts*
- *Snacks – Cookies, Chips, Healthy Snacks*
- *Beverages – Chilled – Typical of NY Gourmet Market type*
- *Grab & Go Salads, Desserts, Yogurt Parfaits, Cheeses, Fruits, Vegetables, Beverages*
- *Power / Energy Bars – Luna, Cliff, Kashi, MoJo, Kind, etc.*

Schedule J

Form of Letter of Credit

Irrevocable Standby Letter of Credit No. _____

Issued in _____, _____ on [Date]

Applicant:

[Tenant]
[Address]

Beneficiary:

MarketPlace LaGuardia Limited Partnership
One Wells Avenue, Suite 205
Newton, MA 02459

Amount: $_____

Date and Place of Expiration:
[Date] at [Issuing Bank's Counters]

Credit Available With: [Issuing Bank]

Available By Drafts at Sight.

We hereby establish our irrevocable Letter of Credit in your favor for the account of [Tenant], up to an aggregate amount not to exceed _____ Thousand Dollars ($_____), available by your draft(s) drawn on us at sight accompanied by:

- A statement purportedly signed by an authorized officer of the Beneficiary which provides that the Applicant is in default of its obligations to the Beneficiary under a lease (the "Lease") dated [date], between the Beneficiary, as landlord, and the Applicant, as tenant, and that on account of such default, the Beneficiary is entitled to draw under this Letter of Credit, or a statement purportedly signed by an authorized officer of the Beneficiary which provides that the Applicant has failed to provide a replacement letter of credit in accordance with the terms of the Lease, and that on account thereof, the Beneficiary is entitled to draw under this Letter of Credit; and

- This original Letter of Credit.

This Letter of Credit shall expire at our office on [date] (the "Stated Expiration Date") or any other automatically extended expiration date. It is a condition that this Letter of Credit shall be deemed automatically extended without amendment for successive one (1) years periods from the Stated Expiration Date, unless at least sixty (60) days prior to the then-current expiration date, we send you and the Applicant notice in writing by registered/certified mail, return receipt requested, or by overnight courier, that we elect not to renew this Letter of Credit for any such additional one (1) year period.

This Letter of Credit is for the benefit of the Beneficiary and its successors and assigns.

Draft(s) and/or documents must be presented at [address of issuing bank].

We undertake that draft(s) drawn and presented in conformity with this Letter of Credit will be duly honored.

Partial drawings are permitted.

_____
[Authorized Signature]

: For Port Authority Use Only :
:
:Permit Number: AYE-208 :

JOHN F. KENNEDY INTERNATIONAL AIRPORT
PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at John F. Kennedy International Airport, in the Borough of Queens, County of Queens, City and State of New York, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** M.A.R. AIR FOODS, INC., a corporation formed under the laws of the State of New York

2. **PERMITTEE'S ADDRESS:** 127 Grand Avenue, Rockville Center, NY 11570

3. **PERMITTEE'S REPRESENTATIVE:** Rich Rosamilia

4. **PRIVILEGE:** To provide such services as are described in Special Endorsement No. 1 hereof (the "Authorized Service"), and for no other purpose or purposes whatsoever.

5. **FEES:** As set forth in Special Endorsement Nos. 3 and 4 hereof

6. **EFFECTIVE DATE:** June 1, 2012

7. **EXPIRATION DATE:** May 31, 2022

8. **REQUIRED SECURITY DEPOSIT:** $10,000.00

9. **INSURANCE REQUIREMENTS:** $2,000,000.00 minimum limit Commercial General Liability

10. **ENDORSEMENTS:** Standard Endorsements 4.1, 4.5, 6.1, 10.3, 14.1, Specials, Exhibit X and Schedule G

Dated: As of June 1, 2012

TERMINAL ONE GROUP ASSOCIATION, L. P.
Airline
By: Terminal One Management, Inc., General Partner

By: _____

Name ARTHUR J. MOLINS

(Title) CEO ~~President~~

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By _____

Name David Kagan
(Please Print Clearly)

(Title) Assistant Director
~~Business, Properties & Airport Development~~

Port Authority Use Only	
Approval as to Terms:	Approval as to Form:
STB	MG

MG/mmw

M.A.R. AIR FOODS, INC., Permittee

By _____

Name RAM SINGLA
(Please Print Clearly)

(Title) President

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) "*Airport*" or "*Facility*" shall mean John F. Kennedy International Airport, consisting of certain premises identified as "John F. Kennedy International Airport" on Sheet JFK-1 of Exhibit A, and more particularly described in Exhibit B, annexed to the City Lease, and such other property as may be acquired in connection with and added to such premises pursuant to the terms of the City Lease.

(b) "*City*" shall mean the City of New York.

(c) "*City Lease*" shall mean the Amended and Restated Agreement of Lease of the Municipal Air Terminals between the City of New York, as Landlord, and The Port Authority of New York and New Jersey, as Tenant, dated as of November 24, 2004 and recorded in the office of the City Register of the City on December 3, 2004 under City Register File No. 2004000748687, as the same may have been or may be amended or supplemented.

(d) "*Effective Date*" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(e) "*Environmental Requirement*" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances, codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, 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, all pollution prevention programs, "best management practices plans", and other programs adopted and agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements 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, or the transfer of property on which Hazardous Substances exist; and

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

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

(g) "*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 said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(h) "*Gross Receipts*" shall mean all monies paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other revenues of any type arising out of or in connection with the Permittee's operations at the Airport; provided, however, that any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee, shall be excluded therefrom. For avoidance of doubt, gross receipts shall include retail display allowances or other promotional incentives (collectively, "RDAs") (the gross amounts thereof, not net of expenses) received from vendors, suppliers or manufacturers and other revenues of any type arising out of or in connection with the Permittee's operations at the Terminal, including, without limitation, the following: proceeds from the sale of gift and merchandise certificates (but only when such certificates are treated as a sale from the concession area pursuant to the Permittee's record-keeping system), mail, catalogue (as further explained below), closed circuit television, computer, other electronic or telephone orders received or filled; deposits not refunded to purchasers; orders taken at the concession area (although such orders may be filled elsewhere); sales through vending machines or other devices; and all insurance proceeds received due to loss of gross earnings under the Permittee's business interruption insurance coverage. Catalogue sales generated from catalogues distributed from the concession area will be included in the Permittee's calculation of gross receipts. For this purpose, catalogues displayed in the concession area will include a tracking number unique to the concession area that allows for an auditable method for tracking such sales. A "sale" shall be treated as consummated for the purposes of this definition, and the entire amount of the sales price shall be included in gross receipts and deemed received at the time of determination of the amount due for each transaction, whether for cash, credit or otherwise, and not at the time of billing or payment. No deduction shall be allowed for uncollected or uncollectible credit accounts or "bad" checks.

Gross receipts shall not include (a) the amount of any cash or credit refund made upon any sale where the merchandise sold, or some part thereof, is thereafter returned by a purchaser and accepted by the Permittee; (b) the proceeds of sale of fixtures, equipment or other items of property which are not stock in trade and not in the ordinary course of the Permittee's business; (c) revenues in the form of refunds from, or the value of merchandise, services, supplies, or equipment returned to, vendors, shippers, suppliers or manufacturers including volume discounts received from the Permittee's vendors, suppliers, or manufacturers and rebates

that reduce the Permittee's cost of goods, excluding RDAs and other promotional incentives, which are expressly included in gross receipts; (d) the sale or transfer in bulk of the inventory of the Permittee to a purchaser of all or substantially all of the assets of the Permittee in a transaction not in the ordinary course of the Permittee's business; and (e) any revenues from the sale of pre-paid telephone calling card which are subject to a separate agreement with the Port Authority.

(i) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(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) "*Post-Termination Period*" shall have the meaning ascribed to it in paragraph (a) of Section 29 hereof.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee's indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days' written notice by the Port Authority, or terminated without cause upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises it right to revoke this Permit for any reason other than "without cause", the Permittee 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 revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of

this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

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

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

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

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

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

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

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

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) The Permittee agrees to pay to the Port Authority, in accordance with Item 5 appearing on the first page of this Permit, a percentage fee.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit, shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1556
PHILADELPHIA, PENNSYLVANIA 19195-0001

or made via the following wire transfer instructions:

Bank: TD Bank
Bank ABA number: 031201360
Account number:
Ex. 1/4

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

(c) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(d) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(e) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(f) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(g) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in the Special Endorsements and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(h) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(i) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the

Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than $20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, 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 Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds 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 re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable 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 Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. 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 Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. 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 Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, 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 all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee 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 Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such

additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee 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 Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive 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 an 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.

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

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than $20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the

Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon fifteen (15) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to

which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee 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 the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal 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 Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of 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 disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall, at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations, the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

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

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, and the Airline (as defined in Special Endorsement No. 1 of this Permit), its directors officers, employees, agents and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives, and the Airline, its directors officers, employees, agents and representatives, of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

(d) If so directed, the Permittee shall at its own expense defend any suit based upon any such claim or demand set forth in paragraphs (a), (b) and (c) above (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 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.

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) 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 effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned 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 Permittee shall promptly comply therewith.

(d) Each policy shall contain a 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 policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any

statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. 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 of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least seven (7) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier.

Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. 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 given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. 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 Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. 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 Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

(a) This Permit is subject to the requirements of the U.S. Department of Transportation's regulations, Title 49, Code of Federal Regulations, Part 23. The Permittee agrees that it shall not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement or other agreement covered by Title 49, Code of Federal Regulations, Part 23. Without limiting the generality of any of the provisions of this Permit, the Permittee, for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby agree that (1) no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of any space at the Airport and the exercise of any privileges under this Permit, (2) that in the construction of any improvements on, over, or under any space at the Airport and the furnishing of any service thereon by the Permittee, no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the Permittee shall use any space at the Airport and exercise any privileges under this Permit 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, 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 Permittee's operations thereat, whether by reason of agreement between the Port Authority and the United States Government or otherwise.

(b) The Permittee shall include the provisions of paragraph (a) of this Section in every agreement or concession covered by Title 49, Code of Federal Regulations, Part 23 that it enters into and cause those Person or Persons to similarly include the provisions in further agreements 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 provisions.

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; 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) Without limiting any other term or provision hereof, the Permittee 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 Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

The Permittee 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 Permittee 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 Permittee assures that it will require that its covered suborganizations provide assurances to the Permittee 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.

The Permittee acknowledges that Federal rules and regulations in connection with the subject matter of this Section may be amended from time to time and, in connection therewith, the Port Authority may modify the terms and provisions of this Section so as to assure compliance with such Federal rules and regulations. The Permittee hereby acknowledges and agrees that it shall be bound by all modifications made by the Port Authority to the terms and provisions of this Section, as described in the preceding sentence, upon written notice from the Port Authority containing such modifications.

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

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

18. Prohibited Acts

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

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

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

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

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

(v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or

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

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of paragraph (f) of Section 17 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

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

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts, or income therefrom, and shall make all applications, reports and returns required in connection therewith.

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

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the 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.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of 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, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

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

22. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

(ii) furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

(b) 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, 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 Permittee of the promises and obligations contained in this Permit is therefore a special consideration and inducement to the issuance of this Permit by the Port Authority, and the Permittee further 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 Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Permittee of its obligations under this Permit, the Permittee will promptly comply therewith at the time or times, when and to the extent that the Port Authority may direct.

23. Capacity and Competition:

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

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

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

(i) use its best efforts in every proper manner to develop and increase the business conducted by it hereunder;

(ii) not divert or cause or allow to be diverted, any business from the Airport;

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier

revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District , and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "*Affiliate*" and all such companies being hereinafter called the "*Affiliates*") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "*Books and Records*") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to five percent (5%) of the Audit Findings. 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 Permittee under this Permit 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 of 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 fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. 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 Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority hereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

(b) In accordance with the provisions of the City Lease, the Port Authority and the Permittee hereby agree as follows:

(i) This Permit is subject and subordinate to the City Lease and to any interest superior to that of the Port Authority;

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

(v) The Permittee shall not use any portion of the Airport for any use other than as permitted under the City Lease;

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Waiver of Trial by Jury:

The Permittee hereby waives its right to trial by jury in any action that may hereafter be instituted by the Port Authority against the Permittee in respect of the permission granted under this Permit and/or in any action that may be brought by the Port Authority to recover fees, damages, or other sums due and owing under this Permit. The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) Without in any way limiting the provisions hereof, unless otherwise notified by the Port Authority in writing, in the event the Permittee shall continue to perform the Authorized Service for any period (a "Post-Termination Period") following the expiration, revocation or termination of the effective period of the permission granted under this Permit, as such effective period of permission may be extended from time to time, the Permittee shall pay to the Port Authority, for any Post-Termination Period, a fee equal to twice the percentage fee otherwise stated to be payable hereunder.

(b) The foregoing shall not be deemed to give the Permittee any right to continue to perform the Authorized Service at the Airport after the expiration, revocation or termination of the effective period of the permission granted under this Permit. In addition, the Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the

Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(c) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any Post-Termination Period.

30. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, officer, agent or employee of the Port Authority shall be charged personally by the Permittee with any liability, or held liable to it, under any term or provision of this Permit, or because of its execution or attempted execution, or because of any breach thereof.

(c) The Section and paragraph headings, if any, in this Permit 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.

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

Initialed:

For the Port Authority

For the Permittee

For the Airline

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

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

STANDARD ENDORSEMENT NO. 4.1
MERCHANDISE AND/OR SERVICES
All Airports
7/21/49

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

STANDARD ENDORSEMENT NO. 4.5
PRICES AND/OR CHARGES
All Installations
5/16/49

The Permittee shall maintain all its own fixtures, equipment and personal property in the Space 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.

Nothing herein contained shall relieve the Permittee of its obligations to secure the Port Authority's written approval before installing any fixtures in or upon or making any alterations, decorations, additions or improvements in the Space.

The Permittee 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, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal 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 Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of 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 disposed into or upon the waters at or bounding the Airport.

STANDARD ENDORSEMENT NO. 10.3
GARBAGE REMOVAL
Airports
7/21/49

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

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

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

SPECIAL ENDORSEMENTS

1. (a) Pursuant to an agreement of lease between the Port Authority and Terminal One Group Association, L.P. (the "Airline") bearing Port Authority Lease No. AYC-190 and dated July 13, 1994 (as the same may have been supplemented, extended and amended and herein called the "Airline Lease") the Port Authority leased to the Airline Terminal One (the "Terminal") certain outside areas at John F. Kennedy International Airport (the "Airport" or the "Facility"). It was contemplated under the Airline Lease that certain consumer services would be operated in space provided by the Airline in the Terminal, and the Airline and the Permittee have accordingly entered into a "Terminal One Concession Agreement Food and Beverage Concessions", dated as of October 1, 2011 (as the same may have been supplemented, extended and amended, hereinafter the "Concession Agreement"), providing for the operation by the Permittee of a certain business in the Concession Area, as hereinafter defined.

(b) Subject to all of the terms, covenants and provisions of this Permit, the Port Authority and the Airline hereby grant to the Permittee in such area of the Terminal as shall be designated by the Airline (hereinafter called the "Concession Area") the privilege of operating a food and beverage concession kiosk selling such items as may be consented to in advance by the Airline and the Port Authority, and for no other purpose or purposes whatsoever. The Permittee understands that since the Terminal is leased to the Airline, all arrangements as to the concession space and facilities in which the privilege will be exercised, including utilities and services, shall be made with the Airline, and the Permittee acknowledges that it has made such arrangements. The Port Authority makes no representations or warranties as to the location, size, adequacy or suitability of the concession area and the facilities therein. Notwithstanding the foregoing, however, the Airline expressly hereby agrees that it shall not, pursuant to the Concession Lease, reassign all or any part of the space without the prior written consent of the Port Authority.

2. (a) As used herein

(i) "Annual Period" shall mean the twelve-month period commencing on the Commencement Date, as hereinafter defined, and each twelve-month period occurring thereafter during the period of the permission granted hereafter, commencing with each anniversary of the Commencement Date; *provided, however*, that if the Commencement Date occurs on a day which is other than the first day of a calendar month, the first Annual Period shall consist of the portion of the calendar month in which the Commencement Date occurs, plus the succeeding twelve (12) calendar months, and each subsequent Annual Period shall commence on the anniversary of the first day of the first full calendar month following the month in which the Commencement Date occurs; and *provided, further,* that the last Annual Period shall expire in any event on the expiration date of the period of the permission under this Permit.

(ii) "Commencement Date" shall mean the date of beneficial occupancy of the Concession Area (i.e., the date the Airline gives occupancy of the Concession Area to the Permittee under the Concession Agreement.

(ii) "PA Share" shall mean of the fees payable by the Permittee hereunder.

(b) (i) The Permittee shall pay to the Port Authority the PA Share, of a Minimum Annual Guaranty ("MAG") at the rate of per annum, payable in advance in equal, consecutive monthly installments equal to the PA Share of , on the Commencement Date and on the first day of each calendar month thereafter occurring during the first Annual Period. If the Commencement Date shall occur on a day other than the first day of a calendar month, the installment of the MAG payable on the Commencement Date shall be the amount of the installment described in this paragraph, prorated on a daily basis, using the actual number of days in the subject calendar month. The MAG is subject to annual adjustments as set forth in Special Endorsement No. 3.

(ii) If the effective period of the permission granted hereunder is terminated, revoked or expires effective on other than the last day of a month, the applicable MAG payable for the portion of the month in which the effective date of termination, revocation or expiration shall occur during which the permission granted hereunder remains effective, shall be the amount of the monthly installment of MAG set forth in subparagraph (b)(i) of this Special Endorsement, prorated on a daily basis, using the actual number of days in the subject calendar month.

(c) During the period commencing on the Commencement Date and continuing throughout the balance of the period of the permission granted under the Permit, the Permittee shall pay percentage fees per annum in an amount equal to the excess over the MAG as listed in subparagraphs (i) and (ii) below. The Permittee shall pay directly to the Port Authority the PA Share of the percentage fees payable under this subparagraph and the remaining balance to the Airline.

(i) of gross receipts generated hereunder in excess of and up to Ex. 2.a.

(ii) of gross receipts in excess of

The computation of percentage fees for each Annual Period, or a portion of an Annual Period, as herein above defined, shall be individual to such Annual Period, or such portion of an Annual Period, and without relation to any other Annual Period, or any other portion of any Annual Period.

(d) The Permittee shall pay percentage fees as follows: on the 10th day of the first month following the Commencement Date and on the 10th day of each and every month thereafter including the month following the end of each Annual Period, the Permittee shall render to the Port Authority a sworn statement showing its gross receipts for the preceding month and showing its cumulative gross receipts from the date of the commencement of the Annual Period for which the report is made through the last day of the preceding month, whenever such statement shall show that the sum of the percentages stated above applied to the cumulative gross receipts of the Permittee is in excess of the MAG, the Permittee shall pay at the

Permittee shall thereafter on the 10th day of each month during that Annual Period and on the 10th day of the month following the end during such Annual Period pay an amount equal to the said percentages applied to the gross receipts during each subsequent month of that Annual Period.

(e) Upon any termination or revocation of the period of the permission granted hereunder (even if stated to have the same effect as expiration), the Permittee shall within ten (10) days after the effective date of such termination, make a payment of fees computed as follows: first, if the period of the permission hereunder is terminated or revoked effective on a date other than the last day of a month the basic fee for the portion of the month in which the period of the permission remains effective shall be the amount of the applicable monthly installment of basic fee prorated on a daily basis, and if the monthly installment due on the first day of that month has not been paid the Permittee shall pay the prorated part of the amount of that installment; if the monthly installment has been paid, then the excess shall be credited to the Permittee's obligations; second, the Permittee shall within ten (10) days after the effective date of termination or revocation, render to the Port Authority a sworn statement separately showing all its gross receipts for the monthly period in which the effective date of termination or revocation happens to fall and the cumulative gross receipts for such Annual Period, third, the payment then due on account of the percentage fee for the Annual Period in which the effective date of termination or revocation happens to fall shall be the excess over the prorated MAG of the percentages stated in subparagraph (c) above applied to all the gross receipts arising during such Annual Period; said MAG being prorated by multiplying the same by a fraction, the numerator of which shall be the number of days from the commencement of the Annual Period through the effective date of termination or revocation and the denominator of which shall be 365, less any percentage fee payments previously made for such Annual Period.

3. (a) As used in subparagraph (b) of this paragraph:

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

(2) "Base Period" shall mean the first full calendar month immediately preceding the Commencement Date.

(3) "Adjustment Period" shall mean, as the context requires, the calendar month constituting the Base Period and the same calendar month in each calendar year thereafter during the period of permission.

(4) "Anniversary Date" shall mean, as the context requires, the first anniversary of the Commencement Date (the "**First Anniversary Date**") and each anniversary of such date occurring during the period of permission.

(5) "Annual Index Increase" shall mean the percentage of increase in the Index on each Anniversary Date, equal to: (x) with respect to the First Anniversary Date, a fraction of which the numerator shall be the Index for the Adjustment Period immediately

fraction of which the numerator shall be the Index for the Adjustment Period immediately preceding such Anniversary Date less the Index for the Base Period, and the denominator shall be the Index for the Base Period, and (y) with respect to each Anniversary Date thereafter, a fraction of which the numerator shall be the Index for the Adjustment Period immediately preceding such Anniversary Date less the Index for the next preceding Adjustment Period, and the denominator shall be the Index for such next preceding Adjustment Period (for example, the Annual Index Increase for the Anniversary Date that is June, 2014 would be a fraction of which the numerator is the Index for May 2014 less the Index for May 2013 and the denominator is the Index for May 2013).

(6) "Percentage Increase" shall mean the percentage of increase in the Index on each Anniversary Date equal to a fraction the numerator of which shall be the Index for the Adjustment Period immediately preceding such Anniversary Date less the Index for the Base Period and the denominator of which shall be the Index for the Base Period.

(b) Commencing on the Anniversary Date and continuing through to the day preceding the next Anniversary Date, or the expiration date of the period of permission granted under the Permit, as the case may be, both dates inclusive, in lieu of the MAG fees set forth in subparagraph (b) of Special Endorsement No. 2 hereof the Permittee shall pay a MAG at a rate per annum equal to the sum obtained by adding to the fee set forth in subparagraph (b) of Special Endorsement No. 2 hereof the product obtained by multiplying such fee by the Percentage Increase for such Anniversary Date.

(c) In the event the Index to be used in computing any adjustment referred to in subparagraph (b) of this paragraph is not available on the effective date of such adjustment, the Permittee shall continue to pay the MAG at the annual rate then in effect subject to retroactive adjustment at such time as the specified Index becomes available; provided, however, that the Port Authority may at its option substitute for such Index the Index for the latest preceding month then published to constitute the specified Index. In the event the United States Consumer Price Index for All Urban Consumers - New York-Northern New Jersey-Long Island, NY-NJ-CT (All Items, Unadjusted Index 1982-84=100) shall hereafter be converted to a different standard reference base or otherwise revised or the United States Department of Labor shall cease to publish the United States Consumer Price Index for All Urban Consumers - New York-Northern New Jersey-Long Island, NY-NJ-CT (All Items, Unadjusted Index 1982-84=100), then for the purposes hereof there shall be substituted for the Index such other appropriate index or indices properly reflecting changes in the value of current United States money in a manner similar to that established in the Index used in the latest adjustment as the Port Authority in its discretion determine.

If after an adjustment in the MAG fee shall have been fixed for any period, the Index used for computing such adjustment shall be changed or adjusted, then the fee adjustment for that period shall be recomputed and from and after notification of the change or adjustment, the Permittee shall make payments based upon the recomputed fee and upon demand shall pay any excess in the MAG fee due for such period as recomputed over amounts theretofore actually paid on account of the monthly fee for such period. If such change or adjustment results in a reduction in the monthly fee due for any period prior to notification, the Port Authority will

credit the Permittee with the difference between the monthly fee as recomputed for that period and amounts of monthly fee actually paid.

If any adjustment of MAG fee referred to in subparagraph (b) of this Special Endorsement is effective on a day other than the first day of a calendar month, there shall be payable in advance on the effective date of fee adjustment an installment of monthly fee equal to 1/12th of the increment of annual monthly fee as adjusted multiplied by a fraction, the numerator of which shall be the number of days from the effective date of the fee adjustment to the end of the calendar month in which the fee adjustment was effective and the denominator of which shall be the number of days in that calendar month.

4. (a) The Permittee shall make and perform as necessary the (i) replacement or refurbishment of furniture, fixtures, wall treatments, service stations and other areas visible to the public; (ii) modification of merchandise, service or aesthetic concepts; and (iii) replacement or major repair of any storage areas of the Concession Area (hereinafter the "Refurbishment Work") completed by June 1, 2017 (hereinafter the "Refurbishment Date"). The Permittee hereby agrees to expend not less than on the refurbishment (hereinafter the "Refurbishment Amount"); provided, however, that if the Port Authority and the Airline jointly agree that the condition of the Concession Area prior to the Refurbishment Date does not warrant expenditure of the Refurbishment Amount to maintain the Concession Area in a first class condition, the Refurbishment Amount may thereafter be reduced by agreement between the Airline and the Port Authority.

(b) Upon forty-five (45) days following completion of the Refurbishment Work , the Permittee shall certify to the Port Authority and the Airline, in a sworn statement, signed by the Permittee's fiscal officer or other responsible executive, that it has complied with the foregoing minimum Refurbishment Amount expenditure requirement and at such time the Permittee shall deliver to the Port Authority and the Airline paid invoices, cancelled checks and other evidence of such compliance satisfactory to the Port Authority and the Airline.

(c) To the extent permitted by sound accounting practice, the sum of the following items of cost incurred by the Permittee in performing the Permittee's Refurbishment Work shall constitute the cost of the Permittee's Refurbishment Work for the purpose of this Permit:

(i) The Permittee's payment to contractors;

(ii) The Permittee's payments for supplies and materials;

(iii) The Permittee's payments to persons, firms or corporations other than construction contractors or suppliers of materials, for services rendered or rights granted in connection with the performance of the Permittee's Refurbishment Work, not including the services of the types mentioned in Items (iv), (v) and (vi) below;

(iv) The Permittee's payments of premiums for performance bonds, for builders' risk insurance and for liability insurance in effect during the period of the performance of the Permittee's Refurbishment Work;

(v) The Permittee's payments for engineering services in connection with the performance of the Permittee's Refurbishment Work only;

(vi) The Permittee's payments for architectural, planning and design services in connection with the performance of the Permittee's Refurbishment Work;

Ex. 2.a. (vii) The sum of the costs approved under Items (iv), (v) and (vi) shall not exceed of the sum of the costs approved under Items (i), (ii) and (iii); if in fact there is any such excess, such excess shall not be a part of the cost of the Permittee's Refurbishment Work.

No payment or payments on account of administrative or other overhead costs and no payment to employees of the Permittee shall be included in the cost of the Permittee's construction work, whether or not allocated to the cost of such work by the Permittee's own accounting practices. No payment to a firm or corporation wholly or partially owned by or in common ownership with the Permittee shall be included in the cost of the Permittee's Refurbishment Work.

(d) In the event that the Permittee does not expend the Refurbishment Amount, or such lesser amount as the same shall have been approved by the Port Authority and the Airline, the Permittee shall remit to the Port Authority and the Airline the difference between the amount actually expended and the finally determined Refurbishment Amount,

5. Wherever the phrases "Port Authority or the Airline" and "Airline or the Port Authority" are used in this Permit they shall be deemed to mean either the Port Authority or the Airline or both.

6. The following shall be inserted following the second paragraph of Standard Endorsement No. 4.1:

> "The Permittee shall comply with the Port Authority Aviation Department's Street Pricing Policy. In connection therewith, the Permittee shall not charge prices to its customers in excess of "Street Prices," which for purposes of this Permit, is defined as follows:
>
> 1. If the Permittee conducts a similar business to the business operation permitted under this Permit in an off-airport location(s) in the Greater New York City- Northern New Jersey Metropolitan Area (the "Metro Area"), "Street Prices" shall mean the average price regularly charged by the Permittee for the same or similar item in such Metro Area location;

2. If the Permittee does not conduct a similar business to the business operation permitted under this Permit in the Metro Area, "Street Prices" shall mean the average price regularly charged in the Metro Area by similar retailers for the same or similar item;

3. If neither the Permittee nor other similar retailers sell a particular item in the Metro Area, "Street Prices" shall mean the average price regularly charged by the Permittee or other similar retailers for the same or similar item in any other geographic area, with a reasonable adjustment for any cost of living variance between such area and the Metro Area;

The Permittee's breach of the aforesaid Street Pricing Policy shall be deemed a material breach of the Permittee's obligations under this Permit.

The Permittee shall post in each sales area (including any temporary sales space) a notice in form and substance satisfactory to the Port Authority notifying the public that the Permittee subscribes to a "Street Pricing Policy," such policy to be clearly visible and unobstructed. If the Permittee charges any price to a customer in excess of the price which would satisfy the "Street Pricing Policy" in violation of its obligations under this Permit, the amount of such excess shall constitute an overcharge which shall, upon demand, by the Port Authority or the Permittee's customer, be promptly refunded to the customer."

7. (a) No greater rights are granted or intended to be granted to the Permittee hereunder than the Airline has the power to grant under the Airline Lease. Nothing herein contained shall be deemed to enlarge or otherwise change the rights granted to the Airline by the Airline Lease and all of the terms, provisions and conditions of the Airline Lease shall be and remain in full force and effect throughout the term of the Concession Agreement and the effective period of the permission granted hereunder.

(b) Neither this Permit nor anything contained herein shall constitute or be deemed to constitute a consent to nor shall there be created an implication that there has been consent to any enlargement or change in the rights, powers and privileges granted to the Airline under the Airline Lease, nor consent to the granting or conferring of any rights, powers or privileges to the Permittee as may be provided under the Concession Agreement if not granted to the Airline under the Airline Lease, unless specifically set forth in this Permit. The Concession Agreement is an agreement between the Airline and the Permittee with respect to the various matters set forth therein. Neither this Permit nor anything contained herein shall constitute an agreement between the Port Authority and the Airline that the provisions of the Concession Agreement shall apply and pertain as between the Airline and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Airline 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 Concession 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 Permit or shall thereafter grant its consent or approval thereto, or that the Port Authority's discretion as to any such consents or approval shall in any way be affected or impaired. The lack of any specific reference in any provisions of the Concession Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Airline Lease and this Permit shall, in all respects, be controlling, effective and determinative.

(c) No provision of the Concession Agreement including, but not limited to, those imposing obligations on the Permittee 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 Concession Agreement covering actions which shall or may be undertaken by the Permittee or the Airline including, but not limited to, construction of the Concession Area, title to property and the right to perform services, be deemed to imply or infer that Port Authority consent or approval thereto 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 shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding of approvals or consents as to other matters and provisions in the Concession Agreement which are not specifically referred to herein.

(d) It is hereby expressly understood that in the event of an inconsistency between the Concession Agreement and the Airline Lease, the Airline Lease shall control and in the event of an inconsistency between the Concession Agreement and this Permit, this Permit shall control. No changes or amendments to the Concession Agreement, nor any renewals or extensions thereof, shall be binding or effective upon the Port Authority unless the same have been approved in advance by the Port Authority in writing. It is expressly acknowledged that any Additional Space Agreement (as defined in Paragraph 35 of the concession Agreement) shall similarly be subject to the prior written approval of the Port Authority.

(e) This Permit and the privileges granted hereunder shall in any event expire on the date of expiration or earlier termination of the Airline Lease; provided, however, that this shall not affect or impair the Port Authority's rights of revocation or termination as contained elsewhere in this Permit.

(f) Title to all fixed improvements shall vest in the Port Authority or the City of New York upon installation. Trade fixtures and personal property of the Permittee will remain the property of the Permittee consistent with the provisions of the Concession Agreement.

8. It is understood and agreed that the Port Authority shall not sell, supply, or furnish any utilities or services to the Permittee, including, but not limited to, electricity, and the Permittee shall make its own arrangements with the Airline for the supply of such utilities, services, and facilities as it may require. Notwithstanding the foregoing, the Airline may, subject to the Port

Authority's prior written approval, charge the Permittee for extraordinary utility consumption in accordance with the terms of the Concession Agreement.

9. The Airline and the Port Authority shall both have the right by their officers, employees, agents, representatives and contractors at all reasonable times to enter upon the Concession Area for the purpose of inspecting the same, for observing the performance by the Permittee of its obligations under this Permit and for the doing of any act or thing which the Airline or the Port Authority may be obligated or have the right to do under this Permit, the Airline Lease, or otherwise. Further, the Airline shall have the right to enter upon the Concession Area for the purpose of making repairs, alterations or replacements in or to any portion of the Terminal in accordance with the provisions of the Airline Lease.

10. (a) Without limiting the generality of any term or provision of this Permit or the Standard Endorsements annexed thereto, the Permittee shall at all times keep the Concession Area and its fixtures, equipment and personal property in a clean and orderly condition and appearance. The Permittee shall be responsible for the repair, replacement and rebuilding of any and all parts of the Concession Area and any other parts of the Terminal or the Facility which may be damaged or destroyed by the acts or omissions of the Permittee, its officers, employees, agents, representatives, contractors, or other persons doing business with it. All non-structural repair, replacement and rebuilding shall be done by the Permittee (unless otherwise directed by the Airline) and structural repair, replacement and rebuilding may be done by the Airline, the cost of any such repair performed by the Airline for the Permittee to be repaid by the Permittee on demand.

(b) The Permittee shall not install any equipment, improvements or fixtures in the Concession Area or elsewhere in the Terminal or perform any alteration or construction work therein without the prior written approval of the Airline (including, but not limited to, the time for the performance of any such installation or work) and in the event of any such installation without the approval of the Airline then upon such notice from the Airline or the Port Authority the Permittee shall remove the same or cause the same to be changed to the satisfaction of the Airline and the Port Authority. In case of any failure on the part of the Permittee to comply with such notice, the Airline may effect the removal or change and the Permittee shall pay the cost thereof to the Airline on demand. All of the Permittee's equipment, fixtures or improvements shall be promptly removed from the Concession Area and the Terminal on or before the expiration, revocation or termination of this Permit and the Concession Area or other area affected by such removal shall be restored by the Permittee to the condition existing prior to any installation or replacement. If the Permittee shall fail so to remove from the Concession Area or the Terminal any property or thing which it is required to remove under this Permit, the Airline may remove such property and the Permittee shall pay to the Airline the cost thereof on demand. The Airline may store such property or thing in a public warehouse, but shall not be obligated to, or may retain the same in its own possession and in either event may sell the same at public auction, the proceeds thereof to be applied first to the expense of removal, restoration, retention, storage and sale, and second to any sums owed by the Permittee to the Airline or the Port Authority, with any balance remaining to be paid over to the Permittee. If the expense of such removal, restoration, retention, storage and sale shall exceed the proceeds of the sale, the Permittee shall pay such excess to the Airline on demand. The Permittee agrees not to perform

any servicing or maintenance to its equipment, fixtures, or property or to remove any such equipment, fixtures, or property unless the Airline has approved the time and manner of the performance thereof. The Permittee shall have no right to install any property or perform any work outside the Terminal nor shall the Permittee leave or store any property on the Facility.

(c) The Permittee shall promptly notify the Airline if any portion or all of the Concession Area or any of the Permittee's fixtures, equipment, or personal property is destroyed, damaged, or in need of repair regardless of the Permittee's responsibility therefor.

11. Such provisions of this Permit as apply to the rights and obligations of the parties hereto upon the expiration of the permission granted by this Permit shall apply to the rights and obligations of the parties hereto upon the revocation or termination of the permission granted by this Permit.

12. Although the printed provisions of this Permit were drawn by the Port Authority, the parties agree that this circumstance alone shall not create any presumption, canon of construction or implication favoring the position of the Port Authority, the Permittee or the Airline and the deletion of language from this Permit prior to its execution shall not be construed to have any particular meaning or to raise any presumption, canon of construction or implication including, without limitation, any implication that the parties intended thereby to state the converse or opposite of the deleted language.

13. In the event of any breach or default by the Permittee in paying the fees due under this Permit, the Airline shall have the right and obligation to enforce payment thereof and to exercise all necessary remedies in connection therewith. The Port Authority shall not be required to incur any expenses or to commence any legal motion or proceeding to collect unpaid fees from the Permittee; provided, however, that nothing herein shall be deemed a waiver by the Port Authority of any rights or remedies under this Permit which it may wish in its discretion to enforce by legal action or otherwise, and provided, further, however, that all monies due the Port Authority and collected by the Airline hereunder shall be remitted by the Airline to the Port Authority as and when collected.

14. Labor Harmony at the Airport

(a) General. In connection with its operations at the Airport under this Permit, the Permittee shall serve the public interest by promoting labor harmony, it being acknowledged that strikes, picketing, or boycotts may disrupt the efficient operation of the Terminal. The Permittee recognizes the essential benefit to have continued and full operation of the Airport as a whole and the Terminal as a transportation center. The Permittee shall immediately give oral notice to the Port Authority (to be followed reasonably promptly by written notices and reports) of any and all impending or existing labor-related disruptions and the progress thereof.

If any type of strike, picketing, boycott or other labor-related disruption is directed against the Permittee at the Terminal, or against its operations thereat pursuant to this Permit, which in the opinion of the Port Authority (i) physically interferes with the operation of the Airport, the Terminal or the Concession Area, or (ii) physically interferes with public access

between the Concession Area and any portion of the Terminal or the Airport, or (iii) physically interferes with the operations of other operators at the Airport or the Terminal, or (iv) presents a danger to the health and safety of users of the Airport or the Terminal, including persons employed thereat or members of the public, the Port Authority shall have the right at any time during the continuance thereof to take such actions as the Port Authority may deem appropriate including, without limitation, revocation of this Permit.

(b) Labor peace agreement. The Permittee represents that, prior to or upon entering into this Permit, it has delivered to the Port Authority either: (1) evidence that the Permittee has entered into a signed "labor peace agreement", in the form attached hereto as Exhibit X, or (2) written notification from an officer of the Permittee on the Permittee's letterhead that no labor organization (as defined by 29 U.S.C. Section 152(5)) has sought to represent the employees of the Permittee at the Airport as of the date of such notification. evidence of a signed labor peace agreement, in the form attached hereto as Exhibit X.

(c) Employee Retention. If the Permittee's concession at the Concession Area is of the same type (i.e., food, retail, news/gifts or duty-free concession) as that of the immediately preceding concession operator at the Concession Area (the "Predecessor Concession"), the Permittee agrees to offer continued employment for a minimum period of ninety (90) days, unless there is just cause to terminate employment sooner, to employees of the Predecessor Concession who have been or will be displaced by cessation of the operations of the Predecessor Concession and who wish to work for the Permittee at the Concession Area. The foregoing requirement shall be subject to the Permittee's commercially reasonable determination that fewer employees are required at the Concession Area than were required by the Predecessor Concession; except, however, that the Permittee shall retain such staff as is deemed commercially reasonable on the basis of seniority with the Predecessor Concession at the premises. The Port Authority shall have the right to demand from the Permittee documentation of the name, date of hire, and employment occupation classification of all employees covered by this provision. In the event the Permittee fails to comply with this provision, the Port Authority have the right at any time during the continuance thereof to take such actions as the Port Authority may deem appropriate including, without limitation, revocation of this Permit.

(d) Applicability of Provision. The provisions of this Special Endorsement shall apply to concession operators which employ ten (10) or more persons at the Concession Area.

15. This Permit is subject to the requirements of the United States Department of Transportation's regulations, 49 CFR Part 23. The Permittee agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement or any management contract, or subcontract, purchase or lease agreement or other agreement covered by 49 CFR Part 23. The Permittee agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23 that it enters and cause those businesses to similarly include the statements in further agreement. Further, the Permittee agrees to comply with the terms and provisions of Schedule G, attached hereto and hereto made a part hereof.

For the Port Authority

Initialed:

For the Permittee

For the Airline

EXHIBIT X

EVIDENCE OF SIGNED LABOR PEACE AGREEMENT

M.A.R. AIR FOOD, INC. (the "Company") has complied with board Resolution "All airports – Labor Harmony Policy" passed October 18, 2007, which stipulates that the Company must sign a Labor Peace Agreement with a labor organization that seeks to represent the Company's employees and that contains provisions under which the labor organization and its members agree to refrain from engaging in any picketing, work stoppages, boycotts or any other economic interference with the Company's operations.

FOR THE COMPANY: **M.A.R. AIR FOOD, INC.**	FOR THE UNION: [Insert Name of Labor Organization]
BY:_____	BY:_____
DATE:_____	DATE:_____

Initialed:

_____
For the Port Authority

_____
For the Permittee

_____
For the Airline

SCHEDULE G

AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) PARTICIPATION

In accordance with regulations of the US Department of Transportation 49 CFR Part 23, the Port Authority has implemented an Airport Concession Disadvantaged Business Enterprise (ACDBE) program under which qualified firms may have the opportunity to operate an airport business. The Port Authority has established an ACDBE participation goal, as measured by the total estimated annual gross receipts for the overall concession program. The goal is modified from time to time and posted on the Port Authority's website: www.panynj.gov.

The overall ACDBE goal is a key element of the Port Authority's concession program and Concessionaire shall take all necessary and reasonable steps to comply with the requirements of the Port Authority's ACDBE program. The Concessionaire commits to making good faith efforts to achieve the ACDBE goal. Pursuant to 49 CFR 23.25 (f), ACDBE participation must be, to the greatest extent practicable, in the form of direct ownership, management and operation of the concession or the ownership, management and operation of specific concession locations through subleases. The Port Authority will also consider participation through joint ventures in which ACDBEs control a distinct portion of the joint venture business and/or purchase of goods and services from ACDBEs. In connection with the aforesaid good faith efforts, as to those matters contracted out by the Concessionaire in its performance of this agreement, the Concessionaire shall use, to the maximum extent feasible and consistent with the Concessionaire's exercise of good business judgment including without limit the consideration of cost competitiveness, a good faith effort to meet the Port Authority's goals. Information regarding specific good faith steps can be found in the Port Authority's ACDBE Program located on its above-referenced website. In addition, the Concessionaire shall keep such records as shall enable the Port Authority to comply with its obligations under 49 CFR Part 23 regarding efforts to offer opportunities to ACDBEs.

Qualification as an ACDBE

To qualify as an ACDBE, the firm must meet the definition set forth below and be certified by the New York State or New Jersey Uniform Certification Program (UCP). The New York State UCP directory is available on-line at www.nysucp.net and the New Jersey UCP at www.njucp.net.

An ACDBE must be a small business concern whose average annual receipts for the preceding three (3) fiscal years does not exceed $47.78 million and it must be (a) at least fifty-one percent (51%) owned and controlled by one or more socially and economically disadvantaged individuals, or in the case of any publicly owned business, at least fifty-one percent (51%) of the stock is owned by one or more socially and economically disadvantaged individuals; and (b) whose management and daily business operations are controlled by one or more of the socially or economically disadvantaged individuals who own it. The personal net worth standard used in determining eligibility for purposes of

part 23 is $750,000.

The ACDBE may, if other qualifications are met, be a franchisee of a franchisor. An airport concession is a for-profit business enterprise, located on an airport, which is subject to the Code of Federal Regulations 49 Part 23, subpart F, that is engaged in the sale of consumer goods or services to the public under an agreement with the sponsor, another concessionaire, or the owner or operator of a terminal, if other than the sponsor. The Port Authority makes a rebuttable presumption that individuals in the following groups who are citizens of the United States or lawful permanent residents are "socially and economically disadvantaged":

a. Women;

b. Black Americans which includes persons having origins in any of the Black racial groups of Africa;

c. Hispanic Americans which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;

d. Native Americans which includes persons who are American Indians, Eskimos, Aleuts or Native Hawaiians;

e. Asian-Pacific Americans which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia or Hong Kong;

f. Asian-Indian Americans which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, Maldives Islands, Nepal and Sri Lanka; and

g. Members of other groups, or other individuals, found to be economically and socially disadvantaged by the Small Business Administration under Section 8(a) of the Small Business Act, as amended (15 U.S.C. Section 637(a)).

Other individuals may be found to be socially and economically disadvantaged on a case-by-case basis. For example, a disabled Vietnam veteran, an Appalachian white male, or another person may claim to be disadvantaged. If such individual requests that his or her firm be certified as ACDBE, the Port Authority, as a certifying partner in the New York State and New Jersey UCPs will determine whether the individual is socially or economically disadvantaged under the criteria established by the Federal Government. These owners must demonstrate that their disadvantaged status arose from individual circumstances, rather than by virtue of membership in a group.

Certification of ACDBEs hereunder shall be made by the New York State or New Jersey UCP. If Concessionaire wishes to utilize a firm not listed in the UCP directories but

which the Concessionaire believes should be certified as an ACDBE, that firm shall submit to the Port Authority a written request for a determination that the firm is eligible for certification. This shall be done by completing and forwarding such forms as may be required under 49 CFR Part 23. All such requests shall be in writing, addressed to Lash Green, Director, Office of Business and Job Opportunity, The Port Authority of New York and New Jersey, 233 Park Avenue South, 4th Floor, New York, New York 10003 or such other address as the Port Authority may designate from time to time. Contact OBJOcert@panynj.gov for inquiries or assistance.

General

In the event the signatory to this agreement is a Port Authority permittee, the term Concessionaire shall mean the Permittee herein. In the event the signatory to this agreement is a Port Authority lessee, the term Concessionaire shall mean the Lessee herein.

Initialed:

For the Port Authority

For the Permittee

For the Airline

: For Port Authority Use Only :
:
:Permit Number: AYD-732 :

JOHN F. KENNEDY INTERNATIONAL AIRPORT
PRIVILEGE PERMIT

The Port Authority of New York and New Jersey (the "Port Authority") hereby grants to the Permittee named below the described non-exclusive privilege at John F. Kennedy International Airport, in the Borough of Queens, County of Queens, City and State of New York, in accordance with the Terms and Conditions hereof; and the Permittee agrees to pay the fee hereinafter specified and to perform all other obligations imposed upon it in the said Terms and Conditions:

1. **PERMITTEE:** MAR AIR FOODS, LLC, a limited liability company formed under the laws of the State of New York

2. **PERMITTEE'S ADDRESS:** 127 Grand Avenue, Rockville, New York 11570

3. **PERMITTEE'S REPRESENTATIVE:** Rich Rosamilia

4. **PRIVILEGE:** To provide such services as are described in Special Endorsement No. 1 hereof (the "Authorized Service"), and for no other purpose or purposes whatsoever.

5. **FEES:** As set forth in Special Endorsement Nos. 3 and 4 hereof

6. **EFFECTIVE DATE:** May 1, 2007

7. **EXPIRATION DATE:** November 30, 2017, unless sooner revoked or terminated as provided herein.

8. **REQUIRED SECURITY DEPOSIT:** $4,080.00

9. **INSURANCE REQUIREMENTS:** $2,000,000.00 minimum limit Commercial General Liability

10. **ENDORSEMENTS:** Standard Endorsements 10.2, 14.1, Specials, and Schedule G

Dated: As of May 1, 2007

DELTA AIR LINES, INC.

By: John Boatright

Name John W. Boatright

(Title) Vice President

Port Authority Use Only:	
Approval as to Terms:	Approval as to Form:
JB	

MLG/NEI

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By for Lysa Scully

Name LYSA C. SCULLY
(Please Print Clearly)

(Title) ASST DIRECTOR, CCAS

MAR AIR FOODS, LLC, Permittee

By

Name RAM SINGH
(Please Print Clearly)

(Title) Member/Manager

TERMS AND CONDITIONS

1. Definitions:

The following terms, when and if used in this Permit, shall have the respective meanings given below:

(a) "*Airport*" or "*Facility*" shall mean John F. Kennedy International Airport, consisting of certain premises identified as "John F. Kennedy International Airport" on Sheet JFK-1 of Exhibit A, and more particularly described in Exhibit B, annexed to the City Lease, and such other property as may be acquired in connection with and added to such premises pursuant to the terms of the City Lease.

(b) "*City*" shall mean the City of New York.

(c) "*City Lease*" shall mean the Amended and Restated Agreement of Lease of the Municipal Air Terminals between the City of New York, as Landlord, and The Port Authority of New York and New Jersey, as Tenant, dated as of November 24, 2004 and recorded in the office of the City Register of the City on December 3, 2004 under City Register File No. 2004000748687, as the same may have been or may be amended or supplemented.

(d) "*Effective Date*" shall mean that date appearing in Item 6 on the first page of this Permit as the same may be modified pursuant to the provisions of Section 2(a) hereof.

(e) "*Environmental Requirement*" shall mean all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, directives, ordinances, codes, licenses, permits, orders, memoranda of understanding and memoranda of agreement, guidances, 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, all pollution prevention programs, "best management practices plans", and other programs adopted and agreements made by the Port Authority (whether adopted or made with or without consideration or with or without compulsion), with any government agencies, departments, commissions, boards, bureaus or instrumentalities of the United States, states and political subdivisions thereof, and all judicial, administrative, voluntary and regulatory decrees, judgments, orders and agreements 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, or the transfer of property on which Hazardous Substances exist; and

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

(f) "*Executive Director*" shall mean the person or persons from time to time designated by the Port Authority to exercise the powers and functions vested in the Executive

Director by this Permit; but until further notice from the Port Authority to the Permittee it shall mean the Executive Director of the Port Authority for the time being or his duly designated representative or representatives.

(g) "*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 said General Manager by this Permit; but until further notice from the Port Authority to the Permittee it shall mean said General Manager (or Acting General Manager) of the Airport for the time being or his duly designated representative or representatives.

(h) "*Gross Receipts*" shall mean all monies paid or payable to the Permittee for sales made and for services rendered at or from the Airport, regardless of when or where the order therefor is received, and outside the Airport, if the order therefor is received at the Airport, and any other revenues of any type arising out of or in connection with the Permittee's operations at the Airport; provided, however, that any taxes imposed by law which are separately stated to and paid by the customer and directly payable to the taxing authority by the Permittee, shall be excluded therefrom. For avoidance of doubt, gross receipts shall include retail display allowances or other promotional incentives (collectively, "RDAs") (the gross amounts thereof, not net of expenses) received from vendors, suppliers or manufacturers and other revenues of any type arising out of or in connection with the Permittee's operations at the Terminal, including, without limitation, the following: proceeds from the sale of gift and merchandise certificates (but only when such certificates are treated as a sale from the concession area pursuant to the Permittee's record-keeping system), mail, catalogue (as further explained below), closed circuit television, computer, other electronic or telephone orders received or filled; deposits not refunded to purchasers; orders taken at the concession area (although such orders may be filled elsewhere); sales through vending machines or other devices; and all insurance proceeds received due to loss of gross earnings under the Permittee's business interruption insurance coverage. Catalogue sales generated from catalogues distributed from the concession area will be included in the Permittee's calculation of gross receipts. For this purpose, catalogues displayed in the concession area will include a tracking number unique to the concession area that allows for an auditable method for tracking such sales. A "sale" shall be treated as consummated for the purposes of this definition, and the entire amount of the sales price shall be included in gross receipts and deemed received at the time of determination of the amount due for each transaction, whether for cash, credit or otherwise, and not at the time of billing or payment. No deduction shall be allowed for uncollected or uncollectible credit accounts or "bad" checks.

Gross receipts shall not include (a) the amount of any cash or credit refund made upon any sale where the merchandise sold, or some part thereof, is thereafter returned by a purchaser and accepted by the Permittee; (b) the proceeds of sale of fixtures, equipment or other items of property which are not stock in trade and not in the ordinary course of the Permittee's business; (c) revenues in the form of refunds from, or the value of merchandise, services, supplies, or equipment returned to, vendors, shippers, suppliers or manufacturers including volume discounts received from the Permittee's vendors, suppliers, or manufacturers and rebates that reduce the Permittee's cost of goods, excluding RDAs and other promotional incentives, which are expressly included in gross receipts; (d) the sale or transfer in bulk of the inventory of

the Permittee to a purchaser of all or substantially all of the assets of the Permittee in a transaction not in the ordinary course of the Permittee's business; and (e) any revenues from the sale of pre-paid telephone calling card which are subject to a separate agreement with the Port Authority.

(i) "*Hazardous Substance*" shall mean any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer, endocrine disruption or reproductive toxicity, petroleum and petroleum products and substances declared to be hazardous or toxic or the removal, containment or restriction of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal or other local statute or law now or at any time hereafter in effect as amended or supplemented and by the regulations adopted and publications promulgated pursuant thereto.

(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) "*Post-Termination Period*" shall have the meaning ascribed to it in paragraph (a) of Section 29 hereof.

2. Effective Date, Termination and Revocation:

(a) The permission hereby granted shall take effect upon the Effective Date. Notwithstanding Item 6 appearing on the first page of this Permit, the Effective Date of this Permit shall be that date the Permittee commenced any of the activities permitted by this Permit. The Permittee in executing this Permit represents that the Effective Date appearing in Item 6 on the first page of this Permit is the date the Permittee commenced any of the activities permitted by this Permit. If the Port Authority determines by audit or otherwise that the Permittee commenced any of the activities permitted by this Permit prior to said effective date, the Effective Date of this Permit shall be the date the Permittee commenced any of the activities permitted by this Permit and all obligations of the Permittee under this Permit shall commence on such date including without limitation the Permittee's indemnity obligations and obligations to pay fees.

(b) Notwithstanding any other term or condition hereof, the permission hereby granted may be revoked without cause upon thirty (30) days' written notice by the Port Authority, or terminated without cause upon thirty (30) days' written notice by the Permittee, provided, however, that it may be revoked on twenty-four (24) hours' notice by the Port Authority if the Permittee shall fail to keep, perform and observe each and every promise, agreement, condition, term and provision contained in this Permit, including but not limited to the obligation to pay fees. Unless sooner revoked or terminated, such permission shall expire in any event upon the expiration date hereinbefore set forth.

(c) In the event the Port Authority exercises it right to revoke this Permit for any reason other than "without cause", the Permittee 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 revocation, including without limitation any and all personnel and legal costs (including but not limited to the cost to the Port Authority of in-house legal services) and

disbursements incurred by it arising out of, relating to, or in connection with the enforcement or revocation of this Permit including, without limitation, legal proceedings initiated by the Port Authority to exercise its revocation rights and to collect all amounts due and owing to the Port Authority under this Permit.

(d) For the purposes of this Permit, a default by the Permittee in keeping, performing or observing any promise, obligation, term or agreement set forth herein on the part of the Permittee to be kept, performed or observed shall include the following whether or not the time has yet arrived for the keeping, performance or observance of any such promise, obligation, term or agreement:

(i) a statement by the Permittee to any representative of the Port Authority indicating that it cannot or will not keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit;

(ii) any act or omission of the Permittee or any other occurrence which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit; or

(iii) any suspension of or failure to proceed with any part of the privileges to be performed by the Permittee which makes it improbable at the time that it will be able to keep, perform or observe any one or more of its promises, obligations, terms or agreements under this Permit.

(e) (i) If any type of strike, boycott, picketing, work stoppage, slowdown or other labor activity is directed against the Permittee at the Airport or against any operations of the Permittee under this Permit, whether or not the same is due to the fault of the Permittee and whether or not caused by the employees of the Permittee, and if any of the foregoing, in the opinion of the Port Authority, results or is likely to result in curtailment or diminution of the privileges to be performed hereunder by the Permittee or to interfere with or affect the operation of the Airport by the Port Authority or to interfere with or affect the operations of lessees, licensees, permittees or other users of the Airport, the Port Authority shall have the right at any time during the continuance thereof to suspend the operations of the Permittee under this Permit and/or to revoke this Permit.

(ii) In the event the Port Authority exercises its right to revoke this Permit, as aforesaid, it shall do so by twenty-four (24) hours' written notice to the Permittee, effective as of the time specified in the notice. The exercise by the Port Authority of its right of suspension shall not waive or affect or be deemed to waive or affect the right of revocation.

(iii) Prior to the exercise of the right of suspension by the Port Authority, it shall give the Permittee notice thereof, which notice may be oral. The Permittee shall not perform its operations authorized by this Permit during the period of the suspension. The period of suspension shall end not more than twenty-four (24) hours after the cause thereof has ceased or been cured and the Permittee shall notify the Port Authority of such cessation or cure.

(iv) The rights of suspension and revocation as hereinbefore set forth may be exercised by the Port Authority prior to the Effective Date set forth in Item 6 on the first page of this Permit. No exercise by the Port Authority of its rights granted to it in paragraph (e) of this Section shall be deemed to be a waiver of any other rights of revocation contained in this Permit

or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

(f) No revocation or termination of the permission hereunder shall relieve the Permittee of any liabilities or obligations hereunder which shall have accrued on or prior to the effective date of revocation or termination.

(g) No exercise by the Port Authority of any right of revocation granted to it in this Section shall be deemed to be a waiver of any other rights of revocation contained in this Section or elsewhere in this Permit or a waiver of any other rights or remedies which may be available to the Port Authority under this Permit or otherwise.

3. Exercise of Rights:

(a) The rights granted hereby shall be exercised

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

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

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

(iv) if the Permittee is an individual, by the Permittee acting only personally or through the medium of its employees, and

(v) if the Permittee is a limited liability company, by the Permittee acting only through the medium of its members, managers, and employees;

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

(b) No greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

(c) Neither this Permit nor anything contained herein, shall be deemed to grant any rights in the Permittee to use and occupy any land, building space or other area at the Airport or shall be deemed to have created any obligation on the part of the Port Authority to provide any such land, space or area to the Permittee.

(d) Neither the execution and delivery of this Permit nor any act done pursuant thereto shall create between any terminal operator, lessee or other occupant of land at the Airport

including but not limited to the Permittee, on one hand, and the Port Authority on the other hand the relationship of bailor and bailee, or any other relationship or any legal status which would impose upon the Port Authority with respect to any personal property, such as but not limited to, aircraft cargo or baggage, owned and/or handled by the Permittee any duty or obligation whatsoever. The Permittee expressly agrees that the Port Authority shall have no liability with respect to any aircraft cargo or baggage or any other property of the Permittee or of any other Person left anywhere on the Airport.

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

(f) Nothing contained in this Permit shall constitute permission to the Permittee to park or store equipment or personal property at any location or area at the Airport.

(g) The Permittee shall have no right hereunder to carry on any business or operation at the Airport other than that specifically provided herein.

(h) It is understood that any and all privileges granted hereunder to the Permittee are non-exclusive and shall not be construed to prevent or limit the granting of similar privileges at the Airport to another or others, whether by this form of permit or otherwise, and neither the granting to others of rights and privileges granted hereunder nor the existence of agreements by which similar rights and privileges have been previously granted to others shall constitute a violation or breach of the permission herein granted.

(i) The Permittee, its employees, invitees and others doing business with it shall have no right hereunder to park vehicles within the Airport.

(j) The words "permission" and "privilege" are used interchangeably in this Permit, and except where expressly provided to the contrary, shall mean the privileges granted by this Permit.

4. Fees:

(a) The Permittee agrees to pay to the Port Authority, in accordance with Item 5 appearing on the first page of this Permit, a percentage fee.

(b) All statements to be submitted to the Port Authority pursuant to this Section and all payments made under this Permit, shall be sent to the following address:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
P.O. BOX 95000-1517
PHILADELPHIA, PENNSYLVANIA 19195-1517

or made via the following wire transfer instructions:

Bank: Commerce Bank
Bank ABA number: 031201360
Account number: Ex. 1/4

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

(c) If and to the extent the full fair market value of any sale, service or other item provided by the Permittee is not charged to or payable by the customer, then the fair market value thereof as determined by the Port Authority shall be included in Gross Receipts.

(d) Without limiting any other provisions of this Permit regarding Gross Receipts, in those instances where the Permittee provides any services or goods along with other services and goods to the same Person (including without limitation those instances where a service is part of or is included within a group of other services and rendered for a single price, and where a service is performed by the Permittee pursuant to agreement for the exchange of services or goods) the Permittee agrees that the value ascribed to the performance of such service by the Permittee shall be the fair and reasonable value thereof as determined by the Port Authority.

(e) Without limiting the requirement for Port Authority approval, if the Permittee conducts any privilege or any portion thereof through the use of a contractor or other third party which is not a Port Authority permittee and where the payments for any of the foregoing are made to such contractor rather than to the Permittee, said payments shall be deemed amounts, monies, revenues, receipts and income paid or payable to the Permittee for purposes of determining the Permittee's Gross Receipts, provided, however, that the foregoing shall not grant or be deemed to grant any right or permission to the Permittee to use an independent contractor or other third party to perform any privilege or portion thereof or the doing of anything hereunder by an independent contractor or other third party.

(f) Notwithstanding that the fee hereunder is measured by a percentage of Gross Receipts, no joint venture or partnership relationship between the parties hereto is created by this Permit.

(g) To the extent that the Permittee has not already done so at the time of execution of this Permit and without limiting the generality of any other term or provision hereof, the Permittee agrees to submit monthly statements of Gross Receipts as provided in the Special Endorsements and to pay, at the time of execution and delivery of this Permit to the Port Authority, all fees and other amounts due under this Permit for the period from the Effective Date to the time of execution and delivery of this Permit by the Permittee.

(h) Without limiting any other provision of this Permit, it is hereby specifically understood that the failure to set forth all the classes of Persons, all of the locations served or all of the types of services or activities performed by the Permittee in its exercise of the privileges granted hereunder as of the Effective Date, or the failure to, by appropriate supplement, revise this Permit to reflect any additional classes of Persons, locations served, or services or activities performed by the Permittee subsequent to said Effective Date, shall not affect the inclusion in Gross Receipts hereunder of the amounts, monies, revenues, receipts and income received or receivable by the Permittee in its operations, and the same shall be so included. The foregoing shall not constitute Port Authority consent or be deemed to imply that the necessary Port Authority consent (to be reflected in a supplement to the Permit) with respect to such additional classes of Persons, locations, services or activities will be given.

(i) Without limiting any term or provision of this Permit, in the event the Permittee performs (x) any service, other than the Authorized Service at the Airport, or (y) any service (including the Authorized Service) at any other Port Authority facility, whether such performance is the subject of a written agreement by and between the Port Authority and the Permittee, the Permittee hereby agrees that it will pay to the Port Authority any and all fees and/or charges applicable to such service. The Permittee also agrees that, at the request of the

Port Authority, it will enter into the appropriate agreement with the Port Authority providing permission for the Permittee to perform such service.

5. Security Deposit:

(a) (i) Provided that an amount is set forth in Item 8 on the first page of this Permit (the "*Required Security Deposit*"), and, provided, further, the amount of said Required Security Deposit is less than $20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deposit with the Port Authority (and shall keep deposited throughout the effective period of the permission under this Permit) the Required Security Deposit, either in cash, or bonds of the United States of America, or of the State of New Jersey, or of the State of New York, 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 Permittee, all of the terms, provisions, covenants and conditions of this Permit on its part to be fulfilled, kept, performed or observed. Bonds qualifying for deposit hereunder shall be in bearer form but if bonds of that issue were offered only in registered form, then the Permittee may deposit such bonds 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 re-registered in the name of the Port Authority (the expense of such re-registration to be borne by the Permittee) in a manner satisfactory to the Port Authority. The Permittee may request the Port Authority to accept a registered bond in the Permittee's name and if acceptable to the Port Authority the Permittee shall deposit such bond together with an irrevocable 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 Required Security Deposit is returned to the Permittee, any expenses incurred by the Port Authority in re-registering a bond to the name of the Permittee shall be borne by the Permittee. 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 Required Security Deposit, or any part thereof, in whole or partial satisfaction of any of its claims or demands against the Permittee. 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 Required Security Deposit itself shall cure any default or breach of this Permit on the part of the Permittee. With respect to any bonds deposited by the Permittee, the Port Authority shall have the right, in order to satisfy any of its claims or demands against the Permittee, 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 all claims, equities or rights of redemption of the Permittee. The Permittee hereby waives all right to participate therein and all right to prior notice or demand of the amount or amounts of the claims or demands of the Port Authority against the Permittee. The proceeds of every such sale shall be applied by the Port Authority first to the costs and expenses of the sale (including but not limited to advertising or commission expenses) and then to the amounts due the Port Authority from the Permittee. Any balance remaining shall be retained in cash toward bringing the Required Security Deposit to the sum specified in Item 8 on the first page of this Permit. In the event that the Port Authority shall at any time or times so use the Required Security Deposit, or any part thereof, or if bonds shall have been deposited and the market value thereof shall have declined below the amount set forth in Item 8 on the first page of this Permit, the Permittee 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 Required Security Deposit at all times to the full amount above stated in Item 8 on the first page of this Permit, and such additional deposits shall be subject to all the conditions of this Section. After the expiration or earlier revocation or termination of the effective period of the permission under this Permit, and

upon condition that the Permittee shall then be in no wise in default under any part of this Permit, and upon written request therefor by the Permittee, the Port Authority will return the Required Security Deposit to the Permittee 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 Permittee of this Permit or any part thereof. The Permittee agrees that it will not assign or encumber the Required Security Deposit. The Permittee may collect or receive 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 an 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.

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

(b) Provided that a Required Security Deposit amount is set forth in Item 8 on the first page of this Permit, and, provided, further, the amount of said Required Security Deposit is equal to or greater than $20,000.00, upon the execution of this Permit by the Permittee and delivery thereof to the Port Authority, the Permittee shall deliver to the Port Authority, as security for the full, faithful and prompt performance of and compliance with, on the part of the Permittee, all of the terms, provisions, covenants and conditions of the Permit on its part to be fulfilled, kept, performed or observed, a clean irrevocable letter of credit issued by a banking

institution satisfactory to the Port Authority and having its main office within the Port of New York District and acceptable to the Port Authority, in favor of the Port Authority, and payable in the Port of New York District in the amount of the Required Security Deposit. The form and terms of such letter of credit, as well as the institution issuing it, shall be subject to the prior and continuing approval of the Port Authority. Such letter of credit shall provide that it shall continue throughout the effective period of the permission granted under this Permit and for a period of not less than six (6) months thereafter; such continuance may be by provision for automatic renewal or by substitution of a subsequent clean and irrevocable satisfactory letter of credit. If requested by the Port Authority, said letter of credit shall be accompanied by a letter explaining the opinion of counsel for the banking institution that the issuance of said clean, irrevocable letter of credit is an appropriate and valid exercise by the banking institution of the corporate power conferred upon it by law. Upon notice of cancellation of a letter of credit, the Permittee agrees that unless the letter of credit is replaced by another letter of credit satisfactory to the Port Authority by a date not later than twenty (20) days prior to the effective date of cancellation, the Port Authority may draw down the full amount thereof and thereafter the Port Authority will hold the same as security. Failure to provide such a letter of credit at any time during the effective period of the permission granted under this Permit valid and available to the Port Authority, including any failure of any banking institution issuing any such letter of credit previously accepted by the Port Authority to make one or more payments as may be provided in such letter of credit, shall be deemed to be a breach of this Permit on the part of the Permittee. If the Port Authority shall make any drawing under a letter of credit held by the Port Authority hereunder, the Permittee, upon demand by the Port Authority and within two (2) days thereafter, shall bring the letter of credit back up to the amount of the Required Security Deposit. No action by the Port Authority pursuant to the terms of any letter of credit, or any receipt by the Port Authority of funds from any bank issuing such letter of credit, shall be or be deemed to be a waiver of any default by the Permittee under the terms of this Permit, and all remedies under this Permit and of the Port Authority consequent upon such default shall not be affected by the existence of a recourse to any such letter of credit.

(c) The Permittee acknowledges and agrees that the Port Authority reserves the right, in its sole discretion at any time and from time to time upon fifteen (15) days' notice to the Permittee, to adjust the amount of the Required Security Deposit. Not later than the effective date set forth in said notice by the Port Authority, the Permittee shall furnish additional cash or bonds, as provided for in paragraph (a) above, or an amendment to, or a replacement of, the letter of credit providing for such adjusted amount of the Required Security Deposit, as the case may be, and such additional cash and/or bonds or adjusted (or replaced) letter of credit shall thereafter constitute the Required Security Deposit required under this Section.

(d) If the Permittee is obligated by any other agreement to maintain a security deposit with the Port Authority to insure payment and performance by the Permittee of all fees, rentals, charges and obligations which may become due and owing to the Port Authority arising from the Permittee's operations at the Airport pursuant to any such other agreement or otherwise, then all such obligations under such other agreement and any deposit pursuant thereto also shall be deemed obligations of the Permittee under this Permit and as security hereunder as well as under any such other agreement and all provisions of such other agreement with respect to such obligations and any obligations thereunder of the Port Authority as to the security deposit are hereby incorporated herein by this reference as though fully set forth herein and hereby made a part hereof. The termination, revocation, cancellation or expiration of any other agreement to which such security shall apply or any permitted assignment of such other agreement shall not affect such obligations as to such security which shall continue in full force and effect hereunder.

6. Permittee's Operations:

(a) The Permittee shall provide to the Port Authority, upon request of the Port Authority from time to time, such information and data in connection with the permission granted hereunder as the Port Authority may request and shall, if so requested by the Port Authority, make periodic reports thereof to the Port Authority utilizing such forms as may be adopted by the Port Authority for such purpose.

(b) The Permittee 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 the permission granted hereunder, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal 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 Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of 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 disposed into or upon the waters at or bounding the Airport.

(c) The Permittee shall, at all times that areas of the Airport are being used for the privileges permitted hereunder, maintain said areas in a clean and orderly condition and appearance. The Permittee shall promptly wipe up any oil, gasoline, grease, lubricants and other inflammable liquids and substances and any liquids and substances having a corrosive or detrimental effect on the paving or other surface of the ramps or other areas upon which it performs the privileges authorized by this Permit resulting from its operations hereunder. The Permittee shall repair, replace, repave or rebuild, or at the Port Authority's election, the Permittee shall pay to the Port Authority the cost to the Port Authority of repairing, replacing, repaving or rebuilding, all or any part of the ramps or other areas upon which it performs the privileges authorized by this Permit which may be damaged or destroyed by such oil, gasoline, grease, lubricants or other liquids or substances or by any other act or omission of the Permittee or its employees, except for reasonable wear and tear arising out of its operations thereon.

(d) A principal purpose of the Port Authority in granting the permission under this Permit is to have available at the Airport, the privileges which the Permittee is permitted to render hereunder. The Permittee agrees that it will conduct a first-class operation and will furnish all fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and other facilities and replacements necessary or proper therefor, and keep the same in a first-class operating condition at all times.

(e) The Permittee shall immediately comply with all orders, directives and procedures as may be issued by the General Manager of the Airport covering the operations of the Permittee under this Permit at any time and from time to time. The Port Authority may, at any time and from time to time, without prior notice or cause, withdraw or modify any designation, approval, substitution or redesignation given by it hereunder.

(f) In the event of any injury or death to any person (other than employees of the Permittee) at the Airport when caused by the Permittee's operations, or damage to any property (other than the Permittee's property) at the Airport when caused by the Permittee's operations,

the Permittee shall immediately notify the Port Authority and promptly thereafter furnish to the Port Authority copies of all reports given to the Permittee's insurance carrier.

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

(h) The Permittee shall promptly repair or replace any property of the Port Authority damaged by the Permittee's operations at the Airport.

7. Indemnity:

(a) The Permittee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, employees and representatives, and the Airline (as defined in Special Endorsement No. 1 of this Permit), its directors officers, employees, agents and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's costs and expenses including legal costs and expenses incurred in connection with the defense of) all claims and demands of third Persons including but not limited to claims and demands for death or personal injuries, or for property damages, arising out of any default of the Permittee in performing or observing any term or provision of this Permit, or out of the operations of the Permittee hereunder, or out of any of the acts or omissions of the Permittee, its officers, employees or Persons who are doing business with the Permittee arising out of or in connection with the activities permitted hereunder, or arising out of the acts or omissions of the Permittee, its officers or employees at the Airport, including claims and demands of the City against the Port Authority for indemnification arising by operation of law or through agreement of the Port Authority with the said City.

(b) Without limiting any other term or provision hereof, the Permittee agrees to indemnify and hold harmless the Port Authority, its Commissioners, officers, employees, agents and representatives, and the Airline, its directors officers, employees, agents and representatives, of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Permittee under or in any wise connected with this Permit.

(c) Without limiting any other term or provision hereof, the Permittee shall indemnify the Port Authority and hold it harmless against all claims and demands of third Persons for damage to any aircraft cargo or baggage or any other property handled or delivered pursuant to the permission granted by this Permit.

(d) If so directed, the Permittee shall at its own expense defend any suit based upon any such claim or demand set forth in paragraphs (a), (b) and (c) above (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 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.

8. Liability Insurance:

(a) The Permittee, in its own name as insured and including the Port Authority as an additional insured, shall maintain and pay the premiums during the effective period of the Permit on a policy or policies of Commercial General Liability Insurance, including premises-operations and products-completed operations and covering bodily-injury liability, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the minimum limit set forth in Item 9 on the first page of this Permit. Without limiting the foregoing, the Permittee shall maintain Workers' Compensation and Employers Liability Insurance in accordance with the Permittee's statutory obligations under the applicable State Workers' Compensation Law for those employees of the Permittee employed in operations conducted pursuant to this Permit at or from the Airport. In the event the Permittee maintains the foregoing insurance in limits greater than aforesaid, the Port Authority shall be included therein as an additional insured, except for the Workers' Compensation and Employers Liability Insurance policies, to the full extent of all such insurance in accordance with all terms and provisions of this Permit.

(b) Each policy of insurance, except for the Workers' Compensation and Employers Liability Insurance policies, shall also contain an ISO standard "separation of insureds" clause or a cross liability endorsement providing that the protections afforded the Permittee thereunder with respect to any claim or action against the Permittee by a third person shall pertain and apply with like effect with respect to any claim or action against the Permittee by the Port Authority and any claim or action against the Port Authority by the Permittee, as if the Port Authority were the named insured thereunder, but such clause or endorsement shall not limit, vary, change or affect the protections afforded the Port Authority thereunder as an additional insured. Each policy of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Permittee under Section 7 of the Terms and Conditions of this Permit.

(c) 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 effective period of permission granted under this Permit. The Port Authority may, at any such time, require additions, deletions, amendments or modifications to the aforementioned 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 Permittee shall promptly comply therewith.

(d) Each policy shall contain a 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 policy shall contain a provision or endorsement that the insurer "shall not, without obtaining express advance permission from the General Counsel of the Port Authority, raise any defense involving in any way the jurisdiction of the tribunal over the person of the Port Authority, the immunity of the Port Authority, its Commissioners, officers, agents or employees, the governmental nature of the Port Authority or the provisions of any statutes respecting suits against the Port Authority." The foregoing provisions or endorsements shall be recited in each policy or certificate to be delivered pursuant to the following paragraph (e).

(e) A certified copy of each policy or a certificate or certificates of insurance evidencing the existence thereof, or binders, shall be delivered to the Port Authority upon execution and delivery of this Permit by the Permittee to the Port Authority. 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 of insurance. Any renewal policy shall be evidenced by a renewal certificate of insurance delivered to the Port Authority at least seven (7) days prior to the expiration of each expiring policy, except for any policy expiring after the date of expiration of this Permit. The aforesaid insurance shall be written by a company or companies approved by the Port Authority. If at any time any insurance policy shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policy shall be or become unsatisfactory to the Port Authority, the Permittee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each policy shall be delivered to or made available for inspection by the Port Authority.

(f) The foregoing insurance requirements shall not in any way be construed as a limitation on the nature or extent of the contractual obligations assumed by the Permittee under this Permit. The foregoing insurance requirements shall not constitute a representation or warranty as to the adequacy of the required coverage to protect the Permittee with respect to the obligations imposed on the Permittee by this Permit or any other agreement or by law.

9. Special Endorsements:

The Permittee hereby agrees to the terms and conditions of the endorsements attached hereto, hereby made a part hereof and marked "*Special Endorsements*". The terms and provisions of the Special Endorsements shall have the same force and effect and as if herein set forth in full.

10. No Waiver:

No failure by the Port Authority to insist upon the strict performance of any agreement, term or condition of this Permit or to exercise any right or remedy consequent upon a breach or default thereof, and no extension, supplement or amendment of this Permit during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of fees, charges or other payments in whole or in part after or during the continuance of any such breach or default, shall constitute a waiver of any such breach or default of such agreement, term or condition. No agreement, term or condition of this Permit to be performed or complied with by the Permittee, and no breach or default thereof, shall be waived, altered or modified except by a written instrument executed by the Port Authority. No waiver by the Port Authority of any default or breach on the part of the Permittee in performance of any agreement, term or condition of this Permit shall affect or alter this Permit but each and every agreement, term and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

11. Removal of Property:

The personal property placed or installed by the Permittee at the Airport shall remain the property of the Permittee and must be removed on or before the expiration, revocation, cancellation or termination of the permission hereby granted, whichever shall be earlier. Without limiting the terms and provisions of paragraph (g) of Section 18 hereof, any such property remaining at the Airport after the effective date of such expiration, revocation, cancellation or termination shall be deemed abandoned by the Permittee and may be removed

and disposed of by the Port Authority in any manner it so determines in its sole discretion and all the proceeds of any removal or disposition shall be retained by the Port Authority for its account and all costs and expenses of such removal and disposition shall be paid to the Port Authority by the Permittee when billed.

12. Permittee's Representative:

The Permittee's representative specified in Item 3 on the first page of this Permit (or such substitute as the Permittee may hereafter designate in writing) shall have full authority to act for the Permittee in connection with this Permit, and any act or thing done or to be done hereunder, and to execute on the Permittee's behalf any amendments or supplements to this Permit or any extension thereof, and to give and receive notices hereunder.

13. 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 given by the Port Authority to the Permittee shall be validly given if sent by registered or certified mail addressed to the Permittee at the address specified on the first page hereof or at the latest address that the Permittee may substitute therefor by notice to the Port Authority, or left at such address, or delivered to the Permittee's representative. Any notice from the Permittee to the Port Authority shall be validly given if sent by registered or certified mail addressed to the Executive Director of the Port Authority at 225 Park Avenue South, New York, New York 10003 or at such other address as the Port Authority shall hereafter designate by notice to the Permittee. If mailed, the notices herein required to be given shall be deemed effective and given as of the date of the certified or registered mailing thereof.

14. Late Charges:

If the Permittee should fail to pay any amount required under this Permit when due to the Port Authority including without limitation any payment of any fixed or percentage fee or any payment of utility or other charges, or if any such amount is found to be due as the result of an audit, then, in such event, the Port Authority may impose (by statement, bill or otherwise) a late charge with respect to each such unpaid amount for each late charge period (hereinbelow described) during the entirety of which such amount remains unpaid, each such late charge not to exceed an amount equal to eight-tenths of one percent of such unpaid amount for each late charge period. There shall be twenty-four (24) late charge periods on a calendar year basis; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (15) (but not less than thirteen (13)) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Permit. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section with respect to such unpaid amount. 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 Permit, including without limitation the Port Authority's rights set forth in Section 2 of these Terms and Conditions, or (ii) any obligations of the Permittee under this Permit. 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 Permit shall be payable instead at such legal maximum.

15. Non-discrimination:

(a) This Permit is subject to the requirements of the U.S. Department of Transportation's regulations, Title 49, Code of Federal Regulations, Part 23. The Permittee agrees that it shall not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement or other agreement covered by Title 49, Code of Federal Regulations, Part 23. Without limiting the generality of any of the provisions of this Permit, the Permittee, for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby agree that (1) no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of any space at the Airport and the exercise of any privileges under this Permit, (2) that in the construction of any improvements on, over, or under any space at the Airport and the furnishing of any service thereon by the Permittee, no person on the grounds of race, creed, color, national origin or sex shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the Permittee shall use any space at the Airport and exercise any privileges under this Permit 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, 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 Permittee's operations thereat, whether by reason of agreement between the Port Authority and the United States Government or otherwise.

(b) The Permittee shall include the provisions of paragraph (a) of this Section in every agreement or concession covered by Title 49, Code of Federal Regulations, Part 23 that it enters into and cause those Person or Persons to similarly include the provisions in further agreements 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 provisions.

(c) The Permittee's noncompliance with the provisions of this Section shall constitute a material breach of this Permit. Without limiting any other term or provision hereof or any other rights or remedies of the Port Authority hereunder or at law or equity, in the event of the breach by the Permittee of any of the above non-discrimination provisions, the Port Authority may take any appropriate action to enforce compliance or by giving twenty-four (24) hours' notice, may revoke this Permit and the permission hereunder; 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) Without limiting any other term or provision hereof, the Permittee 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 Permittee's noncompliance with any of the provisions of this Section and the Permittee shall reimburse the Port Authority for any loss or expense incurred by reason of such noncompliance.

(e) Nothing contained in this Section shall grant or shall be deemed to grant to the Permittee the right to transfer or assign this Permit, to make any agreement or concession of the

type mentioned in paragraph (b) hereof, or any right to perform any construction on any space at the Airport, or any right to use or occupy any space at the Airport.

16. Affirmative Action:

The Permittee 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 Permittee 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 Permittee assures that it will require that its covered suborganizations provide assurances to the Permittee 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.

The Permittee acknowledges that Federal rules and regulations in connection with the subject matter of this Section may be amended from time to time and, in connection therewith, the Port Authority may modify the terms and provisions of this Section so as to assure compliance with such Federal rules and regulations. The Permittee hereby acknowledges and agrees that it shall be bound by all modifications made by the Port Authority to the terms and provisions of this Section, as described in the preceding sentence, upon written notice from the Port Authority containing such modifications.

17. Rules and Regulations:

(a) The Permittee shall observe and obey (and compel its officers, employees, guests, invitees, and those doing business with it, to observe and obey) the rules and regulations and procedures of the Port Authority now in effect, and such further reasonable rules and regulations and procedures which may from time to time during the effective period of this Permit, be promulgated by the Port Authority for reasons of safety, health, preservation of property or maintenance of a good and orderly appearance of the Airport or for the safe and efficient operation of the Airport. The Port Authority agrees that, except in cases of emergency, it shall give notice to the Permittee of every rule and regulation hereafter adopted by it at least five (5) days before the Permittee shall be required to comply therewith.

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

18. Prohibited Acts

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

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

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

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

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

(v) may interfere with the effectiveness or accessibility of any drainage and sewerage system, water system, communications system, fire protection system, sprinkler system, alarm system, fire hydrant and hose, if any, installed or located or to be installed or located in or on the Airport, or

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

For the purpose of this paragraph (a), "Airport" includes all structures located thereon.

(b) The Permittee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on the Airport except that the Permittee may release or discharge de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder so long as such release or discharge is not a violation of the terms and conditions of Sections 17 or 19 hereof. In addition to and without limiting Section 19 hereof, any Hazardous Substance disposed of, released or discharged by the Permittee (or permitted by the Permittee to be disposed of, released or discharged) on the Airport shall upon notice by the Port Authority to the Permittee and subject to the provisions of paragraph (f) of Section 17 hereof and to all Environmental Requirements, be completely removed and/or remediated by the Permittee at its sole cost and expense, provided, however, the forgoing shall not apply to releases and discharges which are in compliance with the terms and conditions of Sections 17 and 19 hereof of de-icing fluids utilized in the Permittee's ordinary course of business in the performance of any of the privileges granted hereunder and the obligation of the Permittee to remove and remediate such de-icing fluids shall be as required by the terms and conditions of Sections 17 and 19 hereof. The obligations of the Permittee pursuant to this paragraph shall survive the expiration, revocation, cancellation or termination of this Permit.

(c) The Permittee shall not dispose of nor permit anyone to dispose of any waste materials (whether liquid or solid) by means of any toilets, sanitary sewers or storm sewers.

(d) (i) The Permittee shall not employ any persons or use any labor, or use or have any equipment, or permit any condition to exist, which shall or may cause or be conducive to any labor complaints, troubles, disputes or controversies at the Airport which interfere or are likely to interfere with the operation of the Airport or any part thereof by the Port Authority or with the operations of the lessees, licensees, permittees or other users of the Airport or with the operations of the Permittee under this Permit.

(ii) The Permittee shall use its best efforts to resolve any such complaints, troubles, disputes or controversies.

(iii) The Permittee acknowledges that it is familiar with the general and local conditions prevailing at the Airport and with the all pertinent matters and circumstances which may in any way affect performance of the privileges granted under this Permit.

(e) The Permittee shall not solicit business on the public areas of the Airport and the use, at any time, of hand or standard megaphones, loudspeakers or any electric, electronic or other amplifying device is hereby expressly prohibited.

(f) The Permittee shall not install any fixtures or make any alterations, additions, improvements or repairs to any property of the Port Authority except with the prior written approval of the Port Authority.

(g) No signs, posters or similar devices shall be erected, displayed or maintained at the Airport without the written approval of the General Manager of the Airport; and any not approved by such General Manager or not removed by the Permittee upon the termination, revocation, expiration or cancellation of this Permit may be removed by the Port Authority at the expense of the Permittee.

(h) The Permittee shall not operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated.

(i) The Permittee shall not use any cleaning materials having a harmful or corrosive effect on any part of the Airport.

(j) The Permittee shall not fuel or defuel any equipment in any enclosed space at the Airport without the prior approval of the General Manager of the Airport except in accordance with Port Authority rules and regulations.

(k) The Permittee shall not start or operate any engine or any item of automotive equipment in any enclosed space at the Airport unless such space is adequately ventilated and unless such engine is equipped with a proper spark-arresting device.

19. Law Compliance:

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

(b) The Permittee shall pay all taxes, license, certification, permit and examination fees and excises which may be assessed, levied, exacted or imposed on its property or operations at the Airport or on the Gross Receipts, or income therefrom, and shall make all applications, reports and returns required in connection therewith.

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

(d) The Permittee's obligations to comply with governmental requirements are provided herein for the purpose of assuring proper safeguards for the protection of Persons and property at the 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.

(e) The Port Authority has agreed by a provision in the City Lease with the City covering the Airport to conform to the enactments, ordinances, resolutions and regulations of the City and of 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, to the extent that the Port Authority finds it practicable so to do. The Permittee shall, within forty-eight (48) hours after its receipt of any notice of violation, warning notice, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation, deliver the same to the Port Authority for examination and determination of the applicability of the agreement of lease provision thereto. Unless otherwise directed in writing by the Port Authority, the Permittee shall conform to such enactments, ordinances, resolutions and regulations insofar as they relate to the operations of the Permittee at the Airport. In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Permittee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Permittee of a written direction from the Port Authority, such compliance shall not constitute a breach of this Permit, although the Port Authority thereafter notifies the Permittee to refrain from such compliance. Nothing herein contained shall release or discharge the Permittee from compliance with any other provision hereof respecting governmental requirements.

20. Trademarks and Patent Infringement:

The Permittee represents that it is the owner of or fully authorized to use or sell any and all services, processes, machines, articles, marks, names or slogans used or sold by it in its operations under or in any wise connected with this Permit.

21. Inspection:

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

22. Federal Aid:

(a) The Permittee shall

(i) furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor at the Airport;

(ii) furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and

(iii) charge fair, reasonable and non-discriminatory prices for each unit of sale or service, provided that the Permittee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.

As used in the above subsections "service" shall include furnishing of parts, materials and supplies (including sale thereof).

(b) 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, 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 Permittee of the promises and obligations contained in this Permit is therefore a special consideration and inducement to the issuance of this Permit by the Port Authority, and the Permittee further 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 Federal Airport Aid, shall make any orders, recommendations or suggestions respecting the performance by the Permittee of its obligations under this Permit, the Permittee will promptly comply therewith at the time or times, when and to the extent that the Port Authority may direct.

23. Capacity and Competition:

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

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

24. Business Development and Records:

(a) In connection with the exercise of the privileges granted hereunder, the Permittee shall:

(i) use its best efforts in every proper manner to develop and increase the business conducted by it hereunder;

(ii) not divert or cause or allow to be diverted, any business from the Airport;

(iii) maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier

revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of the Permittee at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District , and shall separately state and identify the Authorized Service and all other services performed at the Airport, and;

(iv) cause any company which is owned or controlled by the Permittee, or any company which owns or controls the Permittee, if any such company performs services similar to those performed by the Permittee (any such company being hereinafter called an "*Affiliate*" and all such companies being hereinafter called the "*Affiliates*") to maintain, in English and in accordance with accepted accounting practice, during the effective period of this Permit, for one (1) year after the expiration or earlier revocation, cancellation or termination thereof, and for a further period extending until the Permittee shall, upon request to the Port Authority, receive written permission from the Port Authority to do otherwise, full and complete records and books of account (including without limitation all agreements and all source documents such as but not limited to original invoices, invoice listings, timekeeping records, and work schedules) recording all transactions of each Affiliate at, through, or in anywise connected with the Airport, which records and books of account shall be kept at all times within the Port of New York District and shall separately state and identify each activity (including without limitation the Authorized Service) performed at the Airport;

(v) permit and/or cause to be permitted in ordinary business hours during the effective period of this Permit, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraphs (a)(iii) and (a)(iv), the examination and audit by the officers, employees and representatives of the Port Authority of all the records and books of account of the Permittee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts all agreements, and all source documents) and all the records and books of account of all Affiliates (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant for the identification, determination or calculation of Gross Receipts, all agreements, and all source documents) (all of the foregoing records and books described in this paragraph (a)(v) being hereinafter collectively referred to as the "*Books and Records*") within ten (10) days following any request by the Port Authority from time to time and at any time to examine and audit any Books and Records;

(vi) permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Permittee, including but not limited to the equipment described in paragraph (a)(vii) below; and

(vii) install and use such cash registers, sales slips, invoicing machines and any other equipment or devices, including without limitation computerized record keeping systems, for recording orders taken, or services rendered, as may be appropriate to the Permittee's business and necessary or desirable to keep accurate records of Gross Receipts, and without limiting the generality of the foregoing, for any privilege involving cash sales, install and use cash registers or other electronic cash control equipment that provides for non-resettable totals.

(b) Without implying any limitation on the right of the Port Authority to revoke this Permit for cause for breach of any term, condition or provision thereof, including but not limited to, breach of any term, condition or provision of paragraph (a) above, the Permittee understands that the full reporting and disclosure to the Port Authority of all Gross Receipts and the Permittee's compliance with all the provisions of paragraph (a) above are of the utmost importance to the Port Authority in having entered into the percentage fee arrangement under this Permit. In the event any Books and Records are maintained outside the Port of New York District or in the event of the failure of the Permittee to comply with all the provisions of paragraphs (a)(ii) through (a)(vii) above then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Permit or otherwise and in addition to all of the Permittee's other obligations under this Permit:

(i) the Port Authority may estimate the Gross Receipts on any basis that the Port Authority, in its sole discretion, shall deem appropriate, such estimation to be final and binding on the Permittee and the fees based thereon shall be payable to the Port Authority when billed; and/or

(ii) if any Books and Records are maintained outside of the Port of New York District, then the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Permittee that any such Books and Records be made available to the Port Authority within the Port of New York District for examination and audit pursuant to paragraph (a)(v) hereof and/or (y) examine and audit any such Books and Records pursuant to paragraph (a)(v) at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Permittee shall pay to the Port Authority when billed all travel costs and related expenses, as determined by the Port Authority, for Port Authority auditors and other representatives, employees and officers in connection with such examination and audit and if such Books and Records are maintained outside the contiguous United States the Permittee shall pay to the Port Authority when billed all costs and expenses of the Port Authority, as determined by the Port Authority, of such examination and audit, including but not limited to, salaries, benefits, travel costs and related expenses, overhead costs, and fees and charges of third party auditors retained by the Port Authority for the purpose of conducting such audit and examination.

(c) In the event that upon conducting an examination and audit as described in this Section the Port Authority determines that unpaid amounts are due to the Port Authority by the Permittee (the "*Audit Findings*"), the Permittee shall be obligated, and hereby agrees, to pay to the Port Authority a service charge in the amount equal to Ex. 2.a. of the Audit Findings. 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 Permittee under this Permit 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 of 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 fees, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the fees to be paid. 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 Permit, including, without limitation, the Port Authority's rights to revoke this Permit or (ii) any obligations of the Permittee under this Permit.

(d) Without implying any limitation on the rights or remedies of the Port Authority under this Permit or otherwise including without limitation the right of the Port Authority to revoke this Permit for cause for breach of any term or provision of paragraphs (a)(iii) or (a)(iv) above and in addition thereto, in the event any of the Books and Records are not maintained in English, then this Permittee shall pay to the Port Authority when billed, all costs and expenses of the Port Authority, as determined by the Port Authority, to translate such Books and Records into English.

(e) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in paragraphs (b), (c) and (d) above shall be deemed fees under this Permit payable to the Port Authority with the same force and effect as the Basic Percentage Fee and all other fees payable to the Port Authority hereunder.

25. Rates and Charges:

The Permittee shall establish rates and discounts therefrom which are in compliance with Section 22 hereof (each such rate and discount is hereinafter called an "*Established Rate*"). Upon request by the Port Authority, the Permittee shall provide the Port Authority its rates and discounts therefrom for goods and services furnished hereunder. If the Permittee applies any rate in excess of the Established Rate therefor or extends a discount less than the Established Discount therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an overcharge which will, upon demand of the Port Authority or the Permittee's customer, be promptly refunded to the customer. If the Permittee applies any rate which is less than the Established Rate therefor or extends a discount which is in excess of the Established Rate therefor, the amount by which the charge based on such actual rate or actual discount deviates from a charge based on the Established Rate shall constitute an undercharge and an amount equivalent thereto shall be included in Gross Receipts hereunder and the Basic Percentage Fee shall be payable in respect thereto. Notwithstanding any repayment of overcharges to a customer by the Permittee or any inclusion of undercharges in Gross Receipts any such overcharge or undercharge shall constitute a breach of the Permittee's obligations hereunder and the Port Authority shall have all remedies consequent upon such breach which would otherwise be available to it at law, in equity or by reason of this Permit.

26. Other Agreements:

In the event the terms and provisions of any agreement entered into by the Permittee with any third Person in connection with the privileges granted hereunder are contrary to or conflict or are inconsistent with the terms and provisions of this Permit, the terms and provisions of this Permit shall be controlling, effective and determinative.

27. City Lease Provisions:

(a) The Permittee acknowledges that it has received a copy of, and is familiar with the contents of, the City Lease. The Permittee acknowledges that no greater rights or privileges are hereby granted to the Permittee than the Port Authority has the power to grant under the City Lease.

(b) In accordance with the provisions of the City Lease, the Port Authority and the Permittee hereby agree as follows:

(i) This Permit is subject and subordinate to the City Lease and to any interest superior to that of the Port Authority;

(ii) The Permittee shall not pay the fees or other sums under this Permit for more than one (1) month in advance (excluding security or other deposits required under this Permit);

(iii) With respect to this Permit, the Permittee on the termination of the City Lease will, at the option of the City, enter into a direct permit on identical terms with the City;

(iv) The Permittee shall indemnify the City, as third party beneficiary hereunder, with respect to all matters described in Section 31 of the City Lease;

(v) The Permittee shall not use any portion of the Airport for any use other than as permitted under the City Lease;

(vi) The Permittee shall use the Airport in a manner consistent with the Port Authority's obligations under Section 28 of the City Lease;

(vii) The failure of the Permittee to comply with the foregoing provisions shall be an event of default under this Permit, which shall provide the Port Authority with the right to revoke this Permit and exercise any other rights that the Port Authority may have as the grantor of the permission hereunder; and

(viii) The City shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Permittee pursuant to this Permit.

28. Waiver of Trial by Jury:

The Permittee hereby waives its right to trial by jury in any action that may hereafter be instituted by the Port Authority against the Permittee in respect of the permission granted under this Permit and/or in any action that may be brought by the Port Authority to recover fees, damages, or other sums due and owing under this Permit. The Permittee specifically agrees that it shall not interpose any claims as counterclaims in any action for non-payment of fees or other amounts which may be brought by the Port Authority unless such claims would be deemed waived if not so interposed.

29. Continued Exercise of Privilege After Expiration, Revocation or Termination:

(a) Without in any way limiting the provisions hereof, unless otherwise notified by the Port Authority in writing, in the event the Permittee shall continue to perform the Authorized Service for any period (a "Post-Termination Period") following the expiration, revocation or termination of the effective period of the permission granted under this Permit, as such effective period of permission may be extended from time to time, the Permittee shall pay to the Port Authority, for any Post-Termination Period, a fee equal to twice the percentage fee otherwise stated to be payable hereunder.

(b) The foregoing shall not be deemed to give the Permittee any right to continue to perform the Authorized Service at the Airport after the expiration, revocation or termination of the effective period of the permission granted under this Permit. In addition, the Permittee acknowledges that the failure of the Permittee to cease to perform the Authorized Service at the

Airport from the effective date of such expiration, revocation or termination will or may cause the Port Authority injury, damage or loss, and the Permittee hereby assumes the risk of such injury, damage or loss and hereby agrees that it shall be responsible for the same and shall pay the Port Authority for the same whether such are foreseen or unforeseen, special, direct, consequential or otherwise and the Permittee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss. The Permittee acknowledges that the Port Authority reserves all its legal and equitable rights and remedies in the event of such failure by the Permittee to cease performance of the Authorized Service.

(c) The Permittee hereby acknowledges and agrees that, subject to the foregoing, all terms and provisions of this Permit shall be and continue in full force and effect during any Post-Termination Period.

30. Miscellaneous:

(a) It is understood and agreed that the Port Authority shall not furnish, sell or supply to the Permittee any services or utilities in connection with this Permit.

(b) No Commissioner, officer, agent or employee of the Port Authority shall be charged personally by the Permittee with any liability, or held liable to it, under any term or provision of this Permit, or because of its execution or attempted execution, or because of any breach thereof.

(c) The Section and paragraph headings, if any, in this Permit 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.

(d) This Permit, including the attached Special Endorsements, constitutes the entire agreement of the Port Authority and the Permittee on the subject matter hereof. This Permit may not be changed, modified, discharged or extended, except by written instrument duly executed on behalf of the Port Authority and the Permittee or except by notice as specifically set forth in Sections 4 and 13 hereof. The Permittee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing herein.

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For the Port Authority

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For the Permittee

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

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

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

The Permittee shall maintain all its own fixtures, equipment and personal property in the Space 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.

Nothing herein contained shall relieve the Permittee of its obligations to secure the Port Authority's written approval before installing any fixtures in or upon or making any alterations, decorations, additions or improvements in the Space.

The Permittee 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, and any such not immediately removed shall be temporarily stored in a clean and sanitary condition, in suitable garbage and waste receptacles, the same to be made of metal 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 Permittee. The receptacles shall be kept covered except when filling or emptying the same. The Permittee shall exercise extreme care in removing such garbage, debris and other waste materials from the Airport. The manner of such storage and removal shall be subject in all respects to the continual approval of 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 disposed into or upon the waters at or bounding the Airport.

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

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

SPECIAL ENDORSEMENTS

1. (a) Pursuant to an agreement of lease between the Port Authority and Delta Air Lines, Inc. (the "Airline") bearing Port Authority Lease No. AYC-325, effective as of January 1, 1993 (as the same may have been supplemented, extended and amended, the "Airline Lease") the Port Authority leased to the Airline Building 53 and Building 54 (hereinafter referred to collectively as the "Terminal") and certain outside areas at the Airport. It was contemplated under the Airline Lease that certain consumer services would be operated in space provided by the Airline in the Terminal. The Airline and the Permittee have accordingly entered into a concession agreement ("Concession Agreement"), dated as of May 1, 2007, providing for the operation by the Permittee of certain businesses in the Concession Area, as hereinafter defined.

(b) Subject to all of the terms, covenants and provisions of this Permit, the Port Authority and the Airline hereby grant to the Permittee the privilege of operating two (2) food and beverage concession stores, Unit 1 and Unit 2, to be used for the sale of the Permittee's specialty retail items normally featured in Permittee's branded concept airport locations and in a location at the Terminal as shall be designated by the Airline (the "Concession Area") and for the sale of such other specialty retail items normally featured in Permittee's branded concept airport locations as may be consented to in advance in writing by the Port Authority and for no other purpose or purposes whatsoever. The Permittee understands that since the Terminal is leased to the Airline, all arrangements as to the Concession Area and facilities in which the privilege will be exercised, including utilities and services, shall be made with the Airline, and the Permittee acknowledges that it has made such arrangements. The Port Authority makes no representations or warranties as to the size, location, adequacy or suitability of the Concession Area and the facilities therein. Notwithstanding the foregoing, however, the Airline expressly hereby agrees that it shall not, pursuant to the Concession Agreement, relocate or reconfigure all or any part of the Concession Area without the prior written consent of the Port Authority.

(c) By its terms, the Concession Agreement is subject and subordinate to the Airline Lease and the Permittee is obligated under the Concession Agreement to comply with all applicable terms of the Airline Lease. The Permittee hereby agrees for the benefit of the Port Authority to comply with all applicable provisions of the Airline Lease. It was stipulated in the Airline Lease and in the Concession Agreement that the Permittee would also enter into this Permit with the Port Authority covering such services to be provided by Permittee under the Concession Agreement. Subject to the terms of this Permit, the Port Authority hereby consents to the Concession Agreement as of May 1, 2007.

2. As used herein:

(a) "Annual Period" shall mean the period commencing on the Fee Commencement Date and ending on the three hundred and sixty-fifth (365th) day following the Fee Commencement Date, and each three hundred and sixty-five (365) day period occurring thereafter during the period of permission granted herein.

(b) "Fee Commencement Date" shall mean January 18, 2008, for Unit 1 and November 7, 2008, Unit 2.

(c) "Monthly period" shall mean, as the context requires, the period commencing on the Fee Commencement Date and continuing through the balance of the month

in which the Fee Commencement Date occurs and each calendar month thereafter occurring during the period of permission granted hereunder; provided, however, that if the period of permission commences on other than the first day of a month, the first monthly period hereunder shall expire or is terminated or revoked on other than the last day of a calendar month, then the monthly period for the calendar month in which the effective date of expiration, termination or revocation occurs shall expire on such date.

(d) "Percentage fee" shall mean, for and during the period of permission of this Permit, Ex. 2.a. of the Permittee's Gross Receipts generated hereunder in excess of with respect to the First Annual Period and, for each Annual Period thereafter the percentage fee shall equal Ex. 2.a. of the Permittee's Gross Receipts in excess of an amount derived by taking the then applicable MAG (as herein defined) and divide by Ex. 2.a. The foregoing includes all other items, if any, which come within the definition of Gross Receipts, e.g., RDAs and other promotional incentives.

(e) "Port Authority Reserved Uses" shall mean the following uses, operations or installations which the Port Authority reserves to itself and its designees exclusively in the Terminal: VIP lounges; airline clubs; airtrain/monorail facilities; advertising (including, without limitation, static display, broadcast and other); pay telephones, pre-paid phone cards, facsimile transmission machines and other public communications services, including without limitation, all Port Authority-owned or operated information and communications technology infrastructure for common Airport use, provided that the Airline shall retain the right to control the location of the placement within the Terminal of telephones, phone banks, phone kiosks, facsimile transmission machines and Internet kiosks, only, and the right to deny, upon reasonable grounds, the placement of a particular pay phone facility, facsimile transmission machine or Internet kiosk; rental of cellular phones; concierge services (i.e., a center or location which offers a variety of services for passengers (including, but not limited to, hotel reservations, sale of entertainment events tickets and lottery tickets, luggage storage and delivery, sightseeing tours, business services and provision of touring information)); ground transportation (including vehicle rentals); hotel and other lodging reservations; vending machines dispensing anything (including, but not limited to, catalog and electronic sales) other than products specifically permitted to be sold on the subleased premises pursuant to a sublease with a specific concessionaire and if approved in advance by the Port Authority; on-airport baggage carts (other than shopping carts made available free of charge to shoppers within the Concession Area) or other on-airport baggage-moving devices; and electronic amusements. The Port Authority shall have the right to all revenues derived for or from the above-stated reserved uses.

(f) "Port Authority Share" shall mean twenty percent (20%) of the fees payable by the Permittee hereunder.

3. (a) The Permittee shall pay to the Port Authority the Port Authority Share of the minimum annual guaranty ("MAG") as follows:

May 31, 2008 R/S

(i) from May 1, 2007 through ~~April 30, 2008~~, both dates inclusive, the MAG shall equal the amount of Ex. 2.a. per annum, which amount shall be payable in advance in equal, consecutive monthly installments equal to the Port Authority Share of

Ex. 2.a. and on the first day of each and every calendar month thereafter occurring during such period; and

(ii) from ~~May 1, 2008~~ June 1, 2008 through the balance of the period of permission under this Permit, the MAG shall be subject to annual adjustments as set forth in subparagraph (b) of this Special Endorsement.

(b) For the Annual Period commencing ~~May 1, 2008~~ June 1, 2008 and for each Annual Period thereafter, the MAG shall be adjusted to be the greater of (i) Ex. 2.a. (ii) an amount equal to Ex. 2.a. of the sum of the MAG and percentage fees payable by the Permittee under this Permit for the Annual Period just ended.

4. (a) Commencing as of the Effective Date and continuing throughout the balance of the period of the permission granted under the Permit, the Permittee shall pay directly to the Port Authority the Port Authority Share of an amount equal to the excess over the MAG, as hereinabove defined, of the Gross Receipts after applying the appropriate percentage set forth in subparagraph (d) of Special Endorsement No. 2 of this Permit. The computation of percentage fees for each Annual Period, or a portion of an Annual Period, as hereinabove defined, shall be individual to such Annual Period, or such portion of an Annual Period, and without relation to any other Annual Period, or any other portion of any Annual Period.

(b) The Permittee shall pay percentage fees as follows: on the 20th day of the first month following the commencement of each annual period and on the 20th day of each and every month thereafter including the month following the end of each Annual Period, the Permittee shall render to the Port Authority a sworn statement showing its Gross Receipts for the preceding month and showing its cumulative Gross Receipts from the date of the commencement of the Annual Period for which the report is made through the last day of the preceding month; whenever such statement shall show that the percentage stated above in subparagraph (d) of Special Endorsement No. 2 applied to the Gross Receipts of the Permittee from the preceding month is in excess of the MAG, the Permittee shall pay at the time of rendering the statement an amount equal to the Port Authority Share of such excess and the Permittee shall pay thereafter on the 20th day of each month during that Annual Period and on the 20th day of the month following the end during such Annual Period pay an amount equal to the said percentage applied to the Gross Receipts during each subsequent month of that Annual Period. In the monthly statement for the last month of each Annual Period, in addition to all the information required by this paragraph (b), the Permittee shall set forth the MAG applicable to the Annual Period just completed.

(c) Upon any termination or revocation of the period of the permission granted hereunder (even if stated to have the same effect as expiration), the Permittee shall within twenty (20) days after the effective date of such termination, make a payment of fees computed as follows: first, if the period of permission hereunder is terminated or revoked effective on a date other than the last day of a month, the MAG for the portion of the month in which the period of the permission remains effective shall be the amount of the applicable monthly installment of the MAG prorated on a daily basis; second, the Permittee shall within twenty days after the effective date of termination or revocation, render to the Port Authority a sworn statement of all its Gross Receipts for the monthly period in which the effective date of

termination or revocation happens to fall and the cumulative Gross Receipts for such Annual Period; third, the payment then due on account of the percentage fee for the monthly period in which the effective date of termination or revocation happens to fall shall be the excess over the prorated Port Authority Share of the MAG of the percentage stated hereinabove applied to all the Gross Receipts of the Permittee arising during such Annual Period; said Port Authority Share of the MAG being prorated by multiplying the same by a fraction, the numerator of which shall be the number of days from the commencement of the annual period through the effective date of termination or revocation and the denominator of which shall be 365, less any percentage fee payments previously made for such Annual Period.

5. (a) As used in this Permit the Permittee's "Improvement" shall mean:

(1) the amounts paid by the Permittee to independent contractors for work actually performed and labor and materials actually furnished inclusive of sales, use and like taxes where applicable in connection with the Improvement Work (as defined in paragraph (b) below);

(2) the payments made and expenses incurred by the Permittee in connection with the Improvement Work for engineering, architectural, professional and consulting services, and the supervision of construction, inclusive of sales, use and like taxes where applicable; it being under stood that payments under this item (2) shall not exceed Ex. 2.a.) of the sum of the amounts described in subparagraph (a)(1) above; and further, in each case, as the aforementioned amounts and payments described in subparagraphs (a)(1) and (a) (2) above shall be evidenced, from time to time, by certificates of a responsible fiscal officer of the Permittee, sworn to before a notary public and delivered to the Port Authority, which certificates shall (aa) 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 Permittee, which have not previously been reported in certificates delivered to the Port Authority, (bb) 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 (cc) certify that the amounts and payments therein set forth constitute the Permittee's Improvement arising out of the performance of the Improvement Work. The Permittee shall keep a separate accounting of the Permittee's Improvement which accounting shall be kept at all times within the Port of New York District for a period of two (2) years after the final costs of all the Improvement Work have been submitted by the Permittee to the Port Authority or the end of the period of permission under the Permit (as hereby amended), whichever is later, and shall be subject to the audit and inspection of the Port Authority, its representatives and employees.

(b) (1) The Permittee agrees and covenants to the Port Authority that it will make or cause to be made, at its sole cost and expense, the refurbishment, alterations, additions and improvements of and to the Concession Area, all in accordance with the terms and provisions of the Port Authority Construction and Alteration Application (said Construction and Alteration Application as approved by the Port Authority being hereinafter called the "Construction Application") to be submitted to the Port Authority for its approval, in the form supplied by the Port Authority and containing such terms and conditions as the Port Authority

may include, setting forth in detail and by appropriate plans and specifications the work proposed by the Permittee, and the manner of and time periods for performing the same. All such work covered by the Construction Application as approved by the Port Authority is hereinafter called the "Improvement Work." The Construction Application shall set forth the plans, specifications and schedules for the aforesaid refurbishment, alterations, additions and improvements of and to the Concession Area. The Permittee shall perform the Improvement Work in accordance with the terms and provisions of the Construction Application and subject to the terms and provisions of this Agreement.

(2) The Permittee shall be responsible at its sole cost and expense for retaining all architectural, engineering and other technical consultants and services as may be directed by the Port Authority and for developing, completing and submitting detailed plans and specifications for the Permittee's Improvement Work. All plans and specifications submitted by the Permittee to the Port Authority shall bear the seal of a qualified architect or professional engineer and shall be in sufficient detail for a contractor to perform the work. The Permittee shall not engage any contractor to permit the use of any subcontractor unless and until each such contractor or subcontractor has been approved by the Port Authority and the Permittee upon request will furnish the Port Authority with a copy of its proposed contract with its contractor. The Permittee shall include in any such contract or subcontract such provisions as the Port Authority may require. The Permittee or its contractors and subcontractors shall obtain and maintain in force such insurance coverages and performance bonds in such amounts as the Port Authority may specify. All of the Permittee's Improvement Work hereunder shall be done in accordance with the said Construction Application and final plans and specifications approved by the Port Authority shall be subject to inspection by the Port Authority during the progress of the said work and after the completion thereof and the Permittee shall redo or replace at its own expense any of said work not done in accordance therewith. Upon completion of the Permittee's Improvement Work, the Permittee shall supply the Port Authority with as-built plans and drawings in form and number requested by the Port Authority. Notwithstanding the submission by the Permittee to the Port Authority of the contracts to be entered into by the Permittee 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 Permittee or to others in connection with any proposed or actual contracts entered into by the Permittee for the Permittee's Improvement Work or for any other matter in connection therewith and the Permittee hereby releases and discharges the Port Authority, its Commissioners, officers, representatives, and employees of and from any and all liability, claim 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 of the Permittee's Improvement Work pursuant to the contracts between the Permittee and its contractors.

(3) No Improvement Work shall be commenced by the Permittee until the Construction Application and plans and specifications referred to in paragraph (b) above have been finally approved by the Port Authority for the entire Permittee's Improvement Work and the Permittee is specifically permitted in writing by the Port Authority to commence such Improvement Work. In the event of any inconsistency between the provisions of this Permit and those in the Construction Application, the provisions of this Permit shall control. Upon receipt

by the Permittee of said written permission from the Port Authority, the Permittee shall commence construction of the Permittee's Improvement Work as soon as possible and shall expeditiously continue such construction until completion.

(4) The Permittee shall be solely responsible for the plans and specifications used by it, and for the adequacy or sufficiency of such plans, specifications and all the improvements, alterations, installations and decorations depicted thereon or covered thereby, regardless of the consent thereto or approval thereof by the Port Authority or the incorporation therein of any Port Authority requirements or recommendations. The Port Authority shall have no obligations or liabilities in connection with the performance of the improvements, alterations, installations and decorations constituting the Permittee's Improvement Work, whether performed by the Permittee or on its behalf, or the contracts for the performance thereof entered into by the Permittee. Any warranties extended or available to the Permittee in connection with the Permittee's Improvement Work shall be for the benefit of the Port Authority as well as the Permittee.

(5) Title to the Improvement Work shall pass to the City of New York as the same or any part is erected, constructed or installed and shall be and remain at all times in the City of New York and the same shall be deemed to be a part of the premises when the same are constructed, erected or installed on the Concession Area.

(6) When the Improvement Work has been completed, the Permittee shall deliver to the Port Authority a certificate to such effect signed by an authorized officer of the Permittee and also signed by the Permittee's licensed architect or engineer certifying that the Improvement Work has been performed strictly in accordance with the approved Construction Application and the approved plans and specifications, data and materials forming a part thereof and the provisions of this Permit and in compliance with all applicable laws, ordinances and governmental rules, regulations, orders and directives. Thereafter, the Improvement Work will be inspected by the Port Authority and if the same has been completed as certified by the Permittee and the Permittee's licensed architect or engineer, as aforesaid, a certificate to such effect shall be delivered to the Permittee by the Port Authority subject to the condition that all risks thereafter with respect of the Improvement Work and any liability therefor for negligence or other reason shall be borne by the Permittee.

(7) All of the Permittee's Improvement Work shall be performed by the Permittee strictly in accordance with the following:

(i) The Permittee hereby assumes, and shall itself and shall also require its contractors to indemnify and hold harmless the Port Authority, its Commissioners, officers, agents and employees against, the following distinct and several risks whether they arise from acts or omissions of the Permittee, any contractors of the Permittee, the Port Authority, employees, agents and representatives of the Port Authority, third persons, or from acts of God or the public enemy, or otherwise, excepting only risks which result solely from affirmative wilful acts done by the Port Authority with respect to the Improvement Work:

(aa) Risk of loss or damage to all or any part of the Improvement Work prior to the completion thereof and the risk of loss or damage of any property of the Port Authority arising out of or in connection with the performance of the Improvement Work. In the event of such loss or damage, the Permittee shall forthwith repair, replace and make good the Improvement Work and the property of the Port Authority without cost or expense to the Port Authority.

(bb) The risk of 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 Improvement Work and for all costs and expenses incurred by the Port Authority 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.

If so directed, the Permittee 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 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. The Permittee, in defending such suit, may not settle or compromise any claim or demand except with the prior written permission of the Port Authority.

(ii) The Permittee shall pay or cause to be paid when due 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 Improvement Work and the Permittee 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 Permittee to contest any claim of a contractor, subcontractor, materialman, workmen and/or other person and no such claim shall be considered to be an obligation of the Permittee within the meaning of this paragraph unless and until the same has been finally adjudicated. The Permittee shall use its best efforts to resolve any such claims and shall keep the Port Authority fully informed with respect thereto. The Permittee shall indemnify the Port Authority against all claims, damages or losses that may arise or result therefrom, including interest thereon, and costs and expenses including attorneys' fees and penalties or fines. Nothing herein contained shall be deemed to constitute consent to the creation of any lien or claim against the premises nor to create any rights in said third persons against the Port Authority.

(8) The Permittee understands that if the premises contain asbestos, the Permittee, in connection with the performance of the Improvement Work, will be required to remove or encapsulate any asbestos located within the premises, as directed by the Port Authority. Without limiting the generality of any of the provisions of this paragraph, the Permittee shall obtain the Port Authority's prior approval as to the method and manner in which the Permittee performs any asbestos work, and shall obtain any additional insurance coverage as

the Port Authority shall specify covering the performance of such work. The Permittee shall also conform to any Port Authority requirements imposed in connection with the removal and disposal of asbestos from the Facility.

(c) The Permittee's Improvement shall equal at least and shall be completed on or about February 6, 2009. Should the Permittee expend less than the amounts hereinabove set forth on the Improvement Work, then within thirty (30) days of such determination by the Port Authority and the Airline, the Permittee shall pay Ex. 2.a. to each of the Port Authority and to the Airline of an amount equal to the difference between the actual amount expended and the required costs specified above for the Concession Space.

6. Wherever the phrases "Port Authority or the Airline" and "Airline or the Port Authority" are used in this Permit they shall be deemed to mean either the Port Authority or the Airline or both.

7. The Permittee shall comply with the Port Authority Aviation Department's Street Pricing Policy. In connection therewith, the Permittee shall not charge prices to its customers in excess of "Street Prices," which for purposes of this Permit, is defined as follows:

(a) If the Permittee conducts a similar business to the business operation permitted under this Permit in an off-airport location(s) in the Greater New York City- Northern New Jersey Metropolitan Area (the "Metro Area"), "Street Prices" shall mean the average price regularly charged by the Permittee for the same or similar item in such Metro Area location;

(b) If the Permittee does not conduct a similar business to the business operation permitted under this Permit in the Metro Area, "Street Prices" shall mean the average price regularly charged in the Metro Area by similar retailers for the same or similar item;

(c) If neither the Permittee nor other similar retailers sell a particular item in the Metro Area, "Street Prices" shall mean the average price regularly charged by the Permittee or other similar retailers for the same or similar item in any other geographic area, with a reasonable adjustment for any cost of living variance between such area and the Metro Area;

The Permittee's breach of the aforesaid Street Pricing Policy shall be deemed a material breach of the Permittee's obligations under this Permit.

The Permittee shall post in each sales area (including any temporary sales space) a notice in form and substance satisfactory to the Port Authority notifying the public that the Permittee subscribes to a "Street Pricing Policy," such policy to be clearly visible and unobstructed. If the Permittee charges any price to a customer in excess of the price which would satisfy the "Street Pricing Policy" in violation of its obligations under this Permit, the amount of such excess shall constitute an overcharge which shall, upon demand, by the Port Authority or the Permittee's customer, be promptly refunded to the customer.

8. (a) No greater rights are granted or intended to be granted to the Permittee hereunder than the Airline has the power to grant under the Airline Lease. Nothing herein contained shall be deemed to enlarge or otherwise change the rights granted to the Airline by the

Airline Lease and all of the terms, provisions and conditions of the Airline Lease shall be and remain in full force and effect throughout the term of the Concession Agreement and the effective period of the permission granted hereunder.

(b) Neither this Permit nor anything contained herein shall constitute or be deemed to constitute a consent to nor shall there be created an implication that there has been consent to any enlargement or change in the rights, powers and privileges granted to the Airline under the Airline Lease, nor consent to the granting or conferring of any rights, powers or privileges to the Permittee as may be provided under the Concession Agreement if not granted to the Airline under the Airline Lease, unless specifically set forth in this Permit. The Concession Agreement is an agreement between the Airline and the Permittee with respect to the various matters set forth therein. Neither this Permit nor anything contained herein shall constitute an agreement between the Port Authority and the Airline that the provisions of the Concession Agreement shall apply and pertain as between the Airline and the Port Authority, it being understood that the terms, provisions, covenants, conditions and agreements of the Airline 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 Concession 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 Permit or shall thereafter grant its consent or approval thereto, or that the Port Authority's discretion as to any such consents or approval shall in any way be affected or impaired. The lack of any specific reference in any provisions of the Concession Agreement to Port Authority approval or consent shall not be deemed to imply that no such approval or consent is required and the Airline Lease and this Permit shall, in all respects, be controlling, effective and determinative.

(c) No provision of the Concession Agreement including, but not limited to, those imposing obligations on the Permittee 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 Concession Agreement covering actions which shall or may be undertaken by the Permittee or the Airline including, but not limited to, construction of the Concession Area, title to property and the right to perform services, be deemed to imply or infer that Port Authority consent or approval thereto 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 shall not be construed as indicating any limitation upon the rights of the Port Authority with respect to its discretion as to the granting or withholding of approvals or consents as to other matters and provisions in the Concession Agreement which are not specifically referred to herein.

(d) It is hereby expressly understood that there are differences and inconsistencies between the Concession Agreement, the Airline Lease and this Permit and that as to any such inconsistency or difference the terms of this Permit shall control. In the event of inconsistencies between the Concession Agreement and the Airline Lease, the Airline Lease shall control and in the event of an inconsistency between the Concession Agreement and this Permit, the Permit shall control. No changes or amendments to the Concession Agreement nor

any renewals or extensions thereof shall be binding or effective upon the Port Authority unless the same have been approved in advance by the Port Authority in writing.

(e) This Permit and the privileges granted hereunder shall in any event expire on the date of expiration or earlier termination of the Airline Lease; provided, however, that this shall not affect or impair the Port Authority's rights of revocation or termination as contained elsewhere in this Permit.

(f) Notwithstanding anything to the contrary stated in Section 8.11 of the Concession Agreement, that title to all Fixed Improvements, however, shall vest in the Port Authority or the City of New York upon installation. Trade Fixtures and Personal Property of the Permittee will remain the property of the Permittee consistent with the provisions of the Concession Agreement.

9. It is understood and agreed that the Port Authority shall not sell, supply, or furnish any utilities or services to the Permittee, including, but not limited to, electricity, and the Permittee shall make its own arrangements with the Airline for the supply of such utilities, services, and facilities as it may require. Notwithstanding the foregoing, the Airline may, subject to the Port Authority's prior written approval, charge the Permittee for extraordinary utility consumption in accordance with the terms of the Concession Agreement.

10. The Airline and the Port Authority shall both have the right by their officers, employees, agents, representatives and contractors at all reasonable times to enter upon the Concession Area for the purpose of inspecting the same, for observing the performance by the Permittee of its obligations under this Permit and for the doing of any act or thing which the Airline or the Port Authority may be obligated or have the right to do under this Permit, the Airline Lease, or otherwise. Further, the Airline shall have the right to enter upon the Concession Area for the purpose of making repairs, alterations or replacements in or to any portion of the Terminal in accordance with the provisions of the Airline Lease.

11. (a) Without limiting the generality of any term or provision of this Permit or the Standard Endorsements annexed thereto, the Permittee shall at all times keep the Concession Area and its fixtures, equipment and personal property in a clean and orderly condition and appearance. The Permittee shall be responsible for the repair, replacement and rebuilding of any and all parts of the Concession Area and any other parts of the Terminal or the Facility which may be damaged or destroyed by the acts or omissions of the Permittee, its officers, employees, agents, representatives, contractors, or other persons doing business with it. All non-structural repair, replacement and rebuilding shall be done by the Permittee (unless otherwise directed by the Airline) and structural repair, replacement and rebuilding may be done by the Airline, the cost of any such repair performed by the Airline for the Permittee to be repaid by the Permittee on demand.

(b) The Permittee shall not install any equipment, improvements or fixtures in the Concession Area or elsewhere in the Terminal or perform any alteration or construction work therein without the prior written approval of the Airline (including, but not limited to, the time for the performance of any such installation or work) and in the event of any such installation

without the approval of the Airline then upon such notice from the Airline or the Port Authority the Permittee shall remove the same or cause the same to be changed to the satisfaction of the Airline and the Port Authority. In case of any failure on the part of the Permittee to comply with such notice, the Airline may effect the removal or change and the Permittee shall pay the cost thereof to the Airline on demand. All of the Permittee's equipment, fixtures or improvements shall be promptly removed from the Concession Area and the Terminal on or before the expiration, revocation or termination of this Permit and the Concession Area or other area affected by such removal shall be restored by the Permittee to the condition existing prior to any installation or replacement. If the Permittee shall fail so to remove from the Concession Area or the Terminal any property or thing which it is required to remove under this Permit, the Airline may remove such property and the Permittee shall pay to the Airline the cost thereof on demand. The Airline may store such property or thing in a public warehouse, but shall not be obligated to, or may retain the same in its own possession and in either event may sell the same at public auction, the proceeds thereof to be applied first to the expense of removal, restoration, retention, storage and sale, and second to any sums owed by the Permittee to the Airline or the Port Authority, with any balance remaining to be paid over to the Permittee. If the expense of such removal, restoration, retention, storage and sale shall exceed the proceeds of the sale, the Permittee shall pay such excess to the Airline on demand. The Permittee agrees not to perform any servicing or maintenance to its equipment, fixtures, or property or to remove any such equipment, fixtures, or property unless the Airline has approved the time and manner of the performance thereof. The Permittee shall have no right to install any property or perform any work outside the Terminal nor shall the Permittee leave or store any property on the Facility.

(c) The Permittee shall promptly notify the Airline if any portion or all of the Concession Area or any of the Permittee's fixtures, equipment, or personal property is destroyed, damaged, or in need of repair regardless of the Permittee's responsibility therefor.

12. Such provisions of this Permit as apply to the rights and obligations of the parties hereto upon the expiration of the permission granted by this Permit shall apply to the rights and obligations of the parties hereto upon the revocation or termination of the permission granted by this Permit.

13. Although the printed provisions of this Permit were drawn by the Port Authority, the parties agree that this circumstance alone shall not create any presumption, canon of construction or implication favoring the position of the Port Authority, the Permittee or the Airline and the deletion of language from this Permit prior to its execution shall not be construed to have any particular meaning or to raise any presumption, canon of construction or implication, including, without limitation, any implication that the parties intended thereby to state the converse, adverse or opposite of the deleted language.

14. In the event of any breach or default by the Permittee in paying the fees due under this Permit, the Airline shall have the right and obligation to enforce payment thereof and to exercise all necessary remedies in connection therewith. The Port Authority shall not be required to incur any expenses or to commence any legal motion or proceeding to collect unpaid fees from the Permittee; provided, however, that nothing herein shall be deemed a waiver by the Port Authority of any rights or remedies under this Permit which it may wish in its discretion to

enforce by legal action or otherwise, and provided, further, however, that all monies due the Port Authority and collected by the Airline hereunder shall be remitted by the Airline to the Port Authority as and when collected.

15. This Permit is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The Permittee agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement or any management contract, or subcontract, purchase or lease agreement or other agreement covered by 49 CFR Part 23. The Permittee agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23 that it enters and cause those businesses to similarly include the statements in further agreement. Further, the Permittee agrees to comply with the terms and provisions of Schedule G, attached hereto and hereto made a part hereof.

For the Port Authority

Initialed:

For the Permittee

For the Airline

SCHEDULE G

Airport Concession Disadvantaged Business Enterprise (ACDBE) Participation

In accordance with regulations of the US Department of Transportation 49 CFR Part 23, the Port Authority has implemented an Airport Concession Disadvantaged Business Enterprise (ACDBE) program under which qualified firms may have the opportunity to operate an airport business. The Port Authority has established an ACDBE participation goal, as measured by the total estimated annual gross receipts for the overall concession program. The goal is modified from time to time and posted on the Port Authority's website: www.panynj.gov.

The overall ACDBE goal is a key element of the Port Authority's concession program and Concessionaire shall take all necessary and reasonable steps to comply with the requirements of the Port Authority's ACDBE program. The Concessionaire commits to making good faith efforts to achieve the ACDBE goal. Pursuant to 49 CFR 23.25 (f), ACDBE participation must be, to the greatest extent practicable, in the form of direct ownership, management and operation of the concession or the ownership, management and operation of specific concession locations through subleases. The Port Authority will also consider participation through joint ventures in which ACDBEs control a distinct portion of the joint venture business and/or purchase of goods and services from ACDBEs. In connection with the aforesaid good faith efforts, as to those matters contracted out by the Concessionaire in its performance of this agreement, the Concessionaire shall use, to the maximum extent feasible and consistent with the Concessionaire's exercise of good business judgment including without limit the consideration of cost competitiveness, a good faith effort to meet the Port Authority's goals. Information regarding specific good faith steps can be found in the Port Authority's ACDBE Program located on its above-referenced website. In addition, the Concessionaire shall keep such records as shall enable the Port Authority to comply with its obligations under 49 CFR Part 23 regarding efforts to offer opportunities to ACDBEs.

Qualification as an ACDBE

To qualify as an ACDBE, the firm must meet the definition set forth below and be certified by the New York State or New Jersey Uniform Certification Program (UCP). The New York State UCP directory is available on-line at www.nysucp.net and the New Jersey UCP at www.njucp.net.

An ACDBE must be a small business concern whose average annual receipts for the preceding three (3) fiscal years does not exceed $47.78 million and it must be (a) at least fifty-one percent (51%) owned and controlled by one or more socially and economically disadvantaged individuals, or in the case of any publicly owned business, at least fifty-one percent (51%) of the stock is owned by one or more socially and economically disadvantaged individuals; and (b) whose management and daily business operations are controlled by one or more of the socially or economically disadvantaged individuals who own it. The personal net worth standard used in determining eligibility for purposes of part 23 is $750,000.

The ACDBE may, if other qualifications are met, be a franchisee of a franchisor. An airport concession is a for-profit business enterprise, located on an airport, which is subject to the Code of Federal Regulations 49 Part 23, subpart F, that is engaged in the sale of consumer goods or services to the public under an agreement with the sponsor, another concessionaire, or the owner or operator of a terminal, if other than the sponsor. The Port Authority makes a rebuttable presumption that individuals in the following groups who are citizens of the United States or lawful permanent residents are "socially and economically disadvantaged":

a. Women;

b. Black Americans which includes persons having origins in any of the Black racial groups of Africa;

c. Hispanic Americans which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;

d. Native Americans which includes persons who are American Indians, Eskimos, Aleuts or Native Hawaiians;

e. Asian-Pacific Americans which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia or Hong Kong;

f. Asian-Indian Americans which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, Maldives Islands, Nepal and Sri Lanka; and

g. Members of other groups, or other individuals, found to be economically and socially disadvantaged by the Small Business Administration under Section 8(a) of the Small Business Act, as amended (15 U.S.C. Section 637(a)).

Other individuals may be found to be socially and economically disadvantaged on a case-by-case basis. For example, a disabled Vietnam veteran, an Appalachian white male, or another person may claim to be disadvantaged. If such individual requests that his or her firm be certified as ACDBE, the Port Authority, as a certifying partner in the New York State and New Jersey UCPs will determine whether the individual is socially or economically disadvantaged under the criteria established by the Federal Government. These owners must demonstrate that their disadvantaged status arose from individual circumstances, rather than by virtue of membership in a group.

Certification of ACDBEs hereunder shall be made by the New York State or New Jersey UCP. If Concessionaire wishes to utilize a firm not listed in the UCP directories but which the Concessionaire believes should be certified as an ACDBE, that firm shall submit to the Port Authority a written request for a determination that the firm is eligible for certification. This shall be done by completing and forwarding such forms as may be required under 49 CFR Part 23. All such requests shall be in writing, addressed to Lash Green, Director, Office of Business and Job Opportunity, The Port Authority of New York and New Jersey, 233 Park Avenue South, 4th Floor, New York, New York 10003

or such other address as the Port Authority may designate from time to time. Contact OBJOcert@panynj.gov for inquiries or assistance.

General

In the event the signatory to this agreement is a Port Authority permittee, the term Concessionaire shall mean the Permittee herein. In the event the signatory to this agreement is a Port Authority lessee, the term Concessionaire shall mean the Lessee herein.

Initialed:

For the Port Authority

For the Permittee

For the Airline

For the Guarantor