

**Torres Rojas, Genara**

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**From:** Green1802@yahoo.com  
**Sent:** Monday, September 01, 2014 9:47 AM  
**To:** Duffy, Daniel; American, Heavyn-Leigh  
**Cc:** Torres Rojas, Genara; Van Duyne, Sheree  
**Subject:** Freedom of Information Online Request Form

Information:

First Name: Gregory  
Last Name: Green  
Company: Gregory E. Green, P.C.  
Mailing Address 1: 600 3rd Avenue, 2nd Floor  
Mailing Address 2:  
City: New York,  
State: NY  
Zip Code: 10016  
Email Address: [Green1802@yahoo.com](mailto:Green1802@yahoo.com)  
Phone: 8455459119  
Required copies of the records: Yes

List of specific record(s):

Lease between PANYNJ and LSG Sky Chef, For the premises known as Building 139, in effect February, 2014.

**THE PORT AUTHORITY OF NY & NJ**

FOI Administrator

September 10, 2014

Mr. Gregory Green  
Gregory E. Green, P.C.  
600 3rd Avenue, 2nd Floor  
New York, NY 10016

Re: Freedom of Information Reference No. 15261

Dear Mr. Green:

This is in response to your September 1, 2014 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code", copy attached) for a copy of the lease between the Port Authority and LSG Sky Chef, For the premises known as Building 139, in effect February, 2014.

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/15261-LPA.pdf>. Paper copies of the available records are available upon request.

Certain material responsive to your request is exempt from disclosure pursuant to exemption (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

**Lease No. AYD-945**

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**AGREEMENT OF LEASE**

**between**

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

**and**

**SKY CHEFS, INC.**

**Dated as of July 1, 2009**

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**SKY CHEFS, INC.**  
**TABLE OF CONTENTS**

**Lease No. AYD-945**

	<u>Name</u>	<u>Page No.</u>
Section 1.	Letting.....	3
Section 2.	Term.....	4
Section 3.	Rentals.....	4
Section 4.	Port Authority's Right to Terminate Lease Without Cause.....	10
Section 5.	Use of Premises.....	10
Section 6.	Ingress and Egress.....	11
Section 7.	Compliance with Governmental Requirements.....	12
Section 8.	Rules and Regulations.....	13
Section 9.	Various Obligations of the Lessee.....	14
Section 10.	Prohibited Acts.....	16
Section 11.	Care, Maintenance, Rebuilding and Repair by the Lessee.....	19
Section 12.	Insurance.....	20
Section 13.	Damage to or Destruction of Premises.....	22
Section 14.	Indemnity and Liability Insurance.....	22
Section 15.	Signs.....	25
Section 16.	Obstruction Lights.....	25
Section 17.	Additional Rent and Charges.....	25
Section 18.	Rights of Entry Reserved.....	26
Section 19.	Other Construction by the Lessee.....	27
Section 20.	Assignment and Sublease.....	27
Section 21.	Condemnation.....	28
Section 22.	Termination by the Port Authority.....	31
Section 23.	Right of Re-entry.....	33
Section 24.	Waiver of Redemption.....	33
Section 25.	Survival of the Obligations of the Lessee.....	33
Section 26.	Reletting by the Port Authority.....	34
Section 27.	Remedies to be Non-Exclusive.....	35
Section 28.	Surrender.....	35
Section 29.	Acceptance of Surrender of Lease.....	35
Section 30.	Effect of Basic Lease.....	35
Section 31.	Removal of Property.....	36
Section 32.	Brokerage.....	37
Section 33.	Limitation of Rights and Privileges Granted.....	37
Section 34.	Notices.....	38
Section 35.	Facilities Non-Discrimination.....	38
Section 36.	Affirmative Action.....	39
Section 37.	Place of Payments.....	39
Section 38.	Construction and Application of Terms.....	40
Section 39.	Non-liability of Individuals.....	40

C

Section 40. Services to the Lessee..... 40  
Section 41. Automobile Parking..... 42  
Section 42. Definitions..... 42  
Section 43. Late Charges..... 45  
Section 44. Obligations in Connection with the Lessee’s Business Conduct..... 46  
Section 45. Federal Airport Aid ..... 48  
Section 46. Method of Operation ..... 48  
Section 47. Relationship of the Parties ..... 49  
Section 48. Lessee’s Rights Non-Exclusive..... 49  
Section 49. Holdover..... 49  
Section 50. Waiver of Trial By Jury ..... 50  
Section 51. Force Majeure ..... 50  
Section 52. Abatement..... 51  
Section 53. Quiet Enjoyment..... 51  
Section 54. Security Deposit ..... 51  
Section 55. Former Agreement Superseded ..... 52  
Section 56. Storage Tanks..... 53  
Section 57. Entire Agreement..... 55

**Exhibits**

**Exhibit A - Premises**

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

Lease No. AYD-945

AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE, made as of the 1<sup>st</sup> day of July, 2009, by and between THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY (hereinafter called the "Port Authority"), a body corporate and politic, established by Compact between the States of New York and New Jersey with the consent of the Congress of the United States of America, and having an office at 225 Park Avenue South, in the Borough of Manhattan, City, County and State of New York, and SKY CHEFS, INC. (hereinafter called the "Lessee") a corporation organized and existing under the laws of the State of Delaware and authorized to do business in the State of New York and having an office at 6191 North State Highway 161, Irving, Texas 75038, whose representative is John Hayes, Director, Corporate Real Estate.

WITNESSETH, That:

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

Section 1. Letting

(a) The Port Authority hereby lets to the Lessee and the Lessee hereby hires and takes from the Port Authority at John F. Kennedy International Airport (the "Airport") in the City of New York, County of Queens and State of New York, upon all the terms, conditions, provisions and agreements of this Agreement, the following:

(i) Building 143 consisting of approximately 36,000 square feet of space ("Building Area A") shown in stipple and labeled as Building 143 on the sketch and data table attached hereto, hereby made a part hereof, and marked "Exhibit A," and approximately 2.8 acres of related land area ("Land Area A") shown in stipple and stipple and diagonal hatching on "Exhibit A"; and

(ii) space in Building No. 139 and Building No. 137 consisting of approximately 132,890 square feet of space (collectively, "Building Area B") shown in stipple, dash hatching and diagonal hatchings on the drawings attached hereto, hereby made a part hereof, and marked "Exhibit B-1 (1 of 4)," "Exhibit B-1 (2 of 4)," "Exhibit B-1 (3 of 4)," "Exhibit B-1 (4 of 4)," and approximately 7.2 acres of related land area ("Land Area B") shown in stipple and dash hatching on Exhibit B-1 (1 of 4),

together with the buildings, structures, fixtures, equipment, improvements, facilities and other property of the Port Authority located therein, thereon or thereunder, and all buildings, structures, additions, fixtures, equipment, improvements, and facilities located, constructed or installed, or which may be located, constructed or installed therein, thereon or thereunder, all of the foregoing being hereinafter collectively referred to as the "Premises."

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

(c) The parties acknowledge that the Premises constitute non-residential real property.

(d) The Lessee hereby acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the condition of the Premises or the suitability thereof for the operations permitted on the Premises by this Agreement, except as expressly provided in this Agreement. The Lessee, prior to the execution of this Agreement, has thoroughly examined and inspected the Premises and determined it to be in good order and repair and has determined it to be suitable for the Lessee's operations hereunder and the Lessee hereby agrees to and shall take the Premises in its "as is" condition as of the commencement of the term of the letting hereunder. The Port Authority shall have no obligation hereunder for finishing work or for preparation of the Premises for the Lessee's use. Without limiting any obligation of the Lessee to commence operations hereunder at the time and in the manner stated elsewhere in this Agreement, the Lessee agrees that no portion of the Premises will be used initially or at any time during the letting which is in a condition unsafe or improper for the conduct of the Lessee's operations hereunder so that there is possibility of injury or damage to life or property.

Section 2. Term

The term of the letting hereunder shall commence at 12:01 a.m. on July 1, 2009 (which date is hereinafter referred to as the "Commencement Date") and, unless sooner terminated, shall expire at 11:59 p.m. on the day preceding the fifth (5<sup>th</sup>) anniversary of the Commencement Date (the "Term").

Section 3. Rentals

(1) Basic Rental

(a) The Lessee shall pay to the Port Authority a basic building rental for Building Area A as follows:

(i) For the period commencing on the Commencement Date and continuing through June 30, 2010, at the annual rate of

Exemption (2.a.)

) payable in advance in equal monthly

installments in the amount of Exemption (2.a.)

on the Commencement Date and on the first day of each and every calendar month thereafter during the aforesaid period;

(ii) For the period commencing on July 1, 2010 and continuing through June 30, 2011, at the annual rate of Exemption (2.a.)

payable in advance in equal monthly installments in the amount of Exemption (2.a.) on July 1, 2010 and on the first day of each and every calendar month thereafter during the aforesaid period;

(iii) For the period commencing on July 1, 2011 and continuing through June 30, 2012, at the annual rate of Exemption (2.a.)

payable in advance in equal monthly installments in the amount of Exemption (2.a.) on July 1, 2011 and on the first day of each and every calendar month thereafter during the aforesaid period;

(iv) For the period commencing on July 1, 2012 and continuing through June 30, 2013, at the annual rate of Exemption (2.a.)

payable in advance in equal monthly installments in the amount of Exemption (2.a.) on July 1, 2012 and on the first day of each and every calendar month thereafter during the aforesaid period; and

(v) For the period commencing on July 1, 2013 and continuing through June 30, 2014, at the annual rate of Exemption (2.a.)

payable in advance in equal monthly installments in the amount of Exemption (2.a.) on July 1, 2013 and on the first day of each and every calendar month thereafter during the aforesaid period.

(b) The Lessee shall pay to the Port Authority a basic building rental for Building Area B as follows:

(i) For the period commencing on the Commencement Date and continuing through June 30, 2010, at the annual rate of Exemption (2.a.)

payable in advance in equal monthly installments in the amount of Exemption (2.a.) on the Commencement Date and on the first day of each and every calendar month thereafter during the aforesaid period;

(ii) For the period commencing on July 1, 2010 and continuing through June 30, 2011, at the annual rate of Exemption (2.a.)

payable in advance in equal monthly installments in the amount of Exemption (2.a.)

on July 1, 2010 and on the first day of each and every calendar month thereafter during the aforesaid period;

(iii) For the period commencing on July 1, 2011 and continuing through June 30, 2012, at the annual rate of Exemption (2.a.) payable in advance in equal monthly installments in the amount of on July 1, 2011 and on the first day of each and every calendar month thereafter during the aforesaid period;

(iv) For the period commencing on July 1, 2012 and continuing through June 30, 2013, at the annual rate of Exemption (2.a.) payable in advance in equal monthly installments in the amount of on July 1, 2012 and on the first day of each and every calendar month thereafter during the aforesaid period; and

(v) For the period commencing on July 1, 2013 and continuing through June 30, 2014, at the annual rate of Exemption (2.a.) payable in advance in equal monthly installments in the amount of on July 1, 2013 and on the first day of each and every calendar month thereafter during the aforesaid period.

(c) The Lessee shall pay to the Port Authority a basic land rental for Land Area A for the period commencing on the Commencement Date and continuing through June 30, 2010, both dates inclusive, at the annual rate of Exemption (2.a.) payable in advance in equal monthly installments in the amount of on the Commencement Date and on the first day of each and every calendar month thereafter during the aforesaid period.

(d) The Lessee shall pay to the Port Authority a basic land rental for Land Area B for the period commencing on the Commencement Date and continuing through June 30, 2010, both dates inclusive, at the annual rate of Exemption (2.a.) payable in advance in equal monthly installments in the amount of on the Commencement Date and on the first day of each and every calendar month thereafter during the aforesaid period.

(e) Effective from and after July 1, 2010, the land rental for Land Area A and Land Area B shall be adjusted on each Anniversary Date during the Term at a rate per annum equal to the greater of:

(A) the sum of (x) the basic land rental payable immediately prior to such Anniversary Date, including all amounts included therein as

a result of prior adjustment thereof pursuant to the provisions of this Section and (y) the product obtained by multiplying such basic land rental by one-half of the Percentage Increase for such Anniversary Date, or

(B) the sum obtained by adding to the basic land rental payable immediately prior to such Anniversary Date, including all amounts included therein as a result of prior adjustments thereof pursuant to the provisions of this Section, the product obtained by multiplying such basic land rental by

(f) Adjustments to the basic land rental for Land Area A and Land Area B shall be in accordance with the following:

CPI Adjustments.

(i) Definitions

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

(B) "Base Period" shall mean the calendar month of April 2009.

(C) "Adjustment Period" shall mean, as the context requires, the calendar month of April 2010 and the calendar month of April of every calendar year which thereafter occurs during the period of permission granted under this Permit.

(D) "Anniversary Date" shall mean, as the context requires, July 1, 2010 (the "First Anniversary Date"), and July 1 of every calendar year which thereafter occurs during the period of permission granted under this Permit.

(E) "Percentage 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 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 Percentage Increase for the Anniversary Date that is July 1, 2011 would be a fraction of which the numerator is the Index for April 2011 less the Index for April 2010 and the denominator is the Index for April 2010).

(ii) In the event the Index to be used in computing any adjustment

referred to in paragraph (1)(e) of this Section is not available on the effective date of such adjustment, the Lessee shall continue to pay the basic land rental 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 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 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 basic land rental shall have been fixed for any period, the Index used for computing such adjustment shall be changed or adjusted, then the basic land rental adjustment for that period shall be recomputed, and from and after notification of the change or adjustment, the Lessee shall make payments based upon the recomputed basic land rental and upon demand shall pay any excess in the basic land rental due for such period as recomputed over amounts theretofore actually paid on account of the basic land rental for such period.

If any adjustment in the basic land rental referred to in paragraph (1)(e) of this Section 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 the rental adjustment an installment of the basic land rental equal to  $1/12^{\text{th}}$  of the increment of the annual basic land rental as adjusted multiplied by a fraction, the numerator of which shall be the number of days from the effective date of the rental adjustment to the end of the calendar month in which the rental adjustment was effective and the denominator of which shall be the number of days in that calendar month.

(c) In the event any said portion of the Term shall commence on a day other than the first day of a month, the monthly installment due on said day shall be the monthly installment prorated on a daily basis using the actual number of days in said month. In the event any said portion of the Term shall expire on a day other than the last day of a month, the monthly installment for said month shall be the monthly installment prorated on a daily basis using the actual number of days in the said month.

(d) If any installment of basic rental payable hereunder shall be for less than a full calendar month, then the basic rental payment for the portion of the month for which said payment is due shall be the monthly installment prorated on a daily basis using the actual number of days in that said month.

(e) Upon any termination of the letting hereunder (even if stated to have the same effect as expiration), the Lessee shall within twenty (20) days after the effective date of such termination, make a payment of the applicable basic rental computed as follows: if the

letting hereunder is terminated effective on a date other than the last day of a month the basic rental for the portion of that month in which the letting remains effective shall be the amount of the monthly installment of basic rental prorated on a daily basis, and if the monthly installment due on the first day of that month has not been paid the Lessee shall pay the prorated part of the amount of that installment; if the monthly installment has been paid, then the excess thereof shall be credited to the Lessee's obligations.

(f) Nothing contained in the foregoing shall affect the survival obligations of the Lessee as set forth in the Section of this Agreement entitled "*Survival of the Obligations of the Lessee.*"

(2) Abatement

(a) Notwithstanding the provisions of the Section of this Agreement entitled "*Lessee's Rights Non-Exclusive,*" in the event the Lessee shall at any time by the provisions of this Agreement become entitled to an abatement of rental, the basic rental shall be reduced for each calendar day or major fraction thereof the abatement remains in effect, as follows (it being understood that there shall be no abatement of rental under this Agreement for any portion of the Premises or for any portion of the Term except as specifically provided in this Agreement):

(i) For each square foot of usable Building Area A and Building Area B the use of which is denied to the Lessee,

(A) during the period commencing on the Commencement Date to and including June 30, 2010, at the daily rate of (2.a.) , and

(B) during the period commencing on July 1, 2010 to and including June 30, 2011, at the daily rate of (2.a.) , and

(C) during the period commencing on July 1, 2011 and including June 30, 2012, at the daily rate of (2.a.) , and

(D) during the period commencing on July 1, 2012 to and including June 30, 2013, at the daily rate of (2.a.) , and

(E) during the period commencing on July 1, 2013 to and including June 30, 2014, at the daily rate of (2.a.) , and

(ii) For each square foot of usable Land Area A and Land Area B the use of which is denied to the Lessee during the period commencing on July 1, 2009 to and including June 30, 2010, at the daily rate of (2.a.) adjusted in the same proportion as the rental for such portion has been adjusted as provided in paragraph (1)(e) of this Section; and

(b) For the purposes of this Section, the number of square feet of covered area shall be computed as follows: by measuring from the inside surface of outer

building walls to the surface of the public area side, or of the non-exclusive area side, as the case may require, of all partitions separating the area measured from adjoining areas designated for the use of the public or for use by the Lessee in common with others, and to the center of partitions separating the area measured from adjoining area exclusively used by others; no deduction will be made for columns, partitions, pilasters or projections necessary to the building and contained within the area measured. Permanent partitions enclosing elevators shafts, stairs, fire towers, vents, pipe shafts, meter closets, flues, stacks and any vertical shafts have the same relation to the area measured as do outer building walls.

Section 4. Port Authority's Right to Terminate Lease Without Cause

AND the Lessee  
ack  
[Signature]

In addition to all other rights under this Agreement, the Port Authority shall have the right to terminate this Agreement and the letting hereunder, without cause, at any time, on thirty (30) days' prior written notice to the Lessee. <sup>OTHER</sup> In the event of termination pursuant to this Section, this Agreement and the letting hereunder shall cease and expire as if the effective date of termination stated in the notice were the date originally stated herein for the expiration of this Agreement. Further, in the event the Port Authority exercises its right to terminate the letting of the Premises for any reason other than "without cause," the Lessee shall be obligated to pay to the Port Authority an amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such termination, including without limitation any re-entry, regaining or resumption of possession, collecting all amounts due to the Port Authority, the restoration of the Premises (on failure of the Lessee to have it restored), preparing the Premises for use by a succeeding lessee, the care and maintenance of the Premises during any period of non-use of the Premises, 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 Premises and putting the Premises in order (such as but not limited to cleaning and decorating the same). In the event the Port Authority exercises its termination right under this Section, the Lessee shall not be entitled to receive, and the Port Authority shall have no obligation to pay or reimburse the Lessee for, all or any portion of the Lessee's unamortized capital investment, or for any other portion of Lessee's investment at, in, on, or in connection with the Premises.

Section 5. Use of Premises

The Lessee hereby agrees to and shall use the Premises or cause the Premises to be used for the following purposes and for activities reasonably required for such purposes and for such purposes and activities only:

(a) For the preparation, sale and delivery of in-flight meals, as defined herein, or portions thereof to Aircraft Operators at the Airport for consumption aboard aircraft and for the storage of food, commissary supplies and other in-flight meal items and accessories in connection therewith;

(b) For administrative and clerical offices in connection with its operations under this Agreement; it being expressly understood and agreed that the Lessee shall not use the Premises or any portion thereof for or as its corporate headquarters, regional or otherwise;

(c) For the operation by the Lessee itself, without utilizing any contractor or other organization, of a dining facility in which meals are furnished without charge to employees, officers, and occasional business guests of the Lessee;

(d) For the maintenance and repair of the Lessee's trucks and vehicular equipment operated by the Lessee in connection with its operations under this Agreement;

(e) For the parking of the Lessee's trucks and vehicular equipment used in connection with its operations hereunder, and the parking of passenger automobiles used by the officers, employees, invitees and business visitors of the Lessee, and for the loading and unloading of the Lessee's trucks in connection with its operations hereunder; and

(f) For any other purpose or activity, in addition to those specified in this Section, for which the Premises are expressly authorized to be used by any other provision of this Agreement.

The parties acknowledge and agree that the term "in-flight meals" as used in the industry and in this Agreement is a word of art and includes food, beverages, snacks, non-reusable supplies, materials and dry goods for consumption aboard aircraft by passengers and crew, and/or any services in connection therewith, including without limitation, supply, preparation or assembly.

Section 6. Ingress and Egress

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

(b) The Lessee shall have the right of ingress and egress between the Premises and the Public Landing Area at the Airport by means of existing taxiways to be used in common with others having rights of passage thereon; provided, however, that the Port Authority may from time to time substitute other reasonably equivalent means of ingress and egress.

(c) The use of all roadways and taxiways shall be subject to the rules and regulations of the Port Authority which are now in effect or which may hereafter be promulgated for the safe and efficient operation of the Airport. In addition to the rights of closure granted above, the Port Authority may, at any time, temporarily or permanently close, or consent to or request the closing of, any such roadway and any other area at the Airport presently or hereafter used as such, so long as a means of ingress and egress reasonably equivalent to that provided in paragraphs (a) and (b) above remains available to the Lessee. The Lessee hereby releases and discharges the Port Authority, its successors and assigns, of and from any and all claims, demands or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway, taxiway or

other area used as such whether within or outside the Airport, provided, a reasonable equivalent means of ingress and egress is available. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Premises or in any streets, ways and walks near the Premises.

(d) The Port Authority shall have the right of ingress and egress to and from the Premises for airport purposes, including but not limited to, the performance of emergency services.

#### Section 7. Compliance with Governmental Requirements

(a) The Lessee shall promptly comply with, observe and execute all laws and ordinances and governmental rules, regulations, orders, requirements and similar items, including without limitation, all Environmental Requirements, now or at any time during the Term of this Agreement which as a matter of law are applicable to or which affect (i) the Premises or the groundwater thereunder, (ii) the operations of the Lessee at the Premises or the Airport, or (iii) the occupancy and use of the Premises. The Lessee shall, in accordance with and subject to the provisions of the Section of this Agreement entitled "*Other Construction by the Lessee*," as the case shall be, make any and all structural and non-structural improvements, alterations or repairs of the Premises required in order to fully satisfy the compliance obligations set forth herein.

(b) Without limiting the generality of paragraph (a) of this Section, the Lessee shall in its own name procure from all Governmental Authorities having jurisdiction over the Premises, the use and occupancy of the Premises, or operations of the Lessee hereunder all licenses, certificates, permits, registrations or other authorization which may be necessary in connection with any of the foregoing and/or to fulfill the Lessee's obligations pursuant to paragraph (a) of this Section. "Governmental Authority" shall not be construed as intending to include The Port Authority of New York and New Jersey, the lessor under this Agreement.

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

(d) The Lessee shall comply with the enactments, ordinances, resolutions and regulations of local governmental authority in regard to the construction and maintenance of buildings and structures and in regard to health and fire protection which would be applicable if the Port Authority were a private corporation to the extent that the Port Authority finds it practicable so to do, except in cases where the Port Authority either notifies the Lessee that it need not comply with or directs it not to comply with any such enactments, ordinances, resolutions or regulations. The Lessee shall, for the Port Authority's information, deliver to the Port Authority promptly after receipt of any notice, warning, summons, or other legal process for the enforcement of any such enactment, ordinance, resolution or regulation a true copy of the same. Any direction by the Port Authority to the Lessee not to comply with any such enactment, ordinance, resolution or regulation shall be given only pursuant to a resolution duly adopted by

the Board of Commissioners of the Port Authority or by an authorized committee of its Board and if any such direction is given by the Port Authority to the Lessee, the Port Authority to the extent that it may lawfully do so, shall indemnify and hold the Lessee harmless from and against all claims, actions, damages, liabilities, fines, penalties, costs and expenses suffered or incurred by the Lessee as a result of non-compliance with such enactment, ordinance, resolution or regulation.

(e) In the event of compliance with any such enactment, ordinance, resolution or regulation on the part of the Lessee, acting in good faith, commenced after such delivery to the Port Authority but prior to the receipt by the Lessee of a written direction from the Port Authority not to comply (and thereafter discontinued) such compliance shall not constitute a breach of this Agreement, although the Port Authority thereafter directs the Lessee not to comply. Nothing herein contained shall release or discharge the Lessee from compliance with any other provision hereof respecting governmental requirements.

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

Section 8. Rules and Regulations

(a) The Lessee covenants and agrees to observe and obey (and to require its officers, employees, guests, invitees, permitted sublessees, and others doing business with it to observe and obey) the Rules and Regulations of the Port Authority in effect as of the execution of this Agreement and such reasonable future Rules and Regulations and amendments and supplements to existing Rules and Regulations for the government of the conduct and operations of the Lessee and others on the Premises as may from time to time during the letting be promulgated by the Port Authority for reasons of safety, health, sanitation or good order. The obligation of the Lessee to require such observance and obedience on the part of its guests, invitees, and business visitors, shall apply only while such persons are on the Premises. The Port Authority agrees that except in cases of emergency, it will give notice to the Lessee of every such future rule or regulation adopted by it at least ten (10) days before the Lessee shall be required to comply therewith.

(b) The use by the Lessee and its officers, employees, passengers, guests, invitees, permitted sublessees, and those doing business with it, or them, of any and all other portions of the Airport which it may be entitled to use under this Agreement (other than the Premises) shall be subject to the Rules and Regulations of the Port Authority in effect as of the execution of this Agreement, and such reasonable future rules and regulations (including amendments and supplements to existing Rules and Regulations) as the Port Authority may from time to time promulgate in the public interest and in the interest of health, safety, sanitation, good order and the economic and efficient operation of the Airport.

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

(d) No statement or provision in the said Rules and Regulations shall be deemed a representation or promise by the Port Authority that the services or privileges described shall be or remain available, or that the charges, prices, rates or fees stated therein shall be or remain in effect throughout the letting, all of the same being subject to change by the Port Authority from time to time whenever it deems a change advisable.

Section 9. Various Obligations of the Lessee

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

(b) The Lessee shall use its best efforts to conduct all operations at the Premises in a safe and careful manner, following in all respects the best practices of the Lessee's industry.

(c) The Port Authority shall have the right to object to the Lessee regarding the conduct and demeanor of the employees of the Lessee (and permitted sublessees, if any) whereupon the Lessee will take all steps reasonably necessary to remove the cause of the objection. If requested by the Port Authority the Lessee shall supply and shall require its employees (and permitted sublessees, if any) to wear or carry badges or other suitable means of identification, which shall be subject to the prior and continuing approval of the General Manager of the Airport.

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

(e) The Lessee shall remove from the Airport or otherwise dispose of in a manner approved by the General Manager of the Airport all garbage, debris, and other waste materials (whether solid or liquid) arising out of its occupancy of the Premises or out of its operations. Any such waste materials which may be temporarily stored in the open, shall be kept in suitable garbage and waste receptacles, the same to be made of metal or other suitable material, and equipped with tight-fitting covers, and to be of a design safely and properly to contain whatever material may be placed therein. The Lessee shall use extreme care when effecting removal of all such waste materials, and shall effect such removal at such times and by such means as first approved by the Port Authority. No such garbage, debris, or other waste materials shall be or be permitted to be thrown, discharged or deposited into or upon the waters at or bounding the Airport.

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

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

(h) The Lessee shall periodically inspect, clean out and maintain the oil separators serving the Premises which are located on the Premises and the oil separators located outside the Premises if they exclusively serve the Premises.

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

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

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

#### Section 10. Prohibited Acts

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

(b) The Lessee shall not create nor permit to be caused or created upon the Premises any obnoxious odors or smokes, or noxious gases or vapors. The creation of exhaust fumes by the operation of the internal-combustion engines or aircraft engines of other types, so long as such engines are maintained and are being operated in a proper manner, shall not be a violation of this paragraph (b).

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

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

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

(f) The Lessee shall not keep or store, nor permit any one to keep or store, during any 24-hour period flammable liquids within any enclosed portion of the Premises (other than in rooms or areas expressly constructed for the storage of such liquids) in excess of the Lessee's working requirements during the said 24-hour period. Any such liquids having a flash point of less than 110 degrees Fahrenheit shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories or the Factory Mutual Insurance Association.

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

(h) The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Premises or in any streets, ways and walks adjacent or near the Premises.

(i) Except as provided in the Section of this Agreement entitled "*Use of the Premises,*" the Lessee shall not install, maintain or operate, nor permit the installation, maintenance or operation on the Premises of any vending-machine or device designed to

dispense or sell food, beverages, tobacco, tobacco products or merchandise of any kind, whether or not included in the above categories, or of any restaurant, cafeteria, kitchen, stand or other establishment of any type for the preparation, dispensing or sale of food, beverages, tobacco, tobacco products or merchandise of any kind, whether or not included in the above categories, or of any equipment or device for the furnishing to the public of service of any kind, including therein, without limitation thereto, telephone pay stations, unless the Lessee obtains the prior written consent of the Port Authority.

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

(k) The Lessee shall not use nor permit the use of any structural supporting member of the building or roof or any part thereof for the storage of any material or equipment, or hoist, lift, move or support any material or equipment or other weight or load, by means of said trusses or structural supporting members, without prior approval of the Port Authority.

(l) The Lessee shall not overload nor permit the overloading of any floor on the Premises, and shall repair, replace or rebuild any floor, including supporting members, and paved area, damaged by overloading. Nothing in this paragraph or elsewhere in this Agreement shall be or be construed to be a representation by the Port Authority of the weight any floor or paved area will bear.

(m) The Lessee shall not use nor permit the use of any cleaning materials having a harmful corrosive effect on any part of the Premises.

(n) The Lessee shall not fuel or defuel nor permit the fueling or defueling of any aircraft or other equipment in the enclosed portions of the Premises without prior approval of the General Manager of the Airport.

(o) The Lessee shall not dispose of, release or discharge nor permit anyone to dispose of, release or discharge any Hazardous Substance on or from the Premises or at the Airport. In addition to and without limiting any other terms or provisions of this Agreement, any Hazardous Substance disposed of, released or discharged by the Lessee (or permitted by the Lessee to be disposed of, released or discharged) on or from the Premises or at the Airport, shall

upon notice by the Port Authority to the Lessee and subject to the provisions of the Section of this Agreement entitled "*Other Construction by the Lessee*," be completely removed, cleaned up and/or remediated by the Lessee. The obligations of the Lessee pursuant to this paragraph (o) shall survive the expiration or termination of this Agreement.

Section 11. Care, Maintenance, Rebuilding and Repair by the Lessee

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

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

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

(3) Take good care of the Premises and maintain the same at all times in good condition; perform all necessary preventive maintenance, including but not limited to painting (the exterior of the structures on the Premises and areas visible to the general public to be painted only in colors which have been approved by the Port Authority); and make all repairs and replacements, and, subject to and in accordance with the provisions of the Section of this Agreement entitled "*Other Construction by the Lessee*," do all rebuilding, inside and outside, ordinary and extraordinary, partial and entire, foreseen and unforeseen, structural or otherwise, which repairs, rebuilding and replacements by the Lessee shall be in quality and class not inferior to the original in materials and workmanship; and to pay promptly the cost and expense of such repairs, replacements and maintenance;

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

(5) Take such anti-erosion measures and maintain the landscaping at all times in good condition, including but not limited to periodic planting and replanting, as the

Port Authority may require, and perform and maintain such other landscaping with respect to all portions of the Premises not paved or built upon as the Port Authority may require;

(6) Be responsible for the maintenance and repair of all utility service lines, including but not limited to, service lines for the supply of water, gas service lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers, located upon the Premises and used by the Lessee exclusively or in common, or, subject to having access thereto, located off the Premises and used by the Lessee exclusively or in common;

(7) Be responsible for appropriate lighting of all ramp and apron areas located upon the Premises (if applicable) and for the maintenance and repair of all access roadways, taxiways and ramp and apron areas located upon the Premises (if any);

(8) Repair any damage to the paving or other surface of the Premises caused by any oil, gasoline, grease, lubricants or other flammable liquids and substances having a corrosive or detrimental effect thereon;

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

(10) Be responsible for the operation, repair and maintenance of the heat-ventilation-air conditioning (HVAC) system and all of the components thereof including, without limitation, the boiler which is located within the Premises. Such responsibility shall include, without limitation, procuring from Governmental Authorities all licenses, certificates, permits, registrations or other authorizations which relate to the Lessee's operation of such system and its components, as described in paragraphs (a) and (b) of the Section of this Agreement entitled "*Compliance with Governmental Requirements.*"

(b) In the event the Lessee fails to so commence to maintain, clean, repair, replace, rebuild or paint within a period of twenty (20) days after notice from the Port Authority so to do in the event that the said notice specifies that the required work to be accomplished by the Lessee includes maintenance and/or repair other than preventive maintenance, or within a period of twenty (20) days if the said notice specifies that the work to be accomplished by the Lessee involves preventive maintenance only, or Lessee 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 the Lessee under the terms of this Agreement, the Port Authority may, at its option, and in addition to any other remedies which may be available to it, 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 the Lessee upon demand.

## Section 12. Insurance

(a) The Lessee shall during the Term, insure and keep insured to the extent of one hundred percent (100%) of the replacement value thereof, all buildings, structures, improvements, installations, facilities and fixtures now or in the future located on the Premises

against such hazards and risks as may now or in the future be included under a standard form of fire and extended coverage insurance policy available in the State of New York including, without limitation, physical loss or damage by lightning, windstorm, cyclone, tornado, hail, explosion, riot and civil commotion, aircraft, vehicles, smoke, flood and earthquake, and, if the Port Authority so requests upon written notice, also covering nuclear property losses and contamination hazards and risks (if such coverage is or becomes available) and also covering boiler and machinery hazards and risks in a separate insurance policy or policies or as an additional coverage endorsement to the aforesaid policies in the form as may now or in the future be prescribed as of the effective date of said insurance by the rating organization having jurisdiction and/or the Superintendent of Insurance of the State of New York and the Lessee shall furthermore provide additional insurance with respect to the Premises covering any other property risk that the Port Authority may at any time during the Term cover by carrier or self-insurance covered by appropriate reserves at other locations at the Airport upon written notice to the Lessee to such effect.

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

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

(d) The certificates representing insurance covered by this Section, and certified copies of such insurance if requested by the Port Authority, shall be delivered by the Lessee to the Port Authority upon execution of this Agreement by the Lessee and each certificate (or the aforesaid policy) delivered shall bear the endorsement of or be accompanied by evidence of payment of the premium thereof and also contain a valid provision obligating the insurance company to furnish the Port Authority and the City of New York thirty (30) days' written advance notice of the cancellation, termination, change or modification of the insurance evidenced by said policy or certificate. Renewal policies or certificates shall be delivered to the Port Authority at least thirty (30) days before the expiration of the insurance which such policies are to renew.

(e) The insurance covered by this Section shall be written by companies approved by the Port Authority, the Port Authority covenanting and agreeing not to withhold its approval unreasonably. If at any time any of the insurance policies shall be or become unsatisfactory to the Port Authority as to form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Lessee shall promptly obtain a new and satisfactory policy in replacement, the Port Authority covenanting and agreeing not to act unreasonably hereunder. If at any time the Port Authority so requests, a certified copy of each of said policies shall be made available by the Lessee to the Port Authority for inspection and reproduction at an office of the Lessee within the Port of New York District.

Section 13. Damage to or Destruction of Premises

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

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

(c) Major Damage to or Destruction of the Premises.

If the Premises or any part thereof shall be destroyed or so damaged by fire, the elements, the public enemy or other casualty as to be untenable or unusable for ninety (90) or more days, or if within ninety (90) days after such damage or destruction the Lessee notifies the Port Authority in writing that in its opinion said Premises will be untenable or unusable for ninety (90) or more days then: the Lessee shall proceed with due diligence to make the necessary repairs or replacements to restore such Premises in accordance with the plans and specifications for the Premises as the same existed prior to such damage or destruction; or with the approval in writing of the Port Authority make such other repairs, replacements or changes as may be desired by the Lessee. If such destruction or damage was covered by insurance as set forth in the Section of this Agreement entitled "*Insurance*," the proceeds thereof shall be made available to the Port Authority and be used by the Lessee for such restoration.

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

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

Section 14. Indemnity and Liability Insurance

(a) (1) The Lessee shall indemnify and hold harmless the Port Authority, its Commissioners, officers, agents, employees and representatives, from and against (and shall reimburse the Port Authority for the Port Authority's reasonable costs and expenses, including legal expenses, incurred in connection with the defense of) all claims and demands of third persons, including but not limited to, claims and demands for death or personal injuries, or for property damages, arising out of any default of the Lessee in performing or observing any term

or provision of this Agreement, or out of the use or occupancy of the Premises by the Lessee or by others with its consent or out of any of the acts or omissions of the Lessee, its officers, employees, guests, invitees and other persons who are doing business with the Lessee or who are at the Premises with the consent of the Lessee or arising out of the acts or omissions of the Lessee, its officers and employees elsewhere at the Airport, including claims and demands of the City of 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.

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

(b) In addition to the obligations set forth in paragraph (a) of this Section and all other insurance required under this Agreement, the Lessee during the Term in its own name as insured and including the Port Authority as an additional insured shall maintain and pay the premiums on a policy or policies of *Commercial General Liability Insurance*, including products liability, completed operations, premises-operations, and covering bodily-injury, including death, and property damage liability, none of the foregoing to contain care, custody or control exclusions, and providing for coverage in the limits set forth below; and *Commercial Automobile Liability Insurance* covering owned, non-owned and hired vehicles and including automatic coverage for newly acquired vehicles and providing for coverage in the limit set forth below; and *Workers' Compensation Insurance* in accordance with the requirements of law. All the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Lessee thereunder with respect to any claim or action against the Lessee by a third person shall pertain and apply with like effect with respect to any claim or action against the Lessee by the Port Authority, but such endorsement shall not limit, vary, change, or affect the protections afforded the Port Authority thereunder as an additional insured. In addition, all the aforesaid policy or policies of insurance shall also provide or contain an endorsement providing that the protections afforded the Port Authority thereunder with respect to any claim or action against the Port Authority by the Lessee shall be the same as the protections afforded the Lessee thereunder with respect to any claim or action against the Lessee by a third person as if the Port Authority were the named insured thereunder. The said policy or policies of insurance shall also provide or contain a contractual liability endorsement covering the obligations assumed by the Lessee under paragraph (a) hereof. Said insurance and any applicable excess liability insurance shall be, in aggregate, not less than the following amounts:

Minimum Limits

Commercial General Liability Combined single limit per occurrence for death, bodily injury and property damage liability:	\$100,000,000
Commercial Automobile Liability Combined single limit per occurrence for death, bodily injury and property damage liability:	\$25,000,000

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

(c) All insurance coverages and policies required under the Section of this Agreement entitled "*Insurance*" and 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 period the Agreement remains in effect and insurance companies issuing such policies shall be licensed to do business in the State of New York and have ratings classifications of "A" or better and a financial size category ratings of "VII" or better according to the latest edition of the A.M. Best Key Rating Guide. The Port Authority at any such time may make additions, deletions, amendments to or modifications of the above-scheduled insurance requirements and may require such other and additional insurance, in such reasonable amounts, against such other insurable risks and hazards, as the Port Authority may deem advisable and the Lessee shall promptly comply therewith.

(d) As to the insurance required by the provisions of this Section, a certified copy of the policies or a certificate or certificates evidencing the existence thereof, or binders, shall be delivered by the Lessee to the Port Authority upon execution of this Agreement and delivery thereof by the Lessee 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 any binder is delivered, it shall be replaced within thirty (30) days by a certificate of insurance or, at the request of the Port Authority, a certified copy of the policy. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be cancelled, terminated, changed or modified without giving thirty (30) days' written advance notice thereof to the Port Authority and the City of New York. Each such copy or certificate, whether relating to insurance covered by the Section of this Agreement entitled "*Insurance*," or this Section, 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, 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 or certificate 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 Term.

(e) As to the insurance requested under this Agreement, whether pursuant to the Section of this Agreement entitled "*Insurance*," this Section or otherwise such 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 the form or substance or if any of the carriers issuing such policies shall be or become unsatisfactory to the Port Authority, the Lessee shall promptly obtain a new and satisfactory policy in replacement. If the Port Authority at any time so requests, a certified copy of each of the policies shall be delivered to the Port Authority.

#### Section 15. Signs

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

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

#### Section 16. Obstruction Lights

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

#### Section 17. Additional Rent and Charges

If the Port Authority is required or elects to pay any sum or sums or incurs any obligations or expense by reason of the failure, neglect or refusal of the Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as a result of an act or omission of the Lessee contrary to the said conditions, covenants and

agreements, the Lessee agrees to pay the sum or sums so paid or the expense so incurred, including all interest, costs, damages and penalties, and the same may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent, recoverable by the Port Authority in the same manner and with like remedies as if it were originally a part of the rent as set forth in the Section of this Agreement entitled "*Rentals.*"

Section 18. Rights of Entry Reserved

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

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

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

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

any property of the Lessee or of any other person located therein or thereon (other than those occasioned by the affirmative, willful acts of the Port Authority, its employees, agents and representatives).

(e) At any time and from time to time during ordinary business hours within the six (6) months next preceding the expiration of the letting, the Port Authority, for and by its agents and employees, whether or not accompanied by prospective lessees, occupiers or users of the Premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same.

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

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

#### Section 19. Other Construction by the Lessee

Except as otherwise expressly provided in this Agreement, the Lessee shall not erect any structures, make any improvements or do any construction on the Premises or alter, modify, or make additions, improvements, repairs to or replacements of any structure now existing or built at any time during the letting, or install any fixture (other than trade fixtures, removable without material damage to the freehold, any such damage to be immediately repaired by the Lessee at its sole cost and expense) without the prior written approval of the Port Authority and in the event any construction, improvement, alteration, modification, repair or replacement or addition is made without such approval, then upon reasonable written notice so to do, the Lessee will remove the same, or at the option of the Port Authority cause the same to be changed to the satisfaction of the Port Authority. In case of any failure on the part of the Lessee to comply with such notice, the Port Authority may effect the removal or change and the Lessee shall pay the cost thereof to the Port Authority. No provision hereof or elsewhere in this Agreement shall be deemed to grant any right whatsoever to any party other than the Lessee to erect any structures, make any improvements or do any construction on the Premises or alter, modify, or make additions, improvements, repairs to or replacements of any structure now existing or built at any time during the letting, or install any fixture (other than trade fixtures removable without material damage to the Premises, any damage to the Premises caused by such removal to be immediately repaired by the Lessee at its sole cost and expense) without the prior written approval by the Port Authority of a Tenant Authorization Application to be submitted by the Lessee to the Port Authority.

#### Section 20. Assignment and Sublease

(a) The Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby or

the letting thereunder or any part thereof without the prior written consent of the Port Authority and the payment of the then- established fee therefor.

(b) Any sale, assignment, transfer, sublease, mortgage, pledge, hypothecation, encumbrance or disposition of the Premises or of the rents, revenues or any other income from the Premises, or this Agreement or any part thereof, or any license or other interest of the Lessee therein not made in accordance with the provisions of this Agreement, shall be null and void *ab initio* and of no force or effect.

(c) If, without the prior written consent of the Port Authority, the Lessee assigns, sells, conveys, transfers, mortgages, pledges or sublets in violation of this Section or if the Premises are occupied by anybody other than the Lessee, the Port Authority may collect rent from any assignee, sublessee or anyone who claims a right under this Agreement or letting or who occupies the Premises, and the Port Authority shall apply the net amount collected to the rental herein reserved; but no such collection shall be deemed a waiver by the Port Authority of the covenants contained in this Section or an acceptance by the Port Authority of any such assignee, sublessee, claimant or occupant as Lessee, nor a release of the Lessee by the Port Authority from the further performance by the Lessee of the covenants contained herein; nor shall the granting of the Port Authority's approval and consent pursuant to this Section be construed to be a waiver or release by the Port Authority from the further performance by the *Lessee of the covenants contained herein.*

(d) Any consent granted by the Port Authority to any assignment or subletting or to any sublessee pursuant to the provisions hereof shall not be construed or deemed to release, relieve or discharge any succeeding assignee, successor or transferee of the Lessee or any other person claiming any right, title or interest in this Agreement from the requirement of obtaining the prior written consent of the Port Authority in the event it wishes to sell, convey, transfer, mortgage, pledge, sublet or assign this Agreement or any part thereof, or any rights created thereby or the letting thereunder or any part thereof; and such assignee, successor or transferee or other person claiming any right, title or interest in this Agreement shall not sell, convey, transfer, mortgage, pledge, sublet or assign this Agreement or any part thereof, or any rights created thereby or the letting thereunder or any part thereof without such prior written consent of the Port Authority.

(e) The Lessee shall not use or permit any person to use the Premises or any portion thereof except in accordance with the provisions of the Section hereof entitled "Rules and Regulations" and this Section nor for any purpose other than the purposes stated in the Section hereof entitled "*Use of Premises.*" Except as provided in this Agreement or otherwise permitted in writing by the Port Authority, the Lessee shall not permit the Premises to be used or occupied by any person other than its own officers, employees, representatives, agents, contractors, guests, visitors and business invitees.

## Section 21. Condemnation

### (a) Definitions.

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

**“Date of Taking”** shall mean the date on which title to all or any portion of the Premises, as the case may be, has vested in any lawful power or authority pursuant to a Taking.

**“Material Part”** with reference to the Premises or with reference to the Public Landing Area shall mean such portion of the Premises or the Public Landing Area as when so taken would leave remaining a balance of the Premises, due either to the area so taken or the location of the part so taken in relation to the part not so taken, that would not under economic conditions and after performance by the Lessee of all covenants, agreements, terms and provisions contained herein or required by law to be observed or performed by the Lessee, permit the restoration of the Premises so as to enable the Lessee to operate, maintain and develop the Premises in accordance with this Agreement and to continue to carry on its normal operations at the Airport without using such part taken.

**“Taking”** shall mean the acquisition of a real property interest, through condemnation or the exercise of the power of eminent domain, by any body having a superior power of eminent domain.

(b) Permanent Taking of All or a Portion of the Premises and the Public Landing Area.

(1) If a Taking is permanent and covers the entire Premises, then this Agreement shall, as of the Date of Taking, cease and determine in the same manner and with the same effect as if such date were the original date of expiration hereof.

(2) If a Taking is permanent but covers less than all of the Premises, this Agreement and the Term hereof shall continue as to the portion of the Premises not so taken, and the letting as to the part of the Premises so taken shall, as of the Date of Taking, cease and determine in the same manner and with the same effect as if the Term had on that date expired, and the rentals shall be abated as provided in the Section of this Agreement entitled “*Rentals*.”

(3) If a Taking is permanent and covers a Material Part of the Premises or of the Public Landing Area, then the Lessee and the Port Authority shall each have an option exercisable by notice given within ten (10) days after the Date of Taking to terminate the letting hereunder with respect to the Premises not taken, as of the Date of Taking, and such termination shall be effective as if the Date of Taking were the original date of expiration hereof. If the Port Authority exercises this option, it shall purchase from the Lessee the Lessee’s leasehold interest (excluding any personal property whatsoever) in the Premises not taken for a consideration equal to the unamortized investment, if any, of the Lessee in the Premises not taken. If the letting of the entire Premises is not terminated, the rentals shall be abated in accordance with the Section of this Agreement entitled “*Rentals*” after the date of surrender of possession of the portion of the Premises taken.

(4) If a Taking is permanent but covers less than the entire Premises

and the letting of the portion of the Premises not taken is not terminated pursuant to paragraph (b)(3) of this Section, the Lessee shall proceed diligently to restore the remaining part of the Premises not so taken so that the Premises shall be a complete, operable, self-contained architectural unit in good condition and repair and the proceeds of that portion of any award paid in trust to the Port Authority pursuant to Section 23.3 of the Basic Lease attributable to the improvements on the Premises not so taken shall be made available by the Port Authority to be used by the Lessee for that purpose. The Port Authority shall retain any excess of such award over the costs of the restoration.

(5) If a Taking (x) covers all or "substantially all of a Municipal Air Terminal", as defined in the Basic Lease, and (y) the Basic Lease (with respect to the Airport) and this Agreement are consequently terminated, then the Port Authority shall pay to the Lessee its unamortized investment, if any, in the Premises, provided, however, that the Port Authority's foregoing payment obligation to the Lessee shall be limited to a proportionate share (as determined by the Port Authority in its sole discretion following consultation with all of the Port Authority's tenants at the Airport) of the condemnation proceeds available to be paid to the Lessee and the Port Authority's other tenants at the Airport, and provided, further, that such available condemnation proceeds shall be limited to the amount of the condemnation proceeds received from the City remaining after the Port Authority has been compensated for (p) the value of its leasehold interest in the Airport or (q) the sum of the unamortized portion of the Port Authority's investment in improvements at the Airport and any remaining deferred charges for equipment acquired by the Port Authority for use at or in connection with its operation of the Airport, whichever of (p) or (q) is greater (such greater amount, the "Port Authority Share"). In making the determination of "proportionate share" provided in the first proviso of the preceding sentence, the Port Authority shall in no event be liable, in any respect, to the Lessee or any other party by reason of such determination or the resulting distribution of proceeds, and the Lessee shall, prior to receipt of any such distribution, execute and deliver to the Port Authority such form of waiver, release and indemnification as the Port Authority may request. The Lessee understands and accepts that after payment of the Port Authority Share, there may be insufficient condemnation proceeds (or none at all) remaining to pay all or any portion of the Lessee's unamortized investment.

(c) Temporary Taking of All or Any Part of the Premises or the Public Landing Area.

(1) If the temporary use of the whole or any part of the Premises shall be taken for any public or quasi-public purpose by any lawful power or authority pursuant to a Taking or by agreement between the Port Authority and such lawful power or authority, (w) the Lessee shall give prompt notice thereof to the Port Authority, (x) the Term shall not be reduced or affected in any way and (y) the Lessee shall continue to pay in full all rentals payable by the Lessee hereunder without reduction or abatement except as set forth in paragraph (c)(2) below.

(2) If a temporary Taking covers all or a Material Part of the Premises or the Public Landing Area, then the Lessee and the Port Authority shall each have an option, exercisable by notice given within ten (10) days after the Date of Taking, to suspend the Term of such of the Premises as are not so taken during the period of the Taking, and, in that event, the

rentals for such portion of the Premises not so taken shall abate for the period of the suspension in accordance with the Section of this Agreement entitled "*Rentals.*" If the Port Authority exercises this option, it shall purchase from the Lessee the Lessee's leasehold interest (excluding any personal property whatsoever) in the Premises not taken for the period of suspension for a consideration equal to the unamortized investment, if any, of the Lessee in such Premises which is to be amortized over the period of such suspension.

(d) Lessee's Cooperation.

The Lessee shall execute any and all documents that may be reasonably required in order to facilitate collection by the appropriate party of awards or payments covered by this Section.

(e) Condemnation Claims by the Lessee.

To the extent a condemnation claim by the Lessee shall not diminish any claim, award, compensation or damages of or to the City of New York or of or to the Port Authority on account of any condemnation and such condemnation claim is permitted by Section 23 of the Basic Lease, the Lessee may file a claim in a condemnation proceeding.

Section 22. Termination by the Port Authority

(a) If any one or more of the following events (hereby deemed to be material defaults under this Agreement and herein individually sometimes called an "Event of Default") shall occur, that is to say:

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

(2) By order or decree of a court the Lessee shall be adjudged bankrupt or an order shall be made approving a petition filed by any of its creditors or by any of the stockholders of the Lessee, seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any law or statute of the United States or of any state thereof, provided that if any such judgment or order is stayed or vacated within sixty (60) days after the entry thereof, any notice of cancellation shall be and become null, void and of no effect; or

(3) By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or

substantially all of the property of the Lessee, and such possession or control shall continue in effect for a period of thirty (30) days; or

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

(5) Any lien is filed against the Premises because of any act or omission of the Lessee and shall not be discharged of record, or by bonding through an insurance company duly authorized to write such bonds in New York State, within thirty (30) days after the Lessee has received notice thereof; or

(6) Except as expressly permitted in the Section of this Agreement entitled "*Assignment and Sublease*," the letting hereunder or the interest or estate of the Lessee under this Agreement shall be transferred directly by the Lessee or shall pass to or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

(7) A petition under any part of the federal bankruptcy laws or an action under any present or future insolvency law or statute shall be filed against the Lessee and shall not be dismissed within sixty (60) days after the filing thereof; or

(8) Except as otherwise provided in the Section of this Agreement entitled "*Assignment and Sublease*," the Lessee shall, without the prior written approval of the Port Authority, become a successor or merged corporation in a merger or a constituent corporation in a consolidation, or a corporation in dissolution; or

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

(10) The Lessee shall fail to keep, perform and observe each and every other promise, covenant and agreement set forth in this Agreement on its part to be kept, performed, or observed, within thirty (30) days after receipt of notice of default thereunder from the Port Authority (except where fulfillment of its obligation requires activity over a period of time, and the Lessee shall have commenced to perform whatever may be required for fulfillment within thirty (30) days after receipt of notice and continues such performance without interruption except for causes beyond its control),

then upon the occurrence of any such event or at any time thereafter during the continuance thereof, the Port Authority may upon fifteen (15) days' notice terminate the rights of the Lessee hereunder and the letting, such termination to be effective upon the date specified in such notice. Such right of termination and the exercise thereof shall be and operate as a conditional limitation.

(b) No failure by the Port Authority to insist upon the strict performance of any agreement, term, covenant or condition of this Agreement or to exercise any right or remedy

consequent upon a breach or default thereof, and no extension, supplement or amendment of this Agreement during or after a breach thereof, unless expressly stated to be a waiver, and no acceptance by the Port Authority of rentals, 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, covenant or condition. No agreement, term, covenant or condition of this Agreement to be performed or complied with by the Lessee, 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 Lessee in performance of any agreement, term, covenant or condition of this Agreement shall affect or alter this Agreement, but each and every agreement, term, covenant and condition thereof shall continue in full force and effect with respect to any other then existing or subsequent breach or default thereof.

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

Section 23. Right of Re-entry

The Port Authority shall, as an additional remedy upon the giving of a notice of termination as provided in either of the Sections of this Agreement entitled "*Port Authority's Right to Terminate Lease Without Cause,*" or "*Termination by the Port Authority,*" have the right to re-enter the Premises and every part thereof upon the effective date of termination without further notice of any kind, and may regain and resume possession either with or without the institution of summary or any other legal proceedings or otherwise. Such re-entry, or regaining or resumption of possession, however, shall not in any manner affect, alter or diminish any of the obligations of the Lessee under this Agreement, and shall in no event constitute an acceptance of surrender.

Section 24. Waiver of Redemption

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

Section 25. Survival of the Obligations of the Lessee

(a) In the event that the letting shall have been terminated in accordance with a notice of termination as provided in either of the Sections of this Agreement entitled "*Port Authority's Right to Terminate Lease Without Cause,*" or "*Termination by the Port Authority,*" or the interest of the Lessee cancelled pursuant thereto, or in the event that the Port Authority has re-entered, regained or resumed possession of the Premises in accordance with the provisions of the Section of this Agreement entitled "*Right of Re-entry,*" all the obligations of the Lessee

under this Agreement shall survive such termination or cancellation, or re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of the letting under this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Port Authority to the same extent, at the same time or times and in the same manner as if no termination, cancellation, re-entry, regaining or resumption of possession had taken place. The Port Authority may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency, less the proper discount, for the entire unexpired term.

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

(1) The amount of the total of all annual basic rentals less the installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first day of the month in which the termination is effective shall be prorated for the part of the month the letting remains in effect, on the basis of the actual number of days in said month; and

(2) An amount equal to all costs and expenses reasonably incurred by the Port Authority in connection with such termination, cancellation, re-entry, regaining or resumption of possession, collecting all amounts due to the Port Authority, the restoration of the Premises (on failure of the Lessee to have restored), the reletting of the Premises, the care and maintenance of the Premises during any period of vacancy of the Premises, 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), brokerage fees and commissions, repairing and altering the Premises and putting the Premises in order (such as but not limited to cleaning and decorating the Premises).

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

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

The Port Authority upon termination or cancellation pursuant to either of the Sections of this Agreement entitled "*Port Authority's Right to Terminate Lease Without Cause*" or "*Termination by the Port Authority*," or upon any re-entry, regaining or resumption of possession pursuant to the Section of this Agreement entitled "*Right of Re-entry*," may occupy the Premises or may relet the Premises, and shall have the right to permit any person, firm or corporation to enter upon the Premises and use the same. Such reletting may be of part only of the Premises or a part thereof together with other space, and for a period of time the same as or different from the balance of the Term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement. The Port Authority shall also, upon termination or cancellation pursuant to either of the said Sections of this Agreement entitled "*Port Authority's Right to Terminate Lease Without Cause*" or "*Termination by the Port Authority*," or upon its

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

Section 27. Remedies to be Non-Exclusive

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

Section 28. Surrender

The Lessee covenants and agrees to yield and deliver peaceably to the Port Authority possession of the Premises on the date of cessation of the letting, whether such cessation be by termination, expiration or otherwise, promptly and in good condition, and all of the Premises shall be free and clear of all liens, encumbrances, and security interests and of any rights of any permitted sublessees or other occupants of the Premises.

Section 29. Acceptance of Surrender of Lease

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

Section 30. Effect of Basic Lease

(a) The Lessee acknowledges that it has received, and is familiar with the contents of, a copy of the Basic Lease. The rights of the Port Authority in the Premises are those

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

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

(1) This Agreement is subject and subordinate to the Basic Lease and to any interest superior to that of the Port Authority;

(2) The Lessee shall not pay rent or other sums under this Agreement for more than one (1) month in advance (excluding security and other deposits required under this Agreement);

(3) With respect to this Agreement, the Lessee on the termination of the Basic Lease will, at the option of the City of New York, attorn to, or enter into a direct lease on identical terms with, the City of New York;

(4) The Lessee shall indemnify the City of New York with respect to all matters described in Section 31 of the Basic Lease;

(5) The Lessee shall not use the Premises for any use other than as permitted under the Basic Lease;

(6) The Lessee shall use, operate and maintain the Premises hereunder in a manner consistent with the Port Authority's obligations under Section 28 of the Basic Lease;

(7) The failure of the Lessee to comply with the foregoing provisions shall be an Event of Default under this Agreement, which, after the giving of reasonable notice, shall provide the Port Authority with the right to terminate this Agreement and exercise any other rights that the Port Authority may have as the landlord hereunder; and

(8) The City of New York shall be named as an additional insured or loss payee, as applicable, under each policy of insurance procured by the Lessee pursuant to this Agreement.

(c) The rights and obligations of the Lessee with respect to continuance of this Agreement upon the expiration or termination of the Basic Lease shall be as set forth in paragraph (b)(3) of this Section and the Lessee shall not enter into any recognition or non-disturbance agreement with the City of New York with respect to the continuance of this Agreement after the termination or expiration thereof or into any other agreement covering the Lessee's use and occupancy of the Premises hereunder.

Section 31. Removal of Property

All personal property, trade fixtures and equipment which are installed by the Lessee in or on the Premises may at the Lessee's option be removed by the Lessee from the

Premises at any time during the Term and shall, unless otherwise agreed in writing by the parties hereto, be removed by the Lessee on or before the expiration or other termination of the Term. If the Lessee shall fail to remove its property on or before the termination or expiration of this Agreement, the Port Authority may remove such property to a public warehouse for deposit or retain the same in its own possession, and sell the same at public auction, the proceeds of which shall be applied first to the expenses of removal, storage and sale, second to any sums owed by the Lessee to the Port Authority, with any balance remaining to be paid to the Lessee; if the expenses of such removal, storage and sale shall exceed the proceeds of sale, the Lessee shall pay such excess to the Port Authority upon demand. The Lessee shall promptly repair any damage to the Premises caused by the removal of personal property, trade fixtures or equipment authorized by this Section.

Section 32. Brokerage

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

Section 33. Limitation of Rights and Privileges Granted

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

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

(c) The Lessee acknowledges that it has not relied upon any representation or statement of the Port Authority or its Commissioners, officers, employees or agents as to the condition of the Premises or the suitability thereof for the operations permitted on the Premises by this Agreement. Without limiting any obligation of the Lessee to commence operations hereunder at the time and in the manner stated elsewhere in this Agreement, the Lessee agrees that no portion of the Premises will be used initially or at any time during the letting which is in a condition unsafe or improper for the conduct of the Lessee's operations hereunder so that there is material risk of injury or damage to life or property. The Lessee shall take possession of the Premises in the condition they are in as of the Commencement Date.

Section 34. Notices

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

Section 35. Facilities Non-Discrimination

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

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

(c) The Lessee's non-compliance with the provisions of this Section shall constitute a material breach of this Agreement. In the event of the breach by the Lessee of any of the above non-discrimination provisions the Port Authority may take any appropriate action to

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

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

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

Section 36. Affirmative Action

In addition to and without limiting the provisions of the Section of this Agreement entitled "*Facilities Non-Discrimination*," the Lessee assures that it has undertaken an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person on the grounds of race, creed, color, national origin, sex, age, disability or marital status shall be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered suborganizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

Section 37. Place of Payments

All payments required of the Lessee by this Agreement shall be made to The Port Authority of New York and New Jersey, P.O. Box 95000-1517, Philadelphia, Pennsylvania 19195-0001 or via the following wire transfer instructions:

Bank: TD Bank  
Bank ABA Number: 031201360  
Account Number: Exemption (1/4)

or to such other address as may be substituted therefor.

Section 38. Construction and Application of Terms

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

(b) The terms, provisions and obligations contained in the Exhibits attached hereto, whether set out in full or as amendments of, or supplements to provisions elsewhere in this Agreement stated, shall have the same force and effect as if herein set forth in full.

(c) The parties acknowledge that each party and its counsel have reviewed and revised this Agreement and that the rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits thereto.

(d) Notwithstanding the fact that certain references elsewhere in this Agreement to acts required to be performed by the Lessee hereunder, or to breaches or defaults of this Agreement by the Lessee, omit to state that such acts shall be performed at the Lessee's sole cost and expense, or omit to state that such breaches or defaults by the Lessee are material, unless the context clearly implies to the contrary, each and every act to be performed or obligation to be fulfilled by the Lessee pursuant hereto shall be performed or fulfilled at the Lessee's sole cost and expense, and all breaches or defaults by the Lessee hereunder shall be deemed material.

(e) In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court or regulatory authority of competent jurisdiction, the parties shall, to the extent possible, negotiate an equitable adjustment to the provisions of this Agreement, with a view toward effecting the purposes of this Agreement, and the validity and enforceability of the remaining provisions hereof shall not be affected by such holding.

(f) This Agreement shall be governed by the laws of the State of New York, without regard to conflicts of law principles.

Section 39. Non-liability of Individuals

No Commissioner, shareholder, director, officer, agent or employee of either party shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or of any supplement, modification or amendment to this Agreement or because of any breach thereof, or because of its or their execution or attempted execution.

Section 40. Services to the Lessee

(a) Except as provided in this Section, the Port Authority shall not be obligated to perform or furnish any services or utilities whatsoever in connection with this Agreement or the use and occupancy of the Premises hereunder.

(b) The Port Authority shall sell, furnish and supply to the Lessee in reasonable quantities and to the extent of the capability of existing facilities for use on the Premises and the Lessee agrees to take from the Port Authority and pay for electricity of the same voltage, phase and cycle as supplied to the Premises by the public utility in the vicinity, through existing wires, conduits and outlets, if any, at the same charge which would be made by such public utility for the same quantity used under the same conditions and in the same service classification but in no event less than an amount that would reimburse the Port Authority for its cost of obtaining and supplying electricity to the Lessee hereunder; charges shall be payable by the Lessee when billed and the quantity of electricity consumed shall be measured by the meter or meters installed for the purpose; provided, however, that if for any reason, any meter or meters fail to record the consumption of electricity, the consumption during the period such meter or meters are out of service will be considered to be the same as the consumption for a like period either immediately before or after the interruption as elected by the Port Authority. The Port Authority shall not discontinue the supply of electricity except upon fifteen (15) days' notice to the Lessee and unless a supply of electricity of the same voltage, phase and cycle shall be available from another supplier and upon any such discontinuance the Lessee shall be at liberty to contract or otherwise arrange for the supply of such current after the expiration of said fifteen (15) days from any other person, firm or corporation.

(c) The Port Authority agrees to sell, furnish and supply to the Lessee for use on the Premises cold water (of the character furnished by the City of New York) in reasonable quantities through pipes, mains and fittings and the Lessee agrees to take such water from the Port Authority and to pay the Port Authority therefor an amount equal to that which would be charged by the municipality or other supplier of the same (whether or not representing a charge for water or other services measured by water consumption) for the same quantity, used under the same conditions and in the same service classification plus the cost to the Port Authority of supplying such water which shall not be less than ten percent (10%) nor in excess of fifty percent (50%) of the amount charged but in no event less than an amount which would reimburse the Port Authority for its costs of obtaining and supplying cold water to the Lessee hereunder. The charge therefor shall be payable by the Lessee when billed and the quantity of water consumed shall be measured by the meter or meters installed for the purpose; provided, however, that if for any reason, any meters or meters fail to record the consumption of water, the consumption during the period such meter or meters are out of service will be considered to be the same as the consumption for a like period immediately before or after the interruption, as elected by the Port Authority.

(d) The Lessee shall pay to the Port Authority such of the existing and future charges for sewerage services furnished by the City of New York as are presently or may hereafter be imposed or assessed against the Port Authority in respect of the Lessee's Premises or its use and occupancy thereof. In the event that the City or The State of New York is now furnishing services with or without charge therefor, which are beneficial to the Lessee in its use of the Premises, and shall hereafter impose charges or increase existing charges for such services, the Lessee agrees to pay to the Port Authority such of the charges or the increase in charges as may be imposed or assessed against the Port Authority in respect of the Lessee's Premises or its use and occupancy thereof.

(e) In the event the Port Authority shall provide extermination service for the enclosed areas of the Premises, the Lessee agrees to utilize the same and to pay its share of the reasonable cost thereof, upon demand. This paragraph does not impose any obligation on the Port Authority to furnish such service.

(f) The Port Authority shall be 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 component necessary therefor 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 shall not be obligated to perform or furnish any service whatsoever in connection with the Premises at any time while the Lessee shall be in default hereunder or has breached any of the provisions hereof after the period, if any, herein granted to cure such default shall have expired. The Port Authority shall give the Lessee five (5) days' notice prior to terminating any service.

(g) No failure, delay or interruption in supplying agreed services (whether or not a separate charge is made therefor) shall be or be construed to be an eviction of the Lessee or grounds for any diminution or abatement of rental, or (unless resulting from the negligence or willful failure of the Port Authority) shall be grounds for any claims by the Lessee for damages, consequential or otherwise.

#### Section 41. Automobile Parking

Except as provided in the Section of this Agreement entitled "*Use of Premises,*" the Lessee shall prevent all persons from parking automobiles on the Premises.

#### Section 42. Definitions

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

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

(b) "Aircraft Operator" shall mean (a) a Person owning one or more aircraft which are not leased or chartered to any other person for operation, and (b) a Person to whom one or more aircraft are leased or chartered for operation whether the aircraft so owned, leased or chartered are military or non-military, or are used for private business, pleasure or governmental business, or for carrier or non-carrier operations, or for scheduled or non-scheduled operations or otherwise. Said phrase shall not mean the pilot of an aircraft unless he is also the owner or lessee thereof or a Person to whom it is chartered.

(c) "Basic 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) "Environmental Damages" shall mean any one or more of the following:

(i) the presence in, on or under the Premises of any Hazardous Substance and/or (ii) the disposal, released or threatened released of any Hazardous Substance from the Premises or of any Hazardous Substance from under the Premises, and/or (iii) the presence of any Hazardous Substance in, on or under other property at the Airport as a result of (v) the Lessee's use or occupancy of the Premises, or the performance of any construction work or any other work or activities at the Premises or (w) a migration of a Hazardous Substance from the Premises or from under the Premises or (x) the Lessee's operations at the Airport, and/or (y) any personal injury (including wrongful death) or property damage arising out of or related to any such Hazardous Substance described in (i), (ii) or (iii) above, and/or (z) the violation of any Environmental Requirement pertaining to any such Hazardous Substance described in (i), (ii) or (iii) above, the Premises, and/or the activities thereon.

(e) "Environmental Requirement" shall mean in the singular and "Environmental Requirement" shall mean in the plural all common law and all past, present and future laws, statutes, enactments, resolutions, regulations, rules, 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 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;

(ii) All requirements, pertaining to the protection from Hazardous Substances of the health and safety of employees or the public; and

(iii) All applicable requirements, contained in but not limited to the following laws as they are or may be supplemented and/or amended and their state and local counterparts: The Atomic Energy Act of 1954, 42 U.S.C. Section 2011 et. seq.; the Clean Water Act also known as the Federal Water Pollution Control Act, 33 U.S.C. Section 1251 et. seq.; the Clean Air Act, 42 U.S.C. Section 7401 et. seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. Section 136 et. seq.; the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et. seq.; the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), Section 2701 et. seq. ; the Emergency Planning and Community Right to Know Act, 42 U.S.C. Section 11001 et. seq.; the Occupational Safety and Health Act, 29 U.S.C. Section 651 et. seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101 et. seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et. seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et. seq.; the Safe Drinking Water Act of 1974, 42 U.S.C. Sections 300f-300h-11 et. seq.; the New York State Environmental Conservation Law; the New York State Navigation Law; together, in each case, with any amendment thereto, and the regulations adopted, guidances, memoranda and publications promulgated thereunder and all substitutions thereof.

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

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

(h) "Hazardous Substance" shall mean and include in the singular and "Hazardous Substances" shall mean and include in the plural any pollutant, contaminant, toxic or hazardous waste, dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls ("PCBs"), chemicals known to cause cancer, microbial contaminant, endocrine disruption or reproductive toxicity, petroleum and petroleum products and other substances which have been or in the future shall be declared to be hazardous or toxic, or the removal, containment or restriction of which have been or in the future shall be required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling or ownership of which have or in the future shall be restricted, prohibited, regulated or penalized by any applicable 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 and guidances adopted and publications promulgated pursuant thereto.

(i) "Lease" shall mean this Agreement of lease.

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

(k) "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 venturers or otherwise.

(l) "Runways" (including approaches thereto) shall mean the portion of the Airport used for the purpose of the landing and taking-off of aircraft.

(m) "Taxiways" shall mean the portion of the Airport used for the purpose of the ground movement of aircraft to, from and between the runways, the Public Ramp and Apron Area, the aircraft parking and storage space and other portions of the Airport (not including, however, any taxiways, the exclusive use of which is granted to the Lessee or any other person by lease, permit or otherwise); and

(n) "Public Ramp and Apron Area" shall mean the area adjacent to the Public Landing Area designated and made available from time to time by the Port Authority for common use for the loading and unloading of passengers or cargo to or from aircraft using the Public Landing Area.; and

(o) "Public Landing Area" shall mean the area of land at the Airport including runways, taxiways and the areas between and adjacent to runways and taxiways, designated and made available from time to time by the Port Authority for the landing and taking-off of aircraft.

#### Section 43. Late Charges

If the Lessee should fail to pay any amount required under this Agreement when due to the Port Authority, including but not limited to, any payment of rental 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 late charge periods during each calendar year; each late charge period shall be for a period of at least fifteen (15) calendar days except one late charge period each calendar year may be for a period of less than fifteen (but not less than thirteen) calendar days. Without limiting the generality of the foregoing, late charge periods in the case of amounts found to have been owing to the Port Authority as the result of Port Authority audit findings shall consist of each late charge period following the date the unpaid amount should have been paid under this Agreement. Each late charge shall be payable immediately upon demand made at any time therefor by the Port Authority. No acceptance by the Port Authority of payment of any unpaid amount or of any unpaid late charge amount shall be deemed a waiver of the right of the Port Authority to payment of any late charge or late charges payable under the provisions of this Section, with respect to such unpaid amount. Each late charge shall be and become additional rent, recoverable by the Port Authority in the same manner and with like remedies as if it were

originally a part of the rental as set forth in the Section of this Agreement entitled "Rentals." Nothing in this Section is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including but not limited to, the Port Authority's rights set forth in the Sections of this Agreement entitled "*Port Authority's Right to Terminate Lease Without Cause*" and "*Termination by the Port Authority*," or (ii) any obligations of the Lessee under this Agreement. In the event that any late charge imposed pursuant to this Section shall exceed a legal maximum applicable to such late charges then, in such event, each such late charge payable under this Agreement shall be payable instead at such legal maximum.

Section 44. Obligations in Connection with the Lessee's Business Conduct

(a) The Lessee shall:

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

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

(3) (i) The Lessee shall maintain, in English and in accordance with generally accepted accounting principles full and complete records and books of account for at least seven (7) years after the expiration or termination of this Agreement (unless such records and books are material to litigation initiated within that time in which event they shall be maintained until final determination of the controversy), which records and books of account shall include (i) all matters which the Lessee is required to certify to the Port Authority pursuant to this Lease and (ii) any other matter concerning the Lessee's operations at the Airport with respect to which the Port Authority may reasonably need information to fulfill its obligations or exercise its rights under this Agreement whether or not of the type enumerated above and whether or not an express obligation to keep books and records with regard thereto is expressly set forth elsewhere in this Agreement;

(ii) The Lessee shall permit and/or cause to be permitted in ordinary business hours during the Term, for one (1) year thereafter, and during such further period as is mentioned in the preceding paragraph (i), the examination and audit by the officers, employees and representatives of the Port Authority of all the records, documentation and books of account of the Lessee (including without limitation all corporate records and books of account which the Port Authority in its sole discretion believes may be relevant to all revenues received by the Lessee, including without limitation those from its customers, sublessees, patrons, invitees and all others using the Premises, whether in the form of rental payments or otherwise) (all of the foregoing records and books described in this subparagraph (ii) being hereinafter collectively referred to as the "*Books and Records*") within fourteen (14) days following any written request by the Port Authority from time to time and at any time to examine and audit any Books and Records. It is hereby understood that the Port Authority shall not be bound by any prior audit or inspection of the Lessee's Books and Records;

(iii) In the event any Books and Records are maintained outside the Port of New York District then, in addition to all, and without limiting any other, rights and remedies of the Port Authority under this Agreement or otherwise and in addition to all of the Lessee's other obligations under this Agreement, the Port Authority in its sole discretion may (x) require on ten (10) days' notice to the Lessee 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 subparagraph (ii) hereof and/or (y) examine and audit any such Books and Records pursuant to subparagraph (ii) hereof at the location(s) they are maintained and if such Books and Records are maintained within the contiguous United States the Lessee 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 (hereinafter the "*Contiguous Travel Costs*") and if such Books and Records are maintained outside the contiguous United States the Lessee 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 (all the foregoing costs and expenses together with the *Contiguous Travel Costs* being hereinafter referred to as the "*Travel Costs*");

(iv) The foregoing auditing costs, expenses and amounts of the Port Authority set forth in subparagraph (iii) above shall be deemed/ fees hereunder payable to the Port Authority with the same force and effect as the additional rentals payable to the Port Authority pursuant to the Section of this Agreement entitled "*Rentals*";

(4) Permit the inspection by the officers, employees and representatives of the Port Authority of any equipment used by the Lessee in connection with the operations hereunder, including but not limited to, cash registers;

(5) Install and use such cash registers, sales slips, invoicing machines and any other equipment or devices for recording orders taken or services rendered as may be appropriate to the Lessee's business and necessary or desirable to keep accurate records of gross receipts; and

(6) 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 Lessee, the Lessee shall be obligated, and hereby agrees to pay to the Port Authority a service charge in the amount of five percent (5%) of each amount determined by the Port Authority audit findings to be unpaid. Each such service charge shall be payable immediately upon demand (by notice, bill or otherwise) made at any time therefor by the Port Authority. Such service charge(s) shall be exclusive of, and in addition to, any and all other moneys or amounts due to the Port Authority by the Lessee under this Agreement 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 or late charges or other service charges payable under the provisions of this Section with respect to such unpaid amount. Each such service charge shall be and become additional rent, recoverable by the Port

Authority in the same manner and with like remedies as if it were originally a part of the rental. Nothing in this subparagraph (6) is intended to, or shall be deemed to, affect, alter, modify or diminish in any way (i) any rights of the Port Authority under this Agreement, including, without limitation, the Port Authority's rights to terminate set forth in the Sections of this Agreement entitled "*Port Authority's Right to Terminate Lease Without Cause*" and "*Termination by the Port Authority,*" or (ii) any obligations of the Lessee under this Agreement.

Section 45. Federal Airport Aid

(a) The Lessee shall:

(1) Furnish good, prompt and efficient service hereunder, adequate to meet all demands therefor of airlines being handled at the Airport;

(2) Furnish said service on a fair, equal and non-discriminatory basis to all users thereof; and

(3) Charge fair, reasonable and non-discriminatory prices for each unit of sale or service.

(b) As used in paragraph (a) above, "service" shall include furnishing parts, materials and supplies (including sale thereof).

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

Section 46. Method of Operation

(a) The principal purpose of the Port Authority in the making of this Agreement is to make available on the Airport certain services for the better accommodation, convenience and benefit of the patrons, lessees and permittees at the Airport and in fulfillment of

the Port Authority's obligation to operate the Airport for the use and benefit of the public. Consistent with the provisions of the Section of this Agreement entitled "*Use of Premises*," the Lessee hereby warrants and agrees that it will conduct a first class operation and will furnish or cause to be furnished all necessary or proper fixtures, equipment, personnel (including licensed personnel as necessary), supplies, materials and facilities, for the operations hereunder and that it will furnish the foregoing promptly, efficiently and adequately to meet all demands therefor, on a fair, equal and non-discriminatory basis to all users thereof, and at charges which are fair, reasonable and non-discriminatory, provided that reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions may be made to volume purchasers.

(b) As used hereunder, "services" shall include the furnishing of parts, materials and supplies (including the sale thereof).

(c) The Lessee shall be open for business and provide services at the Premises during regular business hours.

(d) The Lessee covenants and agrees that it will not enter into any agreement or understanding, express or implied, binding or non-binding, with any person, firm, association, corporation or other entity, which will have the effect of fixing rates, of lessening or preventing competition, or of creating or tending to create a monopoly, at the Airport, relating to the services, products, or articles furnished or sold by the Lessee.

(e) The Lessee shall at all times during the letting hereunder maintain a full, adequate, experienced and proficient management staff all of whom (as well as other employees of the Lessee) shall be reputable and of good character. No individual shall be knowingly employed or retained by or on behalf of the Lessee if he or she has been convicted of a serious misdemeanor or a felony.

#### Section 47. Relationship of the Parties

Notwithstanding any other term or provision hereof, this Agreement does not constitute the Lessee as the agent or representative of the Port Authority for any purpose whatsoever. Neither a partnership nor any joint venture is hereby created.

#### Section 48. Lessee's Rights Non-Exclusive

Except as expressly provided herein with respect to the Premises, neither the execution of this Lease by the Port Authority nor anything contained herein shall grant or be deemed to grant to the Lessee any exclusive rights or privileges.

#### Section 49. Holdover

Without in any way limiting the provisions set forth in the Sections of this Agreement entitled "*Port Authority's Right to Terminate Lease Without Cause*," "*Termination by the Port Authority*," "*Right of Re-entry*" and "*Survival of the Obligations of the Lessee*," unless otherwise notified by the Port Authority in writing, in the event the Lessee remains in

possession of the Premises after the expiration or termination of the Term of this Agreement, as it may be extended from time to time, in addition to any damages to which the Port Authority may be entitled under this Agreement or other remedies the Port Authority may have by law or otherwise, the Lessee shall pay to the Port Authority a rental for the period commencing on the day immediately following the date of such expiration or the effective date of such termination (the "Expiration Date") and ending on the date that the Lessee shall surrender and completely vacate the Premises at an annual rate equal to twice the sum of (i) the annual rate of rental in effect on the Expiration Date, plus (ii) all items of additional rent and other periodic charges payable with respect to the Premises by the Lessee at the annual rate in effect during the 365 day period immediately preceding the Expiration Date. Nothing herein contained shall give, or be deemed to give, the Lessee any right to remain in possession of the Premises after the expiration or termination of the letting under this Agreement. The Lessee acknowledges that the failure of the Lessee to surrender, vacate and yield up the Premises to the Port Authority on the Expiration Date will or may cause the Port Authority injury, damage or loss. The Lessee 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 Lessee hereby expressly agrees to indemnify and hold the Port Authority harmless against any such injury, damage or loss.

Section 50. Waiver of Trial By Jury

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

Section 51. Force Majeure

(a) If the performance by the Port Authority or the Lessee of any of its obligations hereunder is delayed or prevented in whole or in part by any law, rule, regulation, order or other action adopted or taken by any superior governmental authority or by any Acts of God, floods, storms, war, civil disorder, terrorist act, strike, labor dispute, shortages of materials, fuel, power, or by any other cause not reasonably within the control of the Port Authority or the Lessee, as the case may be, to remedy (all of the foregoing being herein called "Force Majeure"), the Port Authority or the Lessee, as the case may be, shall not be deemed to be in violation of this Agreement, unless the delay or prevention of performance shall result from failure on the part of the Port Authority or the Lessee, as the case may be, to use reasonable care to prevent or reasonable efforts to cure such delay or prevention of performance; provided, however, that this provision shall not apply to failures by the Lessee to pay the rentals specified in the Section of this Agreement entitled "*Use of the Premises*" and shall not apply to any other charges or money payments; and, provided, further, that this provision shall not prevent the exercise by a party of its right to terminate as expressly provided in this Agreement, including but not limited to the

Sections of this Agreement entitled "*Port Authority's Right to Terminate Without Cause*" and "*Termination by the Port Authority.*"

(b) Except as may be otherwise expressly permitted in the Sections of this Agreement entitled "*Condemnation*" and "*Abatement,*" no abatement, diminution or reduction of the rental, fees or other charges payable by the Lessee, shall be claimed by or allowed to the Lessee for any Force Majeure.

Section 52. Abatement

If the Port Authority shall, for safety or other reasons, prohibit the use of the Public Landing Area at the Airport or of any substantial part thereof for foreign or domestic scheduled air transport operations for a period covering more than sixty (60) consecutive days and the Lessee shall thereby be prevented from conducting those operations at the Airport enumerated in the Section of this Agreement entitled "*Use of the Premises,*" then upon the occurrence of such event, the Lessee at its option shall be entitled to an abatement of rental during such period of prohibition and prevention. In the event that the Lessee shall exercise such option the Lessee shall be deemed to have released and discharged the Port Authority of and from all claims and rights which the Lessee may have hereunder arising out of or consequent upon such closing and the subsequent interrupted use of such Public Landing Area or part thereof during the period of prohibition.

Section 53. Quiet Enjoyment

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

Section 54. Security Deposit

(a) Notwithstanding anything to the contrary herein contained, the Lessee hereby agrees that this Lease is one of the "Agreements," as such term is defined in that certain security agreement entered into between the Port Authority and the Lessee, dated as of April 16, 1998, and identified by Port Authority Agreement No. AX-696 (the "Security Agreement"), and that a breach or failure to perform or comply with any of the terms and conditions of the Security Agreement, including, without limitation, failure to provide a letter of credit in accordance with the terms and conditions of the Security Agreement at any time during the term under any of the Agreements valid and available to the Port Authority or any failure of any banking institutions issuing a letter of credit to make one or more payments as provided in such letter of credit, shall constitute a material breach of this Lease and the Security Agreement thereby entitling the Port Authority to immediately exercise any and all rights available to it, including, without limitation, the right to terminate this Lease for cause.

(b) The Lessee hereby certifies that its Federal Tax Identification Number for the purposes of this Section is as follows: 13-1318367.

(c) The Lessee acknowledges and agrees that the Port Authority reserves the right, at its sole discretion, to adjust at any time and from time to time upon fifteen (15) days notice to the Lessee, the security deposit amount as set forth in the Security Agreement. Not later than the effective date set forth in said notice the Lessee shall deposit with the Port Authority the new security deposit amount as set forth in and in such form as requested by said notice which new amount (including without limitation an amendment to or a replacement of the letter of credit) shall thereafter constitute the security deposit subject to said Section.

Section 55. Former Agreement Superseded

(a) The parties hereby acknowledge that the Premises were occupied by the Lessee pursuant to the agreement of lease dated as of July 1, 2008, and identified as Port Authority Lease No. AYD-855 by and between the Port Authority and Sky Chefs, Inc. (which agreement of lease, as the same has been heretofore supplemented and amended, is hereinafter called the "Old Lease No. 855") and the agreement of lease dated as of July 1, 2008 and identified as Port Authority Lease No. AYB-871 (which agreement of lease, as the same has been heretofore supplemented and amended, is hereinafter called "Old Lease No. 871," together with Old Lease No. 855, the "Old Lease"). It is hereby agreed that the commencement of the letting under this Agreement occurred immediately after the expiration of the Old Lease and that no reversion with respect to the Premises occurred between the expiration of the Old Lease and the commencement of the letting hereunder. Further, it is hereby acknowledged that the Lessee remained in possession of the Premises hereunder continuously from the expiration of the Old Lease to the Commencement Date and at no time did the Lessee surrender the Premises to the Port Authority.

(b) The terms, provisions and conditions of the Old Lease shall apply to the letting of the Premises, to the Lessee and the rights and obligations of the parties thereto prior to the Commencement Date, and from and after the Commencement Date, the terms, provisions and conditions of this Agreement shall apply to the letting of the Premises, to the Lessee and the rights and obligations of the parties hereto from and after the Commencement Date. Accordingly, and without limiting the generality of any of the foregoing, any of the obligations under the Old Lease which were to mature upon the expiration or termination thereof, shall be deemed to have survived and shall mature upon the expiration or termination of this Lease.

(c) All obligations of the Lessee under the Old Lease that arose or accrued during or with respect to the period prior to the Commencement Date shall survive the execution and delivery of this Agreement. The Lessee shall not, by virtue of this Agreement be released or discharged from any liabilities or obligations whatsoever arising under the Old Lease or any other Port Authority permits or agreements including but not limited to any permits to make alterations all of which shall survive.

(d) All references in this Agreement to the condition of the Premises at the beginning of the term of the letting shall mean and be deemed to mean the condition of the

Premises as they existed at the beginning of the term under the Old Lease. Further, the obligation of the Lessee to remove any alterations or improvements, etc. made during the letting hereunder shall apply and pertain to any alterations and improvements, etc. made during the term of the Old Lease.

Section 56. Storage Tanks

(a) All aboveground storage tanks and underground storage tanks installed in the Premises as of the Commencement Date, together with all aboveground storage tanks and underground storage tanks installed in the Premises during the Term, and their appurtenances, pipes, lines, fixtures and other related equipment are hereinafter collectively called the "Tanks" and singularly called a "Tank." The Lessee hereby agrees that title and ownership of the Tanks shall be and remain in the Lessee and that all registrations shall be in the name of the Lessee as both owner and operator, notwithstanding anything to the contrary in any construction or alteration application. The Port Authority has made no representations or warranties with respect to the Tanks or their location and shall assume no responsibility for the Tanks. All Tanks installed subsequent to said Commencement Date shall be installed pursuant to the terms and conditions of this Agreement including, without limitation, the Section of this Agreement entitled "*Other Construction by the Lessee*" and nothing in this Section shall or shall be deemed to be permission or authorization to install any Tanks.

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

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

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

pursuant to the Environmental Requirements and providing the Port Authority with a copy of such documentation within seven (7) days of submittal or receipt of such documentation by Lessee, including copies of current Tank registrations.

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

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

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

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

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

(h) In the Lessee's use and operation of the Tanks, the Lessee shall not permit any Hazardous Substance from entering the ground including without limitation (subject to the Section of this Agreement entitled "*Other Construction by the Lessee*") installing appropriate spill and overflow devices and placing an impervious material, such as asphalt or concrete, over the ground area above and in the vicinity of the Tanks.

(i) (1) The Lessee shall remove the Tanks from the Premises on or before the expiration of this Agreement and dispose of the Tanks off the Airport in accordance with all Environmental Requirements and shall within seven (7) days provide a copy of all closure documentation to the Port Authority.

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

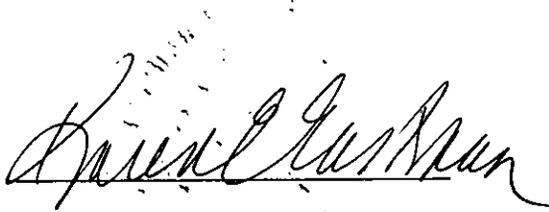
Section 57. Entire Agreement

This Agreement consists of the following: Sections 1 through 57, inclusive, and Exhibit A. It constitutes the entire agreement of the parties on the subject matter hereof and may not be changed, modified, discharged or extended except by written instrument duly executed by the Port Authority and the Lessee. The Lessee agrees that no representations or warranties shall be binding upon the Port Authority unless expressed in writing in this Agreement.

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

ATTEST:

THE PORT AUTHORITY OF NEW YORK  
AND NEW JERSEY



Secretary

By:



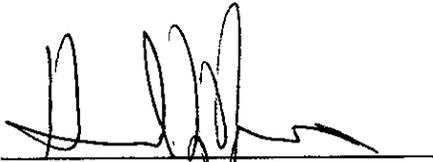
Name:

David Kagan

Title:

Assistant Director

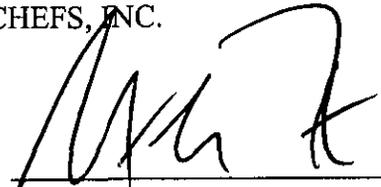
Business, Properties & Airport Development



Secretary

SKY CHEFS, INC.

By:



Name:

Axel Bilstein

Title:

CEO

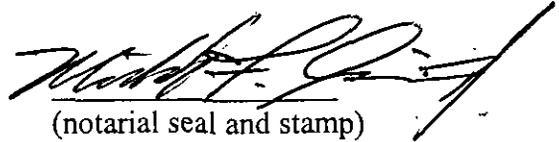
APPROVED:	
FORM	TERMS
	

**EXEMPTION (4)**

**DRAWINGS OF NON-PUBLIC AREAS**

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

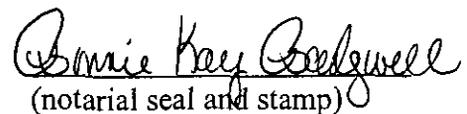
On the 22<sup>nd</sup> day of July in the year 2009, before me, the undersigned, a Notary Public in and for said state, personally appeared David Kagan, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within 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

STATE OF TEXAS )  
 ) ss.  
COUNTY OF DALLAS )

On the 26<sup>th</sup> day of June in the year 2009, before me, the undersigned, a Notary Public in and for said state, personally appeared Axel Bilstein, 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)

