

Torres-Rojas, Genara

From: jnaclerio@broward.org
Sent: Friday, July 17, 2015 1:57 PM
To: Olivencia, Mildred
Cc: Torres-Rojas, Genara; Van Duyne, Sheree; Ng, Danny
Subject: Freedom of Information Online Request Form

Information:

First Name: John
Last Name: Naclerio
Company: Broward County, FL
Mailing Address 1: 1850 Eller Drive
Mailing Address 2:
City: Fort Lauderdale
State: FL
Zip Code: 33316
Email Address: jnaclerio@broward.org
Phone: 954-468-0166
Required copies of the records: Yes

List of specific record(s):

Please provide copies of any and all existing Agreements, including any amendments thereto, between the Port Authority and Royal Caribbean International and/or Royal Caribbean Cruises Ltd. Thank you for your assistance in this regard.

THE PORT AUTHORITY OF NY & NJ

FOI Administrator

August 19, 2015

Mr. John Naclerio
Broward County, FL
1850 Eller Drive
Fort Lauderdale, FL 33316

Re: Freedom of Information Reference No. 16171

Dear Mr. Naclerio:

This is in response to your July 17, 2015 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code", copy enclosed) for copies of any and all existing agreements, including any amendments thereto, between the Port Authority and Royal Caribbean International and/or Royal Caribbean Cruises Ltd.

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/16171-LPA.pdf>. Paper copies of the available records are available upon request.

Pursuant to the Code, certain portions of the material responsive to your request are exempt from disclosure as, among other classifications, security.

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

Very truly yours,


Danny Ng
FOI Administrator

Enclosure

4 World Trade Center, 18th Floor
150 Greenwich Street
New York, NY 10007
T: 212 435 7348 F: 212 435 7555

AMENDMENT AND ASSIGNMENT AGREEMENT

This **AMENDMENT AND ASSIGNMENT AGREEMENT** (this "Agreement") is entered into this 1st day of January, 2014, among the **CITY OF BAYONNE, IN THE COUNTY OF HUDSON, NEW JERSEY**, a municipal corporation of the State of New Jersey (the "City") (as successor in interest to the Bayonne Local Redevelopment Authority (the "BLRA"), an instrumentality and agency of the City), **THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**, a body corporate and politic created by Compact between the States of New York and New Jersey with the consent of the Congress of the United States of America (the "Port Authority"), **ROYAL CARIBBEAN CRUISES LTD.** a foreign corporation organized under the laws of the Republic of Liberia, in its capacity as Redeveloper under the hereinafter defined Redevelopment Agreement, Usage Agreement, Purchase and Sale Agreement and Revenue Collection and Disbursement Agreement (the "Redeveloper"), **ROYAL CARIBBEAN CRUISES LTD.** a foreign corporation organized under the laws of the Republic of Liberia, in its capacity as Parking Manager under the hereinafter defined Parking Management Agreement and Revenue Collection and Disbursement Agreement (the "Parking Manager"), **CAPE LIBERTY CRUISE PORT LLC** (the "Port Manager"), a Delaware limited liability company and **THE BANK OF NEW YORK MELLON**, a state banking corporation organized and existing under the laws of the State of New York, in its capacity as Agent under the hereinafter defined Revenue Collection and Disbursement Agreement (the "Agent") and **THE BANK OF NEW YORK MELLON**, a state banking corporation organized and existing under the laws of the State of New York, in its capacity as Trustee under the hereinafter defined General Bond Resolution (the "Trustee") (the City, the Port Authority, the Redeveloper, the Port Manager, the Agent and the Trustee may each be referred to as a "Party" and shall collectively be referred to as the "Parties").

WHEREAS, as of September 1, 2005, the BLRA, the Redeveloper and the Port Manager entered into certain agreements, including a Redevelopment Agreement, dated as of September 1, 2005 by and between the BLRA and Redeveloper (as the same may be further amended from time to time, the "Redevelopment Agreement"), a Usage Agreement, dated as of September 1, 2005 by and between the BLRA and Redeveloper, as amended on December 1, 2006 (as the same may be further amended from time to time, the "Usage Agreement"), a Terminal Operating Agreement, dated as of September 1, 2005, by and between the BLRA and Port Manager, as amended on December 1, 2006 (as the same may be further amended from time to time, the "Terminal Operating Agreement"), a Parking Management Agreement, dated as of September 1, 2005 by and between the BLRA and Redeveloper (as the same may be further amended from time to time, the "Parking Management Agreement") and a Purchase and Sale Agreement, dated as of September 1, 2005 by and between the BLRA and Redeveloper (as the same may be further amended from time to time, the "Purchase and Sale Agreement"); and

WHEREAS, on September 22, 2005, the BLRA adopted a resolution entitled, "Resolution Authorizing the Issuance of Revenue Bonds (Royal Caribbean Project) of the City of Bayonne Redevelopment Agency" as amended and supplemented, including by resolution adopted February 16, 2006 (the "General Bond Resolution"); and

WHEREAS, on March 28, 2006, the BLRA issued \$16,400,000 aggregate principal amount of Revenue Bonds, Series 2006 A (Royal Caribbean Project) (AMT) and \$100,000 aggregate principal amount of Federally Taxable Revenue Bonds, Series 2006 B (Royal Caribbean Project) (together, the "Royal Caribbean Bonds"); and

WHEREAS, on December 1, 2006, the BLRA, the Redeveloper, the Port Manager and the Agent entered into a Revenue Collection and Disbursement Agreement, dated as of December 1, 2006 (the "Revenue Collection and Disbursement Agreement" and, together with the Redevelopment Agreement, the Usage Agreement, the Terminal Operating Agreement, the Parking Management Agreement and the Purchase and Sale Agreement, the "RCCL Agreements"); and

WHEREAS, on July 30, 2010, the BLRA and the Port Authority entered into a Contract of Purchase and Sale, dated as of July 30, 2010 (the "Port Authority Purchase Contract"), wherein the BLRA agreed to sell and the Port Authority agreed to purchase the Real Estate (as defined in the Port Authority Purchase Contract); and

WHEREAS, pursuant to Article XIX of the Port Authority Purchase Contract, the BLRA agreed to assign and transfer to the Port Authority and the Port Authority agreed to accept and assume all of the BLRA's rights and interest in, to and under the RCCL Agreements; and

WHEREAS, by ordinance duly adopted on August 14, 2013, and entitled, "AN ORDINANCE OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY, DISSOLVING THE CITY OF BAYONNE REDEVELOPMENT AGENCY PURSUANT TO N.J.S.A. 40A:12A-24 AND N.J.S.A. 40A:5A-20" (the "Dissolution Ordinance"), the City has dissolved the BLRA and designated itself as the "redevelopment entity" of the Redevelopment Area (as defined in the Redevelopment Agreement) and has further assumed all of the BLRA's rights, title and interest in the RCCL Agreements and the Port Authority Purchase Contract, subject to the express conditions set forth in the Dissolution Ordinance; and

WHEREAS, by bond ordinance duly adopted on August 14, 2013, and entitled, "BOND ORDINANCE OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY, IN FURTHERANCE OF THE DISSOLUTION OF THE BAYONNE LOCAL REDEVELOPMENT AUTHORITY, APPROPRIATING \$75,000,000 THEREFOR AND AUTHORIZING NOT TO EXCEED \$75,000,000 PRINCIPAL AMOUNT OF BONDS OR NOTES IN CONNECTION THEREWITH" (the "Dissolution Bond Ordinance"), the City has replaced the BLRA as "Issuer" of the Royal Caribbean Bonds, subject to the rights, responsibilities, obligations and limitations of BLRA as "Issuer" under the General Bond Resolution; and

WHEREAS, the City desires at this time to assign its rights, obligations and interest in, to and under the RCCL Agreements to the Port Authority in accordance with the Port Authority Purchase Contract, subject to the reservation by the City in Section 2 herein of certain rights solely and exclusively, and only to the extent necessary, to comply with the provisions of the General Bond Resolution, including Article VI thereof; and

WHEREAS, in order for the City to assign the RCCL Agreements to the Port Authority, certain RCCL Agreements require amendment to permit such assignment; and

WHEREAS, each RCCL Agreement may be amended provided such amendment is in writing and signed by the appropriate representative of each of the applicable Parties.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms contained herein, the Parties, intending to be legally bound hereby agree as follows:

Section 1. Notwithstanding any provision of any RCCL Agreement to the contrary, the applicable Parties to each RCCL Agreement hereby agree that the City may, solely through and in accordance with this Agreement, assign each RCCL Agreement to the Port Authority. Such agreement by the Agent and Trustee with respect to the Revenue Collection and Disbursement Agreement is in reliance upon an opinion of counsel that the City has taken all action required to assign its rights under the Revenue Collection and Disbursement Agreement to the Port Authority.

Section 2. Except as set forth in the next sentence of this Section 2, the City on the date hereof hereby assigns and transfers to the Port Authority and the Port Authority hereby accepts and assumes all of the City's rights, obligations and interests in, to and under the RCCL Agreements, and the City shall be discharged and released from the performance of its obligations under the RCCL Agreements. Notwithstanding the amendment or assignment of any RCCL Agreement to the contrary, and only for so long as Bonds are Outstanding (each as defined in the General Bond Resolution) under the General Bond Resolution, the City reserves those rights under the applicable RCCL Agreements (i) to receive the BLRA Financing Charge (as such term is defined in the RCCL Agreements) and the proceeds of any insurance proceeds or condemnation awards, and (ii) solely and exclusively, and only to the extent necessary, to comply with the provisions of the General Bond Resolution, including but not limited to Article VI thereof, applicable to the Improvements (as defined in the General Bond Resolution) financed in whole or in part by the Royal Caribbean Bonds. Notwithstanding any provision of any RCCL Agreement, or any amendment thereof, to the contrary, (i) the BLRA Financing Charge shall always be an amount at least equal to Revenues (as defined in the General Bond Resolution) and (ii) such BLRA Financing Charge shall always be paid by Redeveloper and/or Port Manager, as applicable, directly to the Trustee. The City has, pursuant to the Dissolution Ordinance and Dissolution Bond Ordinance, replaced the BLRA as "Issuer" of the Royal Caribbean Bonds, subject to the rights, responsibilities, obligations and limitations of "Issuer" under the General Bond Resolution, and such Royal Caribbean Bonds remain secured solely by the Revenues (as defined in the General Bond Resolution) and other funds originally pledged to the holders of such Royal Caribbean Bonds in accordance with and pursuant to the General Bond Resolution.

Section 3. The City shall, at all reasonable times, be entitled to inspect all books of record and account required to be kept by the Agent pursuant to the RCCL Agreements for purposes of determination by the City that all provisions of Article XIX of the Port Authority Purchase Contract, as amended, are met.

Section 4. The Agent is entitled to rely on this Agreement with respect to its role as Agent and Trustee. For purposes of the RCCL Agreements, all references to the BLRA, BLRA Authorized Representative or other similar terms shall hereafter be replaced with the Port Authority, Port Authority Authorized Representative or other similar term, and the Agent and Trustee shall be permitted to rely on written instruction from the Port Authority.

Section 5. The Port Authority hereby covenants and agrees to indemnify and hold the City, the BLRA, the Trustee and the Agent and their respective council members, commissioners, officers, agents and employees from and against any and all claims relating to any term, condition and/or obligation arising out of or in connection with this Agreement and the Redevelopment Project. The provisions of this Section 5 shall survive termination of this Agreement, the RCCL Agreements, the Port Authority Purchase Contract and the term of the Royal Caribbean Bonds.

Section 6. Neither the assignment of the City's rights, obligations and interests in and to the RCCL Agreements pursuant to the terms hereof, nor any amendment now or in the future to any RCCL Agreement to which the City is or is not a party, including but not limited to the replacement of the term "BLRA" with the term "PANYNJ" or the replacement of the term "Bayonne Local Redevelopment Authority" with the term "Port Authority of New York and New Jersey" or any such similar replacement of terms, shall in any way modify, limit, alter or impair any of the rights, interests and obligations of either the City or the Port Authority under the Port Authority Purchase Contract, including but not limited to the amounts due and payable to the "BLRA" for all purposes under Article XIX of the Port Authority Purchase Contract. Execution by the City of this Agreement and any amendment to the RCCL Agreements shall not in any way be deemed consent by the City, express or implied, to any amendment to the RCCL Agreements for purposes of Article XIX of the Port Authority Purchase Contract.

Section 7. The City agrees that it shall authorize, execute and deliver (but shall not prepare) any document or certificate reasonably necessary, if any, to effectuate the application for or assignment or transfer of, any permit previously issued to or held in the name of the BLRA and required for the operation and use of the transactions contemplated by the RCCL Agreements, as Redeveloper and Port Manager may reasonably request from time to time.

Section 8. The Agent is hereby instructed by the Port Authority, Redeveloper and Port Manager to withdraw \$3,399,060.41 from the Cape Liberty Revenue Fund and deposit same into the Cape Liberty Capital Reserve Fund (each as defined in the Revenue Collection and Disbursement Agreement), representing the amount required to be on deposit therein as of the date hereof pursuant to the Revenue Collection and Disbursement Agreement.

Section 9. The titles of the several Sections of this Agreement, as set forth at the heads of said Section, are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 10. The validity of any Section, clause, or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof.

Section 11. This Agreement shall be binding upon the respective parties hereto and their successors and assigns.

Section 12. This Agreement shall be governed by and construed by the laws of the State of New Jersey. Any legal action filed in this matter shall be heard in Superior Court of New Jersey.

Section 13. This Agreement may be executed in counterparts. All such counterparts shall be deemed to be originals and together shall constitute but one and the same instrument.

Section 14. This Agreement constitutes the entire agreement between the Parties hereto and supersedes all prior oral and written agreements between the parties with respect to the subject matter hereof.

Section 15. No waiver made by any Party with respect to any obligation of any other Party under this Agreement shall be considered a waiver of any other rights of the Party making the waiver beyond those expressly waived in writing and to the extent thereof.

Section 16. No commissioner, council member, elected official, director, officer, agent or employee of PANYNJ, the City, the Agent, or the Redeveloper, shall be charged personally or held contractually liable by or to the any party under any term or provision of this Agreement, or of any other previous agreement, document or instrument executed in connection therewith, or of any supplement, modification or amendment to Agreement or to such other agreement, document or instrument, or because of any breach or alleged breach thereof, or because of its or their execution or attempted execution.

Section 17. None of the Redeveloper, Port Manager or Parking Manager is, as of the date hereof and to the best knowledge and belief of each of the City, Port Authority, Redeveloper and Port Manager, in default of any of its obligations under the RCCL Agreements; provided, however, that the Port Authority expresses no opinion as to the Cape Liberty Capital Reserve Charges (as defined in the Revenue Collection and Disbursement Agreement) made, if any, for the years 2012 and 2013.

Section 18. The City, Port Authority, Redeveloper and Port Manager hereby direct the Agent and the Trustee to enter into and execute this Agreement.

Section 19. This Agreement shall become effective upon the execution of each Party to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be properly executed and their corporate seals affixed and attested as of the date first written above.

**CITY OF BAYONNE, IN THE
COUNTY OF HUDSON, NEW JERSEY**

Attest:

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

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

Attest:

By: Karen Eastman

Name: Karen E. Eastman

Title: Secretary

By: [Signature]

Name: Richard M. Larrabee

Title: 5/7/14 Director, Port Commerce Dept.

**ROYAL CARIBBEAN CRUISES LTD.
as Redeveloper**

Attest:

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

**ROYAL CARIBBEAN CRUISES LTD.
as Parking Manager**

Attest:

By: _____

Name: _____

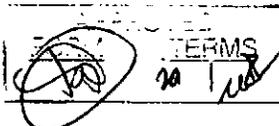
Title: _____

By: _____

Name: _____

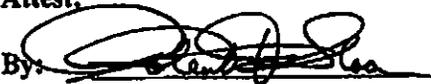
Title: _____

08419-085 517428.20



IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be properly executed and their corporate seals affixed and attested as of the date first written above.

**CITY OF BAYONNE, IN THE
COUNTY OF HUDSON, NEW JERSEY**

Attest:
By: 
Name: ROBERT F. SWAN
Title: CITY CLERK

By: 
Name: MARK SMITH
Title: MAYOR

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

Attest:
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**ROYAL CARIBBEAN CRUISES LTD.
as Redeveloper**

Attest:
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**ROYAL CARIBBEAN CRUISES LTD.
as Parking Manager**

Attest:
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be properly executed and their corporate seals affixed and attested as of the date first written above.

**CITY OF BAYONNE, IN THE
COUNTY OF HUDSON, NEW JERSEY**

Attest:
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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

Attest:
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**ROYAL CARIBBEAN CRUISES LTD.
as Redeveloper**

Attest:
By: 
Name: San Jose
Title: Director, Associate Counsel

By: Adam M Goldstein
Name: Adam Goldstein
President & CEO
Title: Royal Caribbean International



**ROYAL CARIBBEAN CRUISES LTD.
as Parking Manager**

Attest:
By: 
Name: San Jose
Title: Director, Associate Counsel

By: Adam M Goldstein
Name: Adam Goldstein
President & CEO
Title: Royal Caribbean International

**CAPE LIBERTY CRUISE PORT LLC
as Port Manager**

Attest:
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**THE BANK OF NEW YORK MELLON
as Agent**

Attest:
By: *Adam Turkel*
Name: ADAM TURKEL
VICE PRESIDENT
Title: _____

By: *Frank Gallagher*
Name: FRANK GALLAGHER
VICE PRESIDENT
Title: _____

**THE BANK OF NEW YORK MELLON
as Trustee**

Attest:
By: *Adam Turkel*
Name: ADAM TURKEL
VICE PRESIDENT
Title: _____

By: *Frank Gallagher*
Name: FRANK GALLAGHER
VICE PRESIDENT
Title: _____

Exhibit A

Bank Incumbency Certificates

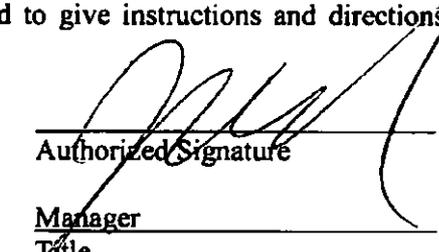
INCUMBENCY CERTIFICATE

To: The Bank of New York Mellon
385 Rifle Camp Road
Woodland Park, NJ 07424

Re: Cape Liberty Cruise Port LLC Trust Accounts

In conjunction with accounts administered in your Corporate Trust department, I hereby certify that the following persons are authorized to give instructions and directions on behalf of the above referenced issue:

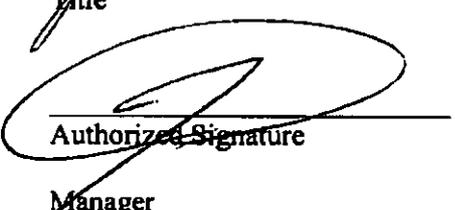
John Tercek
Name


Authorized Signature

(305) 539-6071
Phone Number

Manager
Title

Juan Trescastro
Name


Authorized Signature

(305) 539-6778
Phone Number

Manager
Title

Lisa Lutoff-Perlo
Name


Authorized Signature

(305) 539-6205
Phone Number

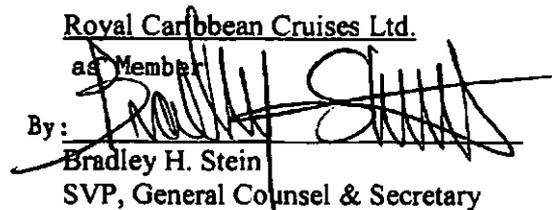
Manager
Title

I further certify that the signatures opposite the names of such authorized persons are their correct signatures and that I am authorized to make this certification.

~~February~~
~~October~~ 4, 2012 ³
Date

Royal Caribbean Cruises Ltd.

as Member

By: 

Bradley H. Stein
SVP, General Counsel & Secretary

**WRITTEN CONSENT OF THE SOLE MEMBER
OF
CAPE LIBERTY CRUISE PORT LLC**

The undersigned, being the sole Member of **CAPE LIBERTY CRUISE PORT LLC**, a limited liability company organized under the laws of the State of Delaware (hereinafter the "Company"), hereby consents to and adopts the following resolutions by written consent, effective as of the date set forth below:

WHEREAS, the Company has previously entered into that certain Revenue Collection and Disbursement Agreement (the "Agreement"), dated as of December 1, 2006, by and among the Bayonne Local Redevelopment Authority, Royal Caribbean Cruises Ltd., the Company and the Bank of New York (the "Agent") in order to set forth the flow of funds from and payment of expenses for the operation of the Cape Liberty Cruise Port;

NOW THEREFORE, BE IT

RESOLVED, that, for purposes of the Agreement, the sole Member hereby approves, ratifies and confirms that each of the Managers of the Company, acting individually, is authorized to give instructions and directions on behalf of the Company to the Agent under the Agreement.

IN WITNESS WHEREOF, the undersigned sole Member hereby executes this written consent effective as of the 31st day of January, 2013.

ROYAL CARIBBEAN CRUISES LTD.



By: Adam M. Goldstein

Name: Adam M. Goldstein

Title: President & CEO, Royal Caribbean International

INCUMBENCY CERTIFICATE

The undersigned, Karen Eastman being the Secretary
(name of person) (title)

of THE PORT AUTHORITY OF NEW YORK & NEW JERSEY

does hereby certify that the individuals listed below are qualified ^{On Behalf} ~~and acting officers~~ of the Company as set forth below opposite their respective names and the signatures appearing below opposite the name of each such officer is a true specimen of the genuine signature ~~of each officer~~ and such individuals have the authority to provide written direction/ confirmation and execute documents to be delivered to, or upon the request of The Bank of New York Mellon

<u>Name</u>	<u>Title</u>	<u>Signature</u>	<u>Phone Number</u>
<u>Richard M. Larrabee</u>	<u>Director, Port Commerce</u>	<u>[Signature]</u>	<u>(212)435-4218</u>
<u>Dennis Lombardi</u>	<u>Deputy Director</u>	<u>[Signature]</u>	<u>(212)435-4221</u>
<u>Andrew Saporito</u>	<u>Assistant Director</u>	<u>[Signature]</u>	<u>(212)435-4217</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this certificate

as of 5-7-14

[Signature]
(signature)

Name: Karen Eastman

Title: Secretary, Port Authority of NY & NJ

PURCHASE AND SALE AGREEMENT

By and Between

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

and

ROYAL CARIBBEAN CRUISES LTD.

BAYONNE, NEW JERSEY

Dated as of September 1, 2005

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PURCHASE AND SALE AGREEMENT

THIS PURCHASE & SALE AGREEMENT (the "Purchase & Sale Agreement") is entered into as of this 1st day of September, 2005 but effective as of the Effective Date by and between the Bayonne Local Redevelopment Authority, an instrumentality and agency of the City of Bayonne, in the County of Hudson, New Jersey (the "BLRA"), having its offices at 51 Port Terminal Boulevard, Suite 21, Bayonne, NJ 07002, and Royal Caribbean Cruises Ltd., a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") having its offices at 1050 Caribbean Way, Miami, Florida 33132 (The BLRA and Redeveloper each, a "Party" and, together, the "Parties"). Capitalized terms used herein shall have the meanings prescribed to them in Exhibit A.

WITNESSETH

WHEREAS, the Redevelopment Law provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, the BLRA was established by ordinance number 0-98-26, adopted on June 10, 1998 by the City Council as an instrumentality and agency of the City, pursuant to the provisions of the Redevelopment Law, with responsibility for implementing redevelopment plans and carrying out redevelopment projects within the City; and

WHEREAS, pursuant to a decision by the United States of America to decommission the Peninsula, the Peninsula was transferred to the BLRA pursuant to the Quitclaim Deeds; and

WHEREAS, in accordance with the criteria set forth in the Redevelopment Law, the City identified and designated the Peninsula as an area in need of redevelopment by resolution numbered 99-11-23-078, adopted on November 23, 1999 by the City Council pursuant to the Redevelopment Law; and

WHEREAS, by ordinance numbered 04-11-10-005, adopted on December 16, 2004 by the City Council, the City approved the Redevelopment Plan for the Peninsula; and

WHEREAS, the Redevelopment Law authorizes the BLRA to arrange or contract for the planning, Construction or undertaking of any development project or redevelopment work in an area designated as an area in need of redevelopment pursuant to N.J.S.A. 40A:12A-8; and

WHEREAS, the BLRA is the owner of the Redevelopment Area; and

WHEREAS, by resolution numbered 062305-07, adopted on June 24, 2005 by the BLRA, the BLRA designated the Redeveloper and Port Manager, as applicable, as the "redeveloper" of the Redevelopment Area as permitted by the Redevelopment Law and agreed to enter the Transaction Documents, including this Purchase & Sale Agreement, in order to set forth the respective undertakings, rights and obligations of Redeveloper and the BLRA in connection with the redevelopment and use of the Redevelopment Area, all in accordance with Applicable Law.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

ARTICLE 1

DEFINITIONS, INTERPRETATION AND CONSTRUCTION

Section 1.1 Definitions. The capitalized terms used herein shall have the meanings prescribed to them in Exhibit A.

Section 1.2 Interpretation and Construction. In this Purchase & Sale Agreement, unless the context expressly otherwise requires:

(1) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Purchase & Sale Agreement, refer to this Purchase & Sale Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Purchase & Sale Agreement.

(2) All references to Articles, Sections, Schedules or Exhibits shall, unless otherwise indicated, refer to the Articles, Sections, Schedules or Exhibits in this Purchase & Sale Agreement.

(3) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(4) All notices to be given hereunder and responses thereto shall be given within a reasonable time, unless a certain number of days is specified.

(5) Unless otherwise indicated, any "fees and expenses" shall be required to be customary and reasonable.

(6) Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld, delayed or conditioned.

(7) The time periods set forth herein are to be strictly complied with, provided, however, that notwithstanding the foregoing, the time periods set forth herein for performance by Redeveloper may, in the sole discretion of the BLRA, be extended at the written request of Redeveloper. All references to days shall mean calendar days unless the context specifies otherwise.

ARTICLE 2

REPRESENTATIONS

Section 2.1 Representations by the BLRA. The BLRA represents to Redeveloper that:

(1) The BLRA is a duly organized and validly existing municipal entity under the Applicable Laws of the State.;

(2) Under the laws of the State, the BLRA is duly authorized to enter into, execute and deliver this Purchase & Sale Agreement, to undertake the obligations contemplated by this Purchase & Sale Agreement and to carry out its obligations hereunder. The execution by the BLRA of and performance by it under this Purchase & Sale Agreement will not violate or conflict with any instrument by which the BLRA is bound or its properties are subject;

(3) By duly adopted resolution, the BLRA has duly authorized the execution and delivery of this Purchase & Sale Agreement and this Purchase & Sale Agreement constitutes a legal, valid and binding obligation of the BLRA, enforceable against the BLRA in accordance with its terms;

(4) The execution and delivery of this Purchase & Sale Agreement by the BLRA does not, and the performance by the BLRA of its obligations under this Purchase & Sale Agreement will not:

(a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the articles of incorporation, bylaws or other organizational documents of the BLRA;

(b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law; or

(c) Result in a breach of, or default (or give rise to a right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which the BLRA may be bound, or which are necessary for Redeveloper to continue to enjoy the rights and privileges conferred upon and granted to Redeveloper under this Purchase & Sale Agreement; and

(5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other Persons is required in connection with the execution, delivery and performance of this Purchase & Sale Agreement by the BLRA or the rights and privileges which, by virtue of this Purchase & Sale Agreement, shall be conferred upon and granted to Redeveloper.

Section 2.2 Representations by Redeveloper. Redeveloper represents to the BLRA that:

(1) Redeveloper is a duly organized and validly existing company in good standing under the laws of Delaware and has all requisite power and authority for the ownership and operations of its properties, and for the carrying on of its business as now conducted and as now proposed to be conducted under the Transaction Documents. Redeveloper is duly qualified and is in good standing as a foreign company and is authorized to do business in all jurisdictions wherein the nature of the activities conducted by it makes such qualification or authorization necessary;

(2) Redeveloper has the corporate power to enter into, execute and deliver this Purchase & Sale Agreement to undertake the transactions contemplated by this Purchase & Sale Agreement and to carry out and perform its obligations hereunder, and the execution by Redeveloper of and performance by it under this Purchase & Sale Agreement will not violate or conflict with any instrument by which Redeveloper is bound or its properties are subject, and this Purchase & Sale Agreement constitutes a legal, valid and binding obligation of Redeveloper, enforceable against Redeveloper in accordance with its terms;

(3) Redeveloper has duly authorized the execution, delivery and performance of this Purchase & Sale Agreement, and, assuming due authorization, execution and delivery of this Purchase & Sale Agreement by the BLRA, this Purchase & Sale Agreement will be a valid, binding and enforceable agreement of Redeveloper;

(4) The execution and delivery of this Purchase & Sale Agreement by Redeveloper does not, and the performance by Redeveloper of its obligations under this Purchase & Sale Agreement will not:

(a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the organizational documents of Redeveloper;

(b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law; or

(c) Result in a breach of, or default under (or give rise to right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which Redeveloper may be bound or which are necessary for the BLRA to enforce the terms of this Purchase & Sale Agreement against Redeveloper; and

(5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other Persons is required in connection with the execution, delivery and performance of this Purchase & Sale Agreement by Redeveloper other than as set forth in the Transaction Documents.

ARTICLE 3

PURCHASE AND SALE OF IMPROVEMENTS

Section 3.1 Purchase and Sale of Improvements. Subject to and in accordance with the terms and conditions set forth herein and in the other Transaction Documents, the BLRA will purchase and accept from Redeveloper, and Redeveloper will sell, convey, transfer and deliver to the BLRA, on the applicable Closing Date, those Improvements developed by the Redeveloper pursuant to the Redevelopment Agreement, free and clear of any interest, lien or encumbrance of Redeveloper and/or any other Person, including, but not limited to, any uncanceled mechanics', laborers', contractors' or materialmen's liens with respect to the Improvements so delivered, subject, however, to RCCL Cruise Lines' rights and interests under the Transaction Documents.

Section 3.2 Purchase Price and Associated Costs. As consideration for the purchase of the Improvements developed by the Redeveloper pursuant to the Redevelopment Agreement, the BLRA shall pay Redeveloper the Purchase Price and pay the Associated Costs, if any, in immediately available funds, except that any amount thereof financed by a Redeveloper Loan shall be paid in the form of a promissory note and such other documents as may be reasonably required by Redeveloper, at the corresponding Closing of each Phase.

Section 3.3 Financing. BLRA shall proceed with good faith and due diligence to finance the Purchase Price and Associated Costs for the applicable Improvements by (1) securing a Redeveloper Loan; (2) securing a Loan from an Approved Lender and/or (3) issuing Bonds, in accordance with the specifications set forth in the Financing Notice all as permitted by Applicable Law.

Section 3.3.1 Financing Notice. Within 120 calendar days prior to the proposed Closing Date for each Phase, Redeveloper shall deliver to the BLRA a Financing Notice. In the event Redeveloper requires that the BLRA secure a Loan, the Financing Notice shall identify one or more Approved Lenders with whom the BLRA shall make application for the Loan. The BLRA may designate the Redeveloper to act on its behalf for the purposes of applying for a Loan.

Section 3.3.2 Loans and/or Redeveloper Loans. Within 5 days of receiving a Financing Notice requesting that the BLRA secure a Loan or a Redeveloper Loan to finance the Purchase Price and Associated Costs, if any, the BLRA shall proceed with good faith and due diligence to make application for and obtain a Loan from an Approved Lender or a Redeveloper Loan from Redeveloper, as applicable, in an amount sufficient to pay the Purchase Price or the Bond Deficiency, as the case may be, and the Associated Costs, if any.

Section 3.3.3 Bonds. Upon receipt of a Financing Notice requesting that the BLRA issue Bonds to finance the Purchase Price and Associated Costs, if any, the BLRA shall commence the process of authorizing and issuing such Bonds for the Purchase Price and Associated Costs, if any. The BLRA shall proceed with good faith and due diligence to conclude the issuance of Bonds prior to the Bond Deadline. In the event there is a Bond Deficiency by the Bond Deadline, then within 3 days following the Bond Deadline, the BLRA shall provide written Notice to Redeveloper of the Bond Deficiency and proceed within 3 days of such Notice to apply for and secure a Loan or Redeveloper Loan instead of issuing Bonds, as the Redeveloper shall determine in its sole discretion.

Section 3.3.4 BLRA Costs. Redeveloper shall reimburse the BLRA, either with the proceeds of a Loan, Bonds or otherwise, for any and all direct out-of-pocket expenses incurred by the BLRA in connection with the financing associated with each Phase, including any failed financing

transaction provided that such financing has not failed due to the BLRA's failure to use good faith and due diligence to complete same and has not caused, through its gross negligence, such financing transaction to fail. BLRA may ask the Redeveloper for an advance of such expenses and/or the funding of an escrow account with the BLRA for the estimated amount of such expenses.

Section 3.4 No Lien on Land or Improvements; Nonrecourse to BLRA and City. Regardless of whether the Purchase Price and/or Associated Costs are financed through Bonds, a Loan or a Redeveloper Loan, the Parties agree and understand that such Bonds, Loan or Redeveloper Loan shall not constitute a lien on the Redevelopment Area, the Peninsula or the Improvements. All Bonds, Loans or Redeveloper Loans shall be subject to the prior obligation to pay Priority Charges and the Redeveloper may, in its sole discretion, guarantee the repayment of any Bond, Loan or Redeveloper Loan. All Bonds, Loans or Redeveloper Loans shall be nonrecourse to the City, the BLRA and their respective assets.

ARTICLE 4

CLOSINGS, CONVEYANCE AND DELIVERIES

Section 4.1 Closing Date. Subject to the terms and conditions of this Purchase & Sale Agreement, the Parties shall consummate the purchase and sale of each Phase at a Closing on a Closing Date to be fixed by mutual agreement of the Parties but no later than 60 days from the date the BLRA receives a financing commitment for Bonds, a Loan or a Redeveloper Loan for the Purchase Price unless otherwise agreed to by the Parties and provided all conditions to a Closing are met.

Section 4.2 Closing Place and Time. The Closings shall take place on the applicable Closing Date at 10:00 a.m., at the offices of McManimon & Scotland, L.L.C., Newark, New Jersey, or such other place as may be agreed to by the Parties.

Section 4.3 Conveyance. The sale, conveyance, transfer and delivery by Redeveloper of the Improvements to the BLRA in accordance with Section 3.1 shall be effected on the applicable Closing Date by Redeveloper's execution and delivery to the BLRA of one or more bills of sale or other conveyance instruments evidencing title to the portion of the Improvements to be conveyed pursuant to the Redevelopment Agreement and this Purchase & Sale Agreement. Upon the consummation of each Closing, all components and elements of the Improvements for the corresponding Phase shall be deemed thereafter owned by the BLRA, except that RCCL Cruise Lines expressly reserves its rights to any such components or elements of the Improvements conferred under the Transaction Documents, including, without limitations, the preferential berthing rights conferred under the Usage Agreement and the exclusive right to operate, maintain and manage the Improvements under the Terminal Operating Agreement or the Parking Management Agreement, as the case may be.

Section 4.4 Taxes. All applicable transfer, sales, use, bulk sales and other taxes, and all documentary, filing, recording and registration fees payable by Redeveloper as a result of the sale of the Improvements shall be paid by Redeveloper, but incorporated in the Redeveloper's Cost of Construction to be paid by the BLRA as part of the Purchase Price at Closing. To the extent any amounts of such taxes and fees are unknown at the time of the Closing, then the Redeveloper shall use a reasonable estimate for calculating same and the Parties shall agree to make appropriate adjustments and reimburse each other at such time as the actual amounts are known.

Section 4.5 Deliveries by Redeveloper. At or prior to each Closing, Redeveloper shall execute and deliver or cause to be executed and delivered to the BLRA the following:

- (1) A bill of sale corresponding to the applicable Phase that is the subject of such Closing;
- (2) A No Lien Affidavit for such Improvements;
- (3) A Certificate executed as of the applicable Closing Date by a duly authorized officer of Redeveloper certifying: (a) the resolutions of its governing body approving the transactions contemplated hereby, and (b) the accuracy of Redeveloper's representations and warranties and as to the performance and compliance of all of the terms, provisions and conditions to be performed or complied with by Redeveloper at or before each Closing;
- (4) Such other instruments of sale, transfer, conveyance and delivery as the BLRA and its counsel may reasonably request; and

(5) Such legal opinions as may be reasonably required in connection with the issuance of the Bonds or securing of a Loan or Redeveloper's Loan.

Section 4.6 Deliveries by the BLRA. At or prior to each Closing, the BLRA shall execute and deliver or cause to be executed and delivered to Redeveloper the following:

(1) The Purchase Price corresponding to the Phase that is the subject of such Closing, in immediately available funds, except that any amount thereof financed by a Redeveloper Loan shall be paid in the form of a promissory note and such other documents as may be reasonably required by Redeveloper;

(2) A Certificate executed as of the Closing Date by a duly authorized officer of the BLRA certifying: (a) the resolutions of its governing body approving the transactions contemplated hereby, and (b) as to the accuracy of the BLRA's representations and warranties and as to the performance and compliance of all of the terms, provisions and conditions to be performed or complied with by the BLRA at or before Closing; and

(3) Such other instruments as Redeveloper and its counsel may reasonably request.

ARTICLE 5

FURTHER AGREEMENTS

Section 5.1 Covenant to Cooperate. In the event it may be necessary, for the proper performance of this Purchase & Sale Agreement on the part of the BLRA or Redeveloper, that any application or applications for any Approval, license or Loan to do or to perform certain things be made to any Governmental Body, agency or Approved Lender by Redeveloper or the BLRA, Redeveloper and the BLRA each agree to cooperate in such matters; provided, however, that the Redeveloper and the BLRA are bound to the obligations of this Section only in the case of reasonable requests for assistance. The Redeveloper shall reimburse the BLRA for reasonable costs incurred in complying with the provisions of this Section provided that the BLRA shall obtain the prior written approval of the Redeveloper before incurring any costs pursuant hereto and shall have no duty to cooperate if such approval is not received.

ARTICLE 6

CONDITIONS TO CLOSING

Section 6.1. Conditions to Each Party's Obligations. The respective obligations of each Party to effect the transactions contemplated hereby shall be subject to the condition that no order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the transactions contemplated by this Purchase & Sale Agreement shall be in effect, that no proceeding initiated by any Governmental Body seeking to enjoin or otherwise restrain or prohibit the consummation of the transactions contemplated by this Purchase & Sale Agreement shall be pending and that no Applicable Law shall have been enacted, entered, promulgated or enforced by any Governmental Body that prohibits, restricts or makes illegal consummation of the transactions contemplated hereby.

Section 6.2. Conditions to the BLRA 's Obligations. The obligations of the BLRA to effect the transactions contemplated hereby shall be subject to the following conditions, any one or more of which (to the extent legally permissible) may be waived in writing by the BLRA in whole or in part:

(1) Each of the representations and warranties of Redeveloper set forth in this Purchase & Sale Agreement shall be true and correct in all material respects as of the Effective Date of this Purchase & Sale Agreement and (except to the extent any such representation or warranty speaks as of or is limited to an earlier date) as of each Closing Date;

(2) Redeveloper shall have performed and complied in all material respects with all agreements, covenants, obligations and conditions required by this Purchase & Sale Agreement to be performed or complied with by them at or prior to each Closing Date;

(3) Redeveloper shall have obtained any and all consents, approvals, orders, permits, waivers or other necessary or appropriate authorizations, required by all Applicable Law and contracts with respect to the execution, delivery and performance of this Purchase & Sale Agreement and the agreements contemplated hereby and the consummation of the transactions contemplated herein;

(4) Redeveloper shall have timely provided any and all required Notices to third parties and Governmental Bodies regarding the consummation of the transactions contemplated hereby; and

(5) The BLRA shall have secured financing for the Purchase Price plus the Associated Costs, if any, from a Loan, Redeveloper Loan and/or Bonds.

Section 6.3. Conditions to Redeveloper's Obligations. The obligations of Redeveloper to effect the transactions contemplated hereby shall be subject to the following conditions, any one or more of which (to the extent legally permissible) may be waived in writing by Redeveloper in whole or in part:

(1) The representations and warranties of the BLRA in this Purchase & Sale Agreement shall be true and correct in all material respects as of the Effective Date of this Purchase & Sale Agreement and (except to the extent any such representation or warranty speaks as of or is limited to an earlier date) as of each Closing Date;

(2) The BLRA shall have performed and complied in all material respects with all agreements, covenants, obligations and conditions required by this Purchase & Sale Agreement to be performed or complied with by it at or prior to each Closing Date;

(3) The BLRA shall have obtained any and all Approvals required by all Applicable Laws and contracts with respect to the execution, delivery and performance of this Purchase & Sale Agreement and the agreements contemplated hereby and the consummation of the transactions contemplated herein; and

(4) The BLRA shall have timely provided any and all required Notices to third parties and Governmental Bodies regarding the consummation of the transactions contemplated hereby.

ARTICLE 7

TRANSACTION DOCUMENTS

Section 7.1 Usage Agreement. The BLRA grants Redeveloper certain rights of occupancy and preferential berthing rights as set forth in the Redevelopment Agreement and the Usage Agreement. The entering into and performance of the other Transaction Documents by the BLRA is a material inducement for Redeveloper to enter into this Purchase & Sale Agreement, absent which Redeveloper would not have entered into this Purchase & Sale Agreement. The entering into and performance of the other Transaction Documents by Redeveloper is a material inducement for the BLRA to enter into this Purchase & Sale Agreement, absent which the BLRA would not have entered into the other Transaction Documents.

Section 7.2 Concurrency of Terms. The Parties acknowledge and agree that the Transaction Documents are effective at the present time.

Section 7.3 Survival. The terms, conditions, rights and obligations set forth in this Purchase & Sale Agreement shall survive each of the Closings under this Purchase & Sale Agreement. To that extent, the terms of the Transaction Documents shall not merge upon the delivery of any deeds, bills of sale or other instruments transferring title to the Improvements.

ARTICLE 8

NO REPRESENTATIONS OR WARRANTIES ON IMPROVEMENTS

Section 8.1 No Representations or Warranties on Improvements. (1) Redeveloper extends and intends no warranty and makes no representation of any type, either express or implied, as to the condition of the Improvements. Redeveloper shall sell and the BLRA agrees to accept the Improvements in an "as is" and "where is" condition on each Closing Date under this Purchase and Sale Agreement. The BLRA waives any claim against Redeveloper, to the extent permitted by Applicable Law, for any defects or any other damage to the Improvements that may exist at Closing and/or subsequently discovered by the BLRA. However, notwithstanding the foregoing, the Redeveloper agrees to transfer, upon the Closing of each Phase of a purchase of the Improvements by the BLRA, to the BLRA any and all warranties provided by any builder, manufacturer, supplier or any other warranty which Redeveloper received in the course of undertaking the Construction of the Improvements provided such warranty(ies) are transferrable.

(2) To the maximum extent permitted by Applicable Law, all warranties of fitness for a particular purpose, merchantability, habitability, defects, any warranties imposed by statute and all other implied warranties of any kind or character are specifically disclaimed by each Party as to the other. Neither Party has given and the other Party has not relied on or bargained for any such warranties. Normal swelling, expansion and contraction of materials and Construction, and any cracks appearing as a result thereof or as a result of settlement of the Improvements on the Redevelopment Area shall not be deemed to be Construction defects.

(3) As to any implied warranty which cannot be disclaimed entirely by Applicable Law, all secondary, incidental and consequential damages are specifically excluded and disclaimed (claims for such secondary, incidental and consequential damages being clearly unavailable in the case of implied warranties which are disclaimed entirely above).

ARTICLE 9

TERM, DEFAULT AND REMEDIES

Section 9.1 Term. (1) The Term of this Purchase & Sale Agreement shall commence on the Effective Date and end on December 31, 2038, unless sooner terminated or extended pursuant to the provisions of this Purchase & Sale Agreement.

(2) This Purchase & Sale Agreement shall terminate upon the termination of the Redevelopment Agreement in accordance with its terms provided, however, that such termination shall not relieve the BLRA of its continuing obligations under Section 6.6 of the Usage Agreement and Section 8.1.3 of the Redevelopment Agreement.

Section 9.2 Events of Default by Redeveloper. With regard to Redeveloper, the following shall be "Events of Default" under this Purchase & Sale Agreement:

(1) Failure by Redeveloper to observe or perform any material covenant, condition or agreement on its part to be observed or performed hereunder, which failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Redeveloper by the BLRA, unless the BLRA shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if effective corrective action is instituted by Redeveloper within such period and diligently pursued until such failure is corrected; and/or

(2) The commencement by Redeveloper of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or its consent to the entry of an order for relief in an involuntary case under any such law, or its consent to the appointment of or taking possession by a receiver, custodian, liquidator, assignee, trustee or sequestrator (or other similar official) of itself or of any substantial part of its property, or shall make a general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due; and/or

(3) A court having jurisdiction shall enter a decree or order for relief in respect of Redeveloper in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, custodian, liquidator, assignee, trustee, sequestrator (or other similar official) of Redeveloper or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of such decree or order unstayed and in effect for a period of 90 consecutive days; and/or

(4) The occurrence of an Event of Default by Redeveloper under any Transaction Document.

Section 9.3 The BLRA's Remedies. Whenever any Event of Default hereunder by Redeveloper shall have happened and be continuing without cure, the BLRA may terminate this Purchase & Sale Agreement by providing written notice to Redeveloper, and (1) re-enter and take possession of the Improvements to the extent they have been already sold to the BLRA or (2) re-enter, take possession and take title to the Improvements to the extent they have not been sold to the BLRA and in each case Redeveloper shall vacate and surrender title (if applicable) and possession to the same, without the BLRA having any further obligation except as set forth in the Transaction Documents including, but not limited to, Section 6.6 of the Usage Agreement or Section 8.1.3 of the Redevelopment Agreement, or (3) utilize any available remedies at law or in equity to which BLRA may be entitled. The BLRA may pursue its

rights and remedies under the Transaction Documents in whatever order, or collectively, and shall not be required to exhaust any right or remedy or proceed in any order against Redeveloper.

Section 9.4 Events of Default by the BLRA. With regards to the BLRA, the following shall be "Events of Default" under this Purchase & Sale Agreement:

(1) Failure by the BLRA to observe or perform any covenant, condition or agreement on its part to be observed or performed hereunder or under the Transaction Documents, and such failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the BLRA by Redeveloper, unless Redeveloper shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if corrective effective action is instituted by the BLRA within such period and diligently pursued until such failure is corrected; and/or

(2) The BLRA transfers a controlling interest in the Port to any other party for any reason and such successor does not completely and unconditionally assume the rights and obligations of the BLRA under this Purchase & Sale Agreement; and/or

(3) The BLRA transfers a controlling interest in the Port to a nongovernmental entity, without Redeveloper's prior written consent, which shall not be unreasonably withheld; and/or

(4) The occurrence of an "Event of Default" by the BLRA under any Transaction Document.

Section 9.5 Redeveloper's Remedies. Whenever any Event of Default by the BLRA hereunder shall have happened and be continuing, any one or more of the following remedial steps may be taken by Redeveloper:

(1) Terminate this Purchase & Sale Agreement by providing written notice to the BLRA;

(2) Suspend its performance under the Redevelopment Agreement in accordance with Section 20.11 of the Redevelopment Agreement; and/or

(3) Seek against the BLRA all remedies, in law or in equity, as Redeveloper may deem appropriate, including, without limitation, specific performance and injunctive relief.

Section 9.6 Cumulative Remedies; Delay or Omission – No Waiver. The remedies conferred upon or reserved to the BLRA or Redeveloper pursuant to this Purchase & Sale Agreement, including, without limitation, those set forth in this Article 9, are demonstrative only, and are not exclusive of any other available remedy or remedies provided for at law or in equity, or under any Applicable Law now existing or hereinafter provided, but each and every remedy shall be cumulative and shall be in addition to every other remedy either given under this Purchase & Sale Agreement or at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as it may be deemed expedient. In order to entitle the BLRA or Redeveloper to exercise any remedy reserved to it in this Article 9, it shall not be necessary to give any Notice, other than such Notice as may be herein expressly required.

Section 9.7 Specific Performance. If an Event of Default occurs, or a Party hereto threatens to take an action that will result in the occurrence of an Event of Default, the non-defaulting (or non-threatening) Party shall have the right and remedy, without posting bond or other security, to have the provisions of this Purchase & Sale Agreement specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach may cause irreparable injury to the BLRA or Redeveloper and that money damages may not provide an adequate remedy for such injury.

Section 9.8 Continuance of Obligation. The occurrence of an Event of Default shall not relieve the defaulting Party of its obligations under this Purchase & Sale Agreement or the Transaction Documents. Such defaulting Party's obligations shall survive the termination of the Transaction Documents in accordance with the terms thereof.

Section 9.9 Mitigation. The Parties shall act reasonably to mitigate any damages incurred as the result of an Event of Default or, to the degree possible, in the event of a Force Majeure under this Purchase & Sale Agreement.

Section 9.10 Survival of Termination. The provisions of this Article shall survive the termination of this Purchase & Sale Agreement as a result of an Event of Default.

Section 9.11 No Consequential Damages. Notwithstanding anything to the contrary contained herein, each Party hereby waives and releases the other from any other claim of consequential or other type of damages, whether based on contract, warranty, negligence (including sole, joint, or comparative), strict liability or otherwise, and whether special, consequential, indirect, incidental, punitive damages of any kind of character, including but not limited to, loss of profits or revenues, loss of product, cost of capital, and the like arising directly or indirectly from or out of any wrongful act, negligence or willful misconduct on the part of the other Party or its Affiliates, agents, representatives, employees, contractors or Invitees, and any failure of the other Party or its Affiliates, officers, directors, employees, agents or representatives to comply with any Applicable Law or with the directive of any Governmental Body.

ARTICLE 10

FORCE MAJEURE

Section 10.1 Force Majeure. Performance by any Party under this Purchase & Sale Agreement or the Transaction Documents shall not be deemed to be in default where delays or failure to perform are the result of the following acts, events or conditions or any combination thereof that has had or may be reasonably expected to have a direct, material, adverse effect on the rights or obligations of the Parties to this Purchase & Sale Agreement; provided, however, that such act, event or condition shall be beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such Party under the terms of this Purchase & Sale Agreement (collectively, "Force Majeure Events").

Section 10.2 Force Majeure Events. The following shall constitute "Force Majeure Events":

(1) An act of God, lightning, blizzard, hurricane, tornado, earthquake, acts of a public enemy, war, terrorism, blockade, insurrection, riot or civil disturbance, sabotage or similar occurrence (such events being required to physically affect a Party's ability to fulfill its obligations hereunder; the consequential effect of such events (e.g., impact on market conditions) shall not be considered a Force Majeure Event); and/or

(2) A landslide, fire, explosion, flood or release or discovery in the Redevelopment Area of unexploded ordnance, nuclear, biological or radiological compounds not created or released by an act or omission of either Party hereto; and/or

(3) The order, judgment, action or inaction and/or determination of any court with jurisdiction or a Governmental Body (other than the BLRA when acting in conformance with this Purchase & Sale Agreement) with jurisdiction over the BLRA or the Redevelopment Area, excepting decisions interpreting Federal, State and local tax laws generally applicable to all business taxpayers, adversely affecting the Construction of any Improvement or Redeveloper's performance under this Purchase & Sale Agreement; provided, however, that such order, judgment, action and/or determination shall not be the result of the willful, intentional or negligent action or inaction of the Party to this Purchase & Sale Agreement relying thereon and that neither the contesting of any such order, judgment, action and/or determination, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party; and/or

(4) The suspension, termination, interruption, denial, failure of, or delay in renewal or issuance of any Approval required pursuant to Applicable Law, provided, however, that such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance shall not be the result of the willful, intentional or negligent action or inaction of the Party relying thereon and that neither the contesting of any such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party. Delay in issuance of an Approval resulting from Redeveloper's failure to make an administratively complete submission for an Approval shall not be an event of Force Majeure; and/or

(5) Lawsuits or other legal actions taken by any Person challenging the transactions contemplated by this Purchase & Sale Agreement, or any other regulatory or administrative delay, except that any lawsuit or other legal action initiated by Redeveloper, an Affiliate of Redeveloper, and any Person with an equity interest therein, an employee, agent, vendor or contractor of the aforementioned

entities, shall not be an event of Force Majeure; and/or

(6) The failure or inability on the part of the BLRA to remediate any Pre-Existing Contamination or obtain the NFA/CNS to the extent such failure or inability entails a delay in the ability of the Redeveloper to undertake the Construction of any Improvements.

Section 10.3 Notice of Force Majeure. Notwithstanding the foregoing, unless the Party entitled to an extension under this Article gives written Notice to the other Party hereto of its claim to such extension within 10 days after such Party obtains actual knowledge of the event giving rise to such claim, there shall be excluded in computing the number of days by which the time for performance of the act in question shall be extended, the number of days which shall have elapsed between the occurrence of such event and the actual giving of such Notice, provided, however, that failure to provide such Notice shall not prevent the Party claiming a Force Majeure Event from exercising its rights and enjoying the protections afforded under such claim and provided further that in the event the Party entitled to received such Notice has actual knowledge of such Force Majeure Event, the penalty for failure to provide Notice pursuant hereto shall not apply.

Section 10.4 Procedure. The Parties acknowledge that the acts, events or conditions set forth in this Article are intended to be the only acts, events or conditions that may (upon satisfaction of the conditions specified herein) constitute a Force Majeure Event. Notice by the Party claiming such extension due to Force Majeure Event shall be sent to the other Party within 30 calendar days of the commencement of the cause. During any Force Majeure Event that affects part of the Redevelopment Project or performance under this Purchase & Sale Agreement, Redeveloper shall continue to perform its obligations for the remainder of the term of the Redevelopment Project or the remainder of the term of the Transaction Documents. The existence of a Force Majeure Event shall not prevent a Party from declaring the occurrence of an Event of Default by the Party relying on such Force Majeure provided that the event that is the basis of the Event of Default is not a result of the Force Majeure Event. Notwithstanding anything contained herein to the contrary, in the case of a Force Majeure Event described in this Article, the Party claiming such extension shall have an ongoing obligation to contest such lawsuit or other legal action, regulatory or administrative delay, to the extent applicable, and shall perform all acts necessary to terminate such Force Majeure event.

ARTICLE 11

DISPUTE RESOLUTION

Any Dispute, controversy or claim of one Party against the other Party arising out of, relating to or in connection with this Purchase & Sale Agreement, including any question regarding its existence, validity or termination, or regarding a breach thereof shall be resolved pursuant to the following procedures:

Section 11.1 Dispute Notice. Any Party wishing to initiate consideration of a Dispute hereunder shall give a Dispute Notice to the other Party of the existence of such Dispute and of the Party's desire to have the other Party consider the Dispute. Such notice shall set forth in reasonable detail the nature of the Dispute to be considered and shall be accompanied by a full disclosure of all factual evidence and a statement of the applicable legal basis of the Dispute; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 11.2 Negotiating Team. Upon giving and receipt of a Dispute Notice, each Party shall appoint a Negotiating Team consisting of not less than one and not more than three representatives.

Section 11.3 Negotiation Meetings. The Negotiating Teams shall commence meeting within 30 days of receipt of the Dispute Notice and shall, during and up to such 30 day period, meet and negotiate in good faith for a period of up to 30 days to attempt to resolve the Dispute. During such negotiation period, a Party asserting a claim for damages or equitable relief or any defense thereto against any other Party shall disclose to the other Party all previously undisclosed factual evidence and legal basis of such claim or defense; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or legal proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 11.4 Final Dispute Notice. If the Negotiating Teams fail to resolve the Dispute within the negotiation period set forth in Section 11.3 above, any Party may notify the other Party of such failure by delivery of a Final Dispute Notice.

Section 11.5 Arbitration. Upon the giving or receipt of a Final Dispute Notice, any disagreement within the scope of this Article 11 shall be determined by final and binding arbitration pursuant to the then current Commercial Arbitration Rules of the American Arbitration Association ("AAA"), in existence at the time of the execution of this Purchase & Sale Agreement. The arbitration shall be conducted in Newark, New Jersey, USA. The arbitration shall be before a panel of three arbitrators. One arbitrator shall be selected by each of the Parties and the third arbitrator shall be selected by the two arbitrators designated by the Parties. Each Party shall bear its own costs and expenses in preparing for and participating in the arbitration hearing except that each Party shall pay one-half of the compensation payable to the arbitrators, one-half of any fees to the AAA and one-half of any other costs

related to the hearing proceedings. The arbitration award may provide for either damages or other equitable relief, including, but not limited to, injunctive relief, and shall be final and binding on the Parties, and judgment on the award may be entered in any court having jurisdiction, including resort to the relief granted in the Federal Arbitration Act or Applicable Law.

Section 11.6 Commencement of Arbitration. It is explicitly agreed by each of the Parties hereto that no such arbitration shall be commenced except in conformity with this Article 11.

Section 11.7 Prevailing Party Award of Attorneys' Fees. In the event either Party brings an arbitration proceeding against the other arising out of the terms or provisions of this Purchase & Sale Agreement and the other Party employs an attorney in connection therewith, the prevailing Party (whether such prevailing Party has been awarded a money judgment or not) may be awarded by the arbitrators and entitled to receive from the other Party full reimbursement of such prevailing Party's reasonable attorneys' and para-professionals' fees (excluding in-house counsel and para-professional fees) and costs incurred therewith (including costs to enforce arbitration), whether such fees are incurred by the prevailing Party before, during, or after any arbitration, trial or administrative proceeding or on appeal.

Section 11.8 No Abrogation of Right to Seek Emergent Equitable Relief. Nothing in this Article 11 shall be construed to deprive any Party, or to abrogate any Party's right, to seek emergent, equitable relief, if necessary, in any court of competent jurisdiction and in accordance with Applicable Law, as any such court may adjudge, order or decree under the pertinent circumstances.

ARTICLE 12

INDEMNIFICATION

Section 12.1 Indemnification. Each Party covenants and agrees, at its sole expense, to pay and to indemnify, protect, defend and hold the BLRA Indemnified Parties or the Redeveloper Indemnified Parties, as the case may be, harmless from and against all liability, losses, damages, demands, costs, claims, actions, or expenses (including attorneys' fees, disbursements, and court costs) of every kind, character and nature arising out of, resulting from or in any way connected with this Purchase & Sale Agreement, or the acquisition, condemnation, condition, use, possession, conduct, management, planning, design, construction, installation, financing, marketing, leasing or sale of the Redevelopment Area, including but not limited to, the death of any Person or any accident, injury, loss, and damage whatsoever caused to any Person or to the property of any Person that shall occur on the Redevelopment Area and that, with respect to any of the foregoing, are related to or resulting from any negligence or willful misconduct of Redeveloper or the BLRA, as the case may be, its agents, servants, employees, or contractors.

Section 12.2 Environmental Indemnification. For purposes of this Article 12 and this Purchase & Sale Agreement, the Environmental Indemnification set forth in Article 15 of the Redevelopment Agreement shall govern and be applicable to the Parties.

Section 12.3 Interest in the Redevelopment Area. (1) With respect to any interest in the Redevelopment Area acquired or accessed by Redeveloper, Redeveloper shall defend, protect, indemnify and hold harmless the BLRA Indemnified Parties, from any claim, liability, injury and expense (including, without limiting the generality of the foregoing, the cost of any required investigation and remediation of any environmental conditions, and the cost of attorneys' fees) which may be sustained as the result of any environmental conditions on, in, under or migrating to or from the Redevelopment Area acquired or accessed by Redeveloper, to the extent any such liability attaches to the BLRA Indemnified Parties as a direct result of activities performed by Redeveloper or its contractors pursuant to this Purchase & Sale Agreement, including without limitation claims against the BLRA Indemnified Parties by any third party.

(2) Except as set forth in Article 15 of the Redevelopment Agreement, neither Party has granted any release, indemnity and/or other forbearance in favor of the other with respect to any claim, liability, injury, damage, cost or action and/or expense relating to the environmental condition of the Peninsula (specifically including, without limitation, any Parcel(s) to be developed by Redeveloper), and no provision of this Purchase & Sale Agreement shall in any manner be argued and/or construed to constitute a waiver or limitation of any right or claim that either Party may assert against the other under Applicable Law respecting such matters.

Section 12.4 Notification of Indemnification. In any situation in which the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, are entitled to receive and desire defense and/or indemnification pursuant to this Article 12, the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, shall give Notice of such situation to the Indemnifying Party within 30 days after the Indemnified Party has actual knowledge of any claim as to which indemnity may be sought hereunder. Failure to provide timely Notice to the Indemnifying Party shall not relieve the Indemnifying Party of any liability to indemnify the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, unless such failure to provide timely Notice materially impairs the Indemnifying Party's ability to defend. Upon receipt of such Notice, the Indemnifying Party shall resist and defend any action or proceeding on behalf of the BLRA Indemnified Parties or Redeveloper

Indemnified Parties, as the case may be, including the employment of counsel reasonably acceptable to the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, the payment of all expenses and the right to negotiate and consent to settlement. All of the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be shall have the right to employ separate counsel at the expense of the Indemnifying Party. The Indemnifying Party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Indemnified Party or if there is a final judgment against the Indemnified Party in any such action, the Indemnifying Party shall indemnify and hold harmless the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be from and against any loss or liability by reason of such settlement or judgment for which the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, are entitled to indemnification hereunder.

Section 12.5 Survival of Indemnity. The provisions of this Article 12 shall survive the termination of this Purchase & Sale Agreement due to an Event of Default.

Section 12.6 Limitation of Damages. Notwithstanding anything else provided herein, in the event an Indemnified Party seeks an indemnity under this Article 12 from the Indemnifying Party, the only damages Indemnified Party may collect from the Indemnifying Party are the actual non-consequential, direct, damages suffered by the Indemnified Party.

ARTICLE 13

MISCELLANEOUS

Section 13.1 Provisions Not Merged. None of the provisions of this Purchase & Sale Agreement are intended to or shall be merged by reason of any prior agreement, lease or other contract between the BLRA and Redeveloper.

Section 13.2 Non-Liability of Officials, Employees and Agents of the BLRA or the City. No member, official, employee or agent of the BLRA, its Affiliates or the City shall be personally liable to Redeveloper, or any successor in interest, in the event of any default or breach by the BLRA, or for any amount which may become due to Redeveloper or its successor, or on any obligation under the terms of this Purchase & Sale Agreement.

Section 13.3 Non-Liability of Officials and Employees of Redeveloper. No member, officer, shareholder, director, partner or employee of Redeveloper shall be personally liable to the BLRA, or any successor in interest, in the event of any default or breach by Redeveloper or for any amount which may become due to the BLRA, or its successor, on any obligation under the terms of this Purchase & Sale Agreement.

Section 13.4 No Brokerage Commissions. The BLRA and Redeveloper each represent one to the other that no broker initiated, assisted, negotiated or consummated this Purchase & Sale Agreement as broker, agent, or otherwise acting on behalf of either the BLRA or Redeveloper, and the BLRA and Redeveloper shall indemnify each other with respect to any claims made by any Person, firm or organization claiming to have been so employed by the Indemnified Party.

Section 13.5 No Partnership; Relationship of the Parties. Neither party shall be deemed, in any way or for any purpose, to have become, by the execution of this Purchase & Sale Agreement or any action taken under this Purchase & Sale Agreement, a partner or agent of the other Party in its business or otherwise, or a member of any joint enterprise nor to have any authority to bind the other Party.

Section 13.6 Enforcement by the BLRA. It is intended and agreed that the BLRA and its successors and assigns shall be deemed beneficiaries of this Purchase & Sale Agreement and covenants set forth herein, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit this Purchase & Sale Agreement and the covenants set forth herein have been provided. This Purchase & Sale Agreement and the covenants set forth herein shall run in favor of the BLRA for the entire period during which this Purchase & Sale Agreement and covenants set forth herein shall be in force and effect. The BLRA shall have the right, in the event of any breach of this Purchase & Sale Agreement or the covenants set forth herein, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which they and their successors and assigns may be entitled, provided, however, that at all times this Section shall be subject to the provisions of Articles 9 and 11 respectively.

Section 13.7 Enforcement by Redeveloper. It is intended and agreed that Redeveloper and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this Purchase & Sale Agreement. Such agreements and covenants shall run in favor of Redeveloper for the entire period during which such agreements and covenants shall be in force and effect. Redeveloper shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce

the curing of such breach of agreement or covenant, to which they and their successors and assigns may be entitled, provided, however, that at all times this Section shall be subject to the provisions of Articles 9 and 11 respectively.

Section 13.8 Notices. Any notice, demand, election, payment, or other communication, which the BLRA or Redeveloper shall desire or be required to give pursuant to the provisions of this Purchase & Sale Agreement (each a "Notice"), shall be sent by registered or certified mail, return receipt requested, and the giving of such Notice shall be deemed complete on the third (3rd) business day after the same is deposited in a United States Post Office with postage charges prepaid, enclosed in a securely sealed envelope addressed to the Person intended to be given such Notice at the respective addresses set forth below or to such other address as such Party may theretofore have designated by Notice pursuant to this Section 13.8:

BLRA: Bayonne Local Redevelopment Authority
51 Port Terminal Boulevard
Suite 21
Bayonne, New Jersey 07002
Attention: Nancy A. Kist, Executive Director

With copy to: John F. Coffey, II, Esq.
Bayonne Municipal Building
630 Avenue C
Bayonne, NJ 07002-3898

Joseph P. Baumann, Jr., Esq.
McManimon & Scotland, L.L.C.
One Riverfront Plaza, 4th Floor
Newark, NJ 07102

Redeveloper: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President, New
Business Development

With a copy to: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President and
General Counsel

All Notices to be given under this Purchase & Sale Agreement shall be given in writing in conformance with this Section 13.8 and, unless a certain number of days is specified, within a reasonable time.

Section 13.9 Waivers; Amendments; Requirement of a Writing. All waivers of the provisions of this Purchase & Sale Agreement must be in writing and signed by the appropriate representatives of the BLRA and Redeveloper, and all amendments hereto must be in writing and signed by the appropriate representatives of the BLRA and Redeveloper. The waiver by either Party of a default or of a breach of any provision of this Purchase & Sale Agreement by the other Party shall not operate or

be construed to operate as a waiver of any subsequent default or breach. The failure of the BLRA or Redeveloper to insist in any one or more instances upon the strict performance of any of the covenants, agreements, terms, provisions or conditions of this Purchase & Sale Agreement or to exercise any election contained in this Purchase & Sale Agreement shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, election or option, but the same shall continue and remain in full force and effect. In the event that any contractual provisions that are required by Applicable Law have been omitted, then the BLRA and Redeveloper agree that this Purchase & Sale Agreement shall be deemed amended to incorporate all such clauses by reference and such requirements shall become a part of this Purchase & Sale Agreement. If such incorporation occurs and results in a change in the obligations or benefits of one of the Parties, the Parties agree to act in good faith to mitigate such changes in position.

Section 13.10 Conflict of Interest. No member, official or employee of the BLRA shall have any direct or indirect interest in this Purchase & Sale Agreement, nor participate in any decision relating to this Purchase and Sale Agreement which is prohibited by Applicable Law.

Section 13.11 No Consideration for Agreement. Redeveloper warrants it has not paid or given, and will not pay or give, any third Person any money or other consideration for obtaining this Purchase & Sale Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. Redeveloper further warrants it has not paid or incurred any obligation to pay any officer or official of the BLRA or City, any money or other consideration for or in connection with this Purchase & Sale Agreement.

Section 13.12 Approvals by the BLRA and Redeveloper. Wherever this Purchase & Sale Agreement requires the approval of the BLRA or Redeveloper, or any officers, agents or employees of either the BLRA or Redeveloper, such approval or disapproval shall be given within the time set forth in this Purchase & Sale Agreement, or, if no time is given, within a reasonable time. All approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld or delayed unless specifically stated otherwise.

Section 13.13 No Third Party Beneficiaries. The provisions of this Purchase & Sale Agreement are for the exclusive benefit of the Parties and not for the benefit of any third Person, nor shall this Purchase & Sale Agreement be deemed to have conferred any rights, express or implied, upon any third Person.

Section 13.14 Consents. Unless otherwise specifically provided herein, no consent or approval by the BLRA or Redeveloper permitted or required under the terms of this Purchase & Sale Agreement shall be valid or be of any force whatsoever unless the same shall be in writing, and signed by an authorized representative of the Party by or on whose behalf such consent is given.

Section 13.15 Captions. The captions of the Articles, Sections, Subsections, the Table of Contents, and Schedule of Exhibits of this Purchase & Sale Agreement are for convenient reference only and shall not be deemed to limit, construe, affect, modify or alter the meaning of the Articles, Sections, Exhibits, or other provisions hereof.

Section 13.16 Governing Law. This Purchase & Sale Agreement shall be governed by and construed in accordance with the laws of the State, without giving effect to choice of laws principles.

Section 13.17 Severability. If any Article, Section, Subsection, term or provision of this Purchase & Sale Agreement or the application thereof to any Party or circumstance shall, to any extent,

be invalid or unenforceable, the remainder of this Purchase & Sale Agreement or the application of same to Parties or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining Article, Section, Subsection, term or provision of this Purchase & Sale Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law, provided that no such severance shall serve to deprive any Party of the enjoyment of its substantial benefits under this Purchase & Sale Agreement.

Section 13.18 Assignment by Redeveloper. Redeveloper may, with the prior written consent of the BLRA (which shall be given in the BLRA's sole discretion) assign this Purchase & Sale Agreement, or any portion thereof, to any Person. Redeveloper may, without the prior written consent of the BLRA, assign this Redevelopment Agreement, or any portion thereof, to any Affiliate, provided that Redeveloper, remains primarily obligated hereunder and guarantees such Affiliate's obligations hereunder.

Section 13.19 Successors and Assigns. This Purchase & Sale Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto and their heirs, executors and administrators.

Section 13.20 Exhibits. All Exhibits referred to herein shall be considered a part of this Purchase & Sale Agreement with the same force and effect as if such Exhibits had been included fully within the text of this Purchase & Sale Agreement.

Section 13.21 Review by Counsel; Construction and Interpretation. The Parties acknowledge that this Purchase & Sale Agreement has been extensively negotiated with the assistance of competent counsel for each Party and agree that no provision of this Purchase & Sale Agreement shall be construed in favor of or against any Party by virtue of the fact that such Party or its counsel have provided an initial or any subsequent draft of this Purchase & Sale Agreement or of any portion of this Purchase & Sale Agreement. The Agreement shall be construed and enforced in accordance with the laws of the State and no presumption as to authorship shall be presumed.

Section 13.22 Expenses. Each Party hereto shall bear its own expenses, including legal fees and costs, in connection with the preparation and negotiation of this Purchase & Sale Agreement and any additional documentation required to formalize the arrangement contemplated hereby, unless specifically provided elsewhere in the Transaction Documents to the contrary.

Section 13.23 Counting of Days; Saturday, Sunday or Holiday. If the final date of any period provided in this Purchase & Sale Agreement for the performance of an obligation or for the taking of any action falls on a day other than a Business Day, then the time of such period shall be deemed extended to the next Business Day.

Section 13.24 Recording of Agreement. Upon written request of any Party, the Parties agree to execute an agreement, declaration or other document suitable for recording in the public records, setting forth the names of the Parties and the term thereof, identifying the Improvements and including such other clauses therein as either Party may reasonably request.

Section 13.25 Counterparts. This Purchase & Sale Agreement may be executed in two or more counterparts (including by means of telecopied signature pages), each of which shall be deemed an original, but all of which together shall constitute one and the same fully executed Purchase & Sale Agreement. Counterpart signatures need not be on the same page and shall be deemed effective upon receipt.

Section 13.26 Entire Agreement. The Transaction Documents constitute the entire agreement between the Parties and supersede all prior oral and written agreements between the Parties with respect to the subject matter thereof. The Transaction Documents supersede any prior understanding or written or oral agreements (express or implied) between the Parties.

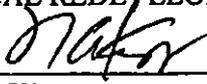
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IN WITNESS WHEREOF, the Parties hereto have caused this Purchase & Sale Agreement to be executed as of the day and year first above written.

THE BLRA:

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

By: _____


Nancy A. Kist,
Executive Director

REDEVELOPER:

ROYAL CARIBBEAN CRUISES LTD.

By: _____

Name: _____

Title: _____


ADAM M. GOLDSTEIN
PRESIDENT, ROYAL CARIBBEAN INTERNATIONAL

ROYAL CARRIBEAN AGREEMENTS AUGUST 21, 2007

ISSUES:

1. If it is confirmed that the N-5 Berth is in the Maritime District, Berth N-5 must be deleted from the Royal Caribbean Agreements and a new agreement entered into between the Port Authority and Royal Caribbean Cruises LTD and Cape Liberty Cruise Port LLC covering use of Berth N-5 unless BLRA can prove that Berth N-5 is no longer subject to the Royal Caribbean Agreements.
2. It must be determined if the Parking Management Agreement relates to the Maritime District.

DOCUMENT SUMMARIES:

1. Redevelopment Agreement with Royal Caribbean Cruises LTD:
 - a. By resolution 062305-07 adopted on June 24, 2005 by BLRA, BLRA designated Royal Caribbean Cruises LTD (the "*Redeveloper*") and Cape Liberty Cruise Port LLC (the "*Port Manager*") as the redevelopers of the Redevelopment Area. Redevelopment Area consists of the Parking Area, the Terminal Area, the Docking Area, the Bulkhead Area, adjacent waters, Berths and the Construction Area as shown on Exhibit M to the Redevelopment Agreement. When the agreement was executed, Exhibit M showed only Berth N-5 as being part of the Redevelopment Area. I believe is in the Maritime District. The *Parking Area* is shown on Exhibit O to the Redevelopment Agreement and Exhibit B of the Parking Management Agreement. The *Terminal Area* is the area upon which the Terminal Improvements are to be constructed, the square footage of which shall be established from time to time by BLRA in accordance with the Transactions Documents. The *Terminal Improvements* means the *Existing Improvements* (i.e. the Bulkhead Improvements, the Docking Area Improvements, the Parking Improvements, the Terminal Improvements and such other Improvements Constructed and in use as of the date of the Transaction Documents and as depicted on Exhibit M to the Redevelopment Agreement), *Phase II Improvements* (i.e. the construction of Bulkhead Improvements and Docking Area Improvements under the Redevelopment Agreement so that a Voyager-Class Vessel may berth in either Configuration A or Configuration B as required under the Redevelopment Agreement but shall exclude the *BLRA Bulkhead Improvements* (i.e. means a minimum \$5 million investment by BLRA to extend Berth N-1 westward as depicted on Exhibit I to the Redevelopment Agreement and to be constructed by BLRA). The *Docking Area* means the land portion of the Redevelopment Area adjacent to the Bulkhead Improvements upon which the Docking Area Improvements are to be constructed, including a security area of 150 to 300 ft south of the Bulkhead Improvements. *Bulkhead Improvements* are the totality of the marine and civil engineering undertaken on the Bulkhead Area, including all waterside bulkhead, relieving platform, fender system, and related Improvements corresponding to one or two Berths with adjacent water depth of 35 ft capable of

accommodating at least one Voyager-Class Vessel. The *Bulkhead Area* means that portion of the Redevelopment Area and Port, including land under water, available for the Construction of the Bulkhead Improvements and the berthing of vessels. *Port* means the Cape Liberty Cruise Port located on the Redevelopment Area and comprised of the Docking Area, the Terminal Area, Bulkhead Improvements, Berths and adjacent waters thereto. *Berths* means any berth on the Redevelopment Area where a Vessel may dock which individually may be designated as Berth N-1, N-2 or N-5 or any other designation so given as such berths are constructed and developed pursuant to the Transaction Documents. The *Construction Area* means that portion of the Redevelopment Area reasonable required by the Redeveloper for the Construction of the Improvements and/or as a temporary construction staging area as established by BLRA from time to time in accordance with the Transaction Documents. *Configuration A* means the configuration of the Phase II Improvements beginning at a point approximately 250 feet from the northeasterly corner of the Peninsula, as shown on Exhibit K to the Redevelopment Agreement. *Configuration B* is the configuration of the Phase II Improvements beginning at a point approximately 600 feet from the northeasterly corner of the Peninsula as shown on Exhibit L to the Redevelopment Agreement.

b. **The Redevelopment Project** means (1) the undertaking and Construction of the Improvements and Casualty Restorations by Redeveloper, (2) the operation, maintenance and management of the Redevelopment Area and the Improvements by the Port Manager or the Parking Manager (3) the usage of the Redevelopment Area and the Improvements thereon, by Redeveloper, RCCL Cruise Line, Port Manager and their Affiliates. *RCCL Cruise Line* means the Redeveloper, Celebrity Cruises, Inc. and their Affiliates. *Improvements* means the Existing Improvements, Phase II Improvements, Phase III Improvements, Phase IV(a) Improvements or Phase IV(b) Improvements, Other Improvements, Incidental Improvements and a Casualty Restoration prior to the purchase of the same by BLRA pursuant to the Purchase and Sale Agreement.

c. Redeveloper gives no warranty or representation as to the Improvements and BLRA agrees to take in their "as is" condition, but will transfer builder, manufacturer and supplier warranties.

d. **Section 3.1 jointly designates the Redeveloper and Port Manager as the redeveloper (the Redeveloper Designation) pursuant to NJSA 40A:12A-8 of the Redevelopment Law. BLRA can not revoke, cancel, terminate or otherwise change the Redeveloper Designation except in accordance with the Transaction Documents. The Transaction Documents are the Redevelopment Agreement, the Purchase and Sale Agreement, the Usage Agreement, the Parking Management Agreement, the Incidental Usage Agreement and the Terminal Operating Agreement.**

e. **The term of the Redevelopment Agreement is from January 1, 2005 to December 31, 2038.**

f. (1) **BLRA granted Redeveloper and Port Manager the exclusive right to undertake the Redevelopment Project pursuant to the Transaction Documents and to use and occupy the Redevelopment Area for the purpose of**

undertaking the Redevelopment Project. Also, Redeveloper granted certain additional rights of occupancy and preferential berthing rights as set forth in the Usage Agreement. Also, referred to Incidental Usage Agreement pursuant to which Redeveloper would be granted right to with respect to Incidental Uses and Incidental Improvements. "*Incidental Improvements*" means those facilities utilized for the undertaking of the Incidental Uses pursuant to the Incidental Usage Agreement. "*Incidental Use(s)*" means all non-cruise related use(s) of the Port and Improvements during the Term, including, without limitation, the operation thereof for shipping, kiosks, food and beverage venues, retail stores, shops, banquets, conferences, trade shows and similar commercial purposes each as may be approved by the BLRA.

(2) Redeveloper also granted first priority right with respect to all other portions of the Peninsula which BLRA determines is to be used as a commercial cruise terminal.

(3) Redeveloper also granted right of first refusal re: the sale of any property in the Redevelopment Area with a deed restriction specifying continued use of such property as a commercial cruise terminal and specific to continued use as a Port. "*Port*" means the Cape Liberty Cruise Port located on the Redevelopment Area, and comprised of the Docking Area, the Terminal Area, Bulkhead Improvements, Berths and adjacent waters thereto.

g. BLRA promised not to create or to remain any lien or encumbrance with respect to the Improvements until after it purchases the Improvements under the Purchase and Sale Agreement.

h. Redeveloper can once a year on 60 days notice request reduction in Redevelopment Area and BLRA shall reduce the size of the Redevelopment Area provided that the severed Parcel is of size and location to permit BLRA to undertake an alternate use with respect thereto. A parcel of 7,500 sq feet shall be deemed to be of sufficient size.

i. Section 5.8.3 Measurement as of the Effective Date. As of the Effective Date, the square footage of the Terminal Area is 488,068 sf, the square footage of the Docking Area is 335,588 sf and the square footage of the Parking Area is 355,997 sf. The Parking Area is depicted as Exhibit O. The Phase III Severance Area is depicted on Exhibit Q. The Redevelopment Area, as of the Effective Date, is depicted as the Existing Improvements on Exhibit M to this Redevelopment Agreement, which only included the N-5 Berthing Area.

j. BLRA granted Redeveloper the exclusive right to design the Improvements a Redeveloper's cost in accordance with the Redevelopment Agreement.

k. BLRA acknowledged that Redeveloper completed the Existing Improvements for the Purchase Price established pursuant to the Purchase and Sale Agreement.

l. BLRA's Construction Rights and Obligations

(5) Events of Default by BLRA

(i) Breach of Agreement

(ii) BLRA transfers controlling interest of the Port to any other party and such successor does not completely assume obligations of BLRA under the Redevelopment Agreement.

(iii) BLRA assigns Transaction Documents to non-governmental entity without consent of Redeveloper.

(iv) Event of Default by BLRA under any other Transaction Document.

r. **After termination of the Redevelopment Agreement (except for termination by Redeveloper and payment to BLRA of Termination Fee) BLRA continues to have obligation to generate revenues from the Improvements to reimburse Redeveloper for its Stranded Investment Recovery.**

2. Usage Agreement

a. **Between BLRA and Royal Caribbean Cruises, Ltd. but grants to RCCL Cruise Lines (Royal Caribbean, Celebrity Cruises, Inc and their Affiliates) the non-exclusive, preferential license (and not a lease) to conduct Cruise Operations at Berths (i.e. where a passenger Vessel may dock) N-1, N-2 and N-5 and such other Berths that are developed pursuant to the Transaction Documents (2) at the Docking Area Improvements (need to determine location) and at the (3) Terminal Area utilizing the Terminal Improvements, to undertake Construction, commence recovery efforts and use and occupy the water and land underwater alongside the Berths. Preferential use means the right to select the date, time and location of the Berths for the berthing of their Vessels. From the Effective Date until the N-1 Transition Date (i.e. date on which Substantial Completion of the Phase II Improvements so that Cruise Operations may commence thereat) Berth N-5 is the Primary Berth. After the N-1 Transition Date, Berth N-1 shall be a Primary Berth and N-5 a Secondary Berth. From and after the Phase III Completion Date Berth N-2 shall also be considered a Primary Berth. BLRA can use Secondary Berth for any purpose other than Cruise Operations. Agreement explicitly says that Usage Agreement does not grant RCCL Cruise Lines any possessory interest or estate in the Redevelopment Area or the Peninsula. RCCL Cruise Lines may also use the Berths, the Docking Area and the Terminal Area for Permitted Uses which includes parties on Vessels.**

b. **BLRA has right and power to assess and collect all tariffs, charges and fees published by it from time to time against any Vessels berthing at the Berths. The Port Manager is responsible for assessing and collecting Berthing Tariffs and Wharfage Fees.**

c. **Payments under Usage Agreement are complicated and not applicable to ownership of the Maritime District by the Port Authority. Redeveloper is obligated to meet shortfall between Actual Operating Revenues and the Capital Reserve Fund on one hand and all**

(1) BLRA obligated to construct the BLRA Bulkhead Improvements as depicted on Exhibit I.

(2) BLRA has right to upon notice to Redeveloper construct all or any portion of any Phase provided Redeveloper has not already commences Construction on such Phase.

(3) BLRA obligated to construct waterfront park at its sole cost and expense.

(4) BLRA may construct Additional Parking Improvements subject to "first priority right" of Redeveloper under the Parking Management Agreement.

m. Title to Improvements are in Redeveloper until purchase thereof by BLRA pursuant to the Purchase and Sale Agreement.

n. Redeveloper obligation to permit BLRA to enter the Redevelopment Area from time to time on reasonable notice to the Redeveloper for the purpose of inspecting the Redevelopment Area.

o. Agreement is assignable by BLRA to a Federal, State, County or local agency, department, commission, authority, court or tribunal and any successor thereto, exercising executive, legislative, judicial or administrative functions of or pertaining to government or to any Person reasonable acceptable to Redeveloper.

p. Termination Rights

(1) Redeveloper may terminate agreement upon 180 days notice (1) after 1/1/2024 upon 180 days notice and payment of termination fee, (2) upon occurrence of an Event of Default by BLRA, (3) upon possibility in Redeveloper incurring costs in excess of \$2 million due to pre-existing environmental conditions, or if construction period would be extended by more than 24 months due to contamination.

(2) BLRA may terminate upon occurrence of an Event of Default by Redeveloper.

(3) In certain events relating to Force Majeure.

(4) Events of Default by Redeveloper:

(i) Breach of Agreement

(ii) bankruptcy

(iii) Event of Default by Redeveloper under another Transaction

Actual Operating Expenses on the other hand. If there is an excess of Actual Operating Revenues they are applied to repay Redeveloper for any Working Capital Advance, then for deposit into the Capital Reserve Fund, reimbursement of Redeveloper for any Revenue Deficiency previously paid and lastly as a credit against the Estimated Operating Expenses for the following year's Annual Operating Expense Budget.

d. Redeveloper is obligated to the BLRA Financing Charge if the Redevelopment Agreement is Terminated under Section 10.2 (termination for cause by Redeveloper), 19.1.1 (termination without cause by Redeveloper), 19.1.3 (termination due to Force Majeure) or 20.4 thereof (termination for cause by Redeveloper - a repeat of Section 10.2) (the Minimum Fee).

5. BLRA continues to be liable to generate revenues from the Improvements after termination of the Redevelopment Agreement (except if Redeveloper terminates and pays Termination Fee) to pay for the Minimum Fee.

6. Redeveloper is obligated to use the Port.

7. BLRA reserved the right to itself and the Port Manager to make improvements to the Port under the Transaction Documents so long as Terminal Services are provided at the Port.

8. Events of Default same as for the Redevelopment Agreement.

3. Parking Management Agreement

1. Check to see if this pertains to Maritime District.

4. Purchase and Sale Agreement

a. BLRA agrees to purchase Improvements from Royal Caribbean, subject to rights and interests under the Transaction Documents at an amount equal to Royal Caribbean's cost to construct plus cost to obtain financing.

b. BLRA is obligated to finance the Improvements by securing a loan from Royal Caribbean, securing a Loan from an Approved Lender and/or issuing Bonds.

5. Terminal Operating Agreement.

a. Between BLRA and Cape Liberty Cruise Port LLC (*Port Manager*).

b. Agreement designated Port Manager as the sole and exclusive manager and operator of the Port for Cruise Operations and Permitted Uses. It would seem that the intention is to limit this agreement to Cruise Operations.

c. Port Manager also has right with consent of BLRA to enter into sublicense agreements for the Incidental Uses of the Port pursuant to the Incidental Usage Agreement.

d. Section 3.9 states Terminal Operating Agreement and the Port shall be subject to rights of ways for utilities and roadways or other means of transportation necessary to the operation of the Port.

e. Port Manager develops Annual Operating Expense Budget which includes per square footage fees to be paid by the Redeveloper.

f. The list of Terminal Services to be provided by the Port Manager is set forth in Section 5.1.

g. Port Manager is paid a management fee of \$150,000 per annum as escalated by the CPI.

h. Term is from January 1, 2005 to December 31, 2038.

**FIRST AMENDMENT TO REVENUE COLLECTION AND DISBURSEMENT
AGREEMENT**

By and Between

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

And

ROYAL CARIBBEAN CRUISES LTD.

And

CAPE LIBERTY CRUISE PORT LLC

And

THE BANK OF NEW YORK MELLON

Dated as of January 1, 2014

THIS FIRST AMENDMENT TO THE REVENUE COLLECTION AND DISBURSEMENT AGREEMENT by and between **The Port Authority of New York and New Jersey**, a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States of America and having its principal executive office at 225 Park Avenue South in the City of New York, New York County and State of New York (the "PANYNJ"), **Royal Caribbean Cruises Ltd.**, a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") having its offices at 1050 Caribbean Way, Miami, Florida 33132, **Cape Liberty Cruise Port LLC**, a limited liability corporation organized and existing under the laws of the State of Delaware (the "Port Manager"), having its offices at 1050 Caribbean Way, Miami, Florida 33132 and **The Bank of New York Mellon**, a state banking corporation organized and existing under the laws of the State of New York (the "Agent"), having offices at 385 Rifle Camp Road, Woodland Park, New Jersey 07424, (the PANYNJ, Redeveloper, the Port Manager and the Agent each, a "Party" and, together, the "Parties"), is made as of this 1st day of January, 2014 (the "First Amendment to the Revenue Collection and Disbursement Agreement" or this "Amendment"). This First Amendment to the Revenue Collection and Disbursement Agreement amends that certain Revenue Collection and Disbursement Agreement dated September 1, 2005 (the "Revenue Collection and Disbursement Agreement"), by and between the Bayonne Local Redevelopment Agency (the "BLRA"), an instrumentality and agency of the City of Bayonne, County of Hudson, New Jersey (the "City"), the Redeveloper, the Port Manager and the Agent. Capitalized terms used herein, and not otherwise defined herein, shall have the meanings prescribed to them in Exhibit A, as amended, to the Revenue Collection and Disbursement Agreement, as hereby amended.

WITNESSETH

WHEREAS, on September 1, 2005, the BLRA, the Redeveloper and its affiliate, the Port Manager, entered into the Usage Agreement and the Terminal Operating Agreement in order to set forth the respective undertaking, rights and obligations of the Redeveloper, the Port Manager and the BLRA in connection with the redevelopment and use of the Port, all in accordance with Applicable Law; and

WHEREAS, on December 1, 2006, the BLRA, the Redeveloper, the Port Manager and the Agent entered into the Revenue Collection and Disbursement in order to set forth the flow of funds from, and payment of expenses for, the operation of the Port; and

WHEREAS, on July 30, 2010, the PANYNJ and the BLRA entered into a Contract of Purchase and Sale (the "Purchase Contract") pursuant to which the PANYNJ purchased from the BLRA certain portions of the Peninsula, including the Redevelopment Area; and

WHEREAS, pursuant to the terms of the Purchase Contract, the BLRA agreed to assign and the PANYNJ agreed to assume all rights and obligations of the BLRA under the Transaction Documents; and

WHEREAS, the City by ordinance duly adopted on August 14, 2013 entitled “AN ORDINANCE OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY, DISSOLVING THE CITY OF BAYONNE REDEVELOPMENT AGENCY PURSUANT TO N.J.S.A. 40A:12A-24 and N.J.S.A. 40A:5S-20” (the “Dissolution Ordinance”) has assumed all of BLRA’s rights, title and interests in the Transaction Documents, subject to the express conditions set forth in the Dissolution Ordinance; and

WHEREAS, the City, the PANYNJ, the Redeveloper, the Port Manager and the Agent have entered into an Amendment and Assignment Agreement dated as of the date hereof (the “Assignment Agreement”), pursuant to which the City has, among other things, assigned and the PANYNJ has assumed all of the obligations of the City under all of the Transaction Documents; and

WHEREAS, since the execution of the Transaction Documents and the Assignment Agreement, it has been determined by the Parties that it is necessary to make certain changes to the Revenue Collection and Disbursement Agreement related to, among other things, the assignment of the Transaction Documents to the PANYNJ and the Construction and financing of the Phase IV(b) Improvements and the financing of a portion of the Phase II Improvements; and

WHEREAS, Section 18 of the Revenue Collection and Disbursement Agreement permits amendments thereto provided they are in writing and signed by the Parties; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and in the Revenue Collection and Disbursement Agreement as amended and supplemented by this First Amendment to the Revenue Collection and Disbursement Agreement, and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

SECTION 1. Amendment to Exhibit A of the Revenue Collection and Disbursement Agreement; Reference to BLRA.

(A) **Amendment to Exhibit A.** Exhibit A to the Revenue Collection and Disbursement Agreement is hereby amended as set forth on Exhibit A-1 attached hereto.

(B) **Reference to BLRA.** From and after the date hereof, except for the reference to the “BLRA” in the term “BLRA Financing Charge”, all references to “BLRA” in the Revenue Collection and Disbursement Agreement shall be amended to read “PANYNJ” and all references to “Bayonne Local Redevelopment Authority” shall be amended to read “Port Authority of New York and New Jersey.”

SECTION 2. Amendment to Section 1 of the Revenue Collection and Disbursement Agreement. The definition of the term "Terminal Operating Expenses" is hereby deleted in its entirety and amended to read as follows:

"Terminal Operating Expenses shall mean, for purposes hereof, Actual Operating Expenses, but shall not include Priority Charges, the BLRA Financing Charge, the Redeveloper Loan Financing Charge and the Cape Liberty Capital Reserve Charge."

SECTION 3. Amendment to Section 5(A) of the Revenue Collection and Disbursement Agreement. The first sentence of Section 5(A) of the Revenue Collection and Disbursement Agreement is hereby deleted in its entirety and replaced with the following:

"**Section 5(A). Application of Cape Liberty Revenue Fund.**
(A) On or before December 15th of each year, the PANYNJ and the Redeveloper shall provide the Agent with a written report executed by the PANYNJ and the Redeveloper (the "Priority Charges Budget") itemizing the anticipated monthly budget for Priority Charges for the immediately subsequent calendar year. On or before the twentieth (20th) day of each month during the term thereof, the PANYNJ shall provide the Agent (with a copy to the Port Manager and the Redeveloper) with written directions executed by the PANYNJ (the "Withdrawal Directions") instructing the Agent to pay or transfer, as applicable, from the Cape Liberty Revenue Fund the following categories of expenses (in the amount set forth in the Withdrawal Instructions), to the following entities or Funds, as applicable, in the following order of priority: (i) Agent Fees to the Agent; (ii) Priority Charges to the PANYNJ; (iii) Terminal Operating Expenses to the Port Manager; (iv) Port Manager Fee to the Port Manager; (v) Redeveloper Loan Financing Charge to the Approved Lender or Redeveloper, as applicable; and (iv) the Cape Liberty Capital Reserve Charge to the Cape Liberty Capital Reserve Fund."

SECTION 4 Amendment to Section 7 of the Revenue Collection and Disbursement Agreement. The first sentence of Section 7 of the Revenue Collection and Disbursement Agreement is hereby deleted in its entirety and replaced with the following:

"**Section 7. Surpluses.** If, at the end of any calendar year, after payment of all expenses pursuant to all of the Withdrawal Directions delivered to the Agent during such calendar year, a surplus exists in the Cape Liberty Revenue Fund (a "Surplus"), then the PANYNJ shall deliver Withdrawal Directions to the Agent (with a copy to the Port Manager) for the disbursement of such Surplus (in the amounts set forth in the Withdrawal Directions) in the following order of priority for payment as follows: (A) to repay Redeveloper for any

Working Capital Advance; (B) to reimburse Redeveloper for any Revenue Deficiency paid under Section 5(B); (C) for deposit each calendar year in the Cape Liberty Capital Reserve Fund up to an aggregate of 10% of such calendar year's Annual Operating Expense Budget, taking into account all deposits made during such calendar year into the Cape Liberty Capital Reserve Fund; (D) if the PANYNJ is so directed in writing by the Redeveloper, to the Redeveloper or the Approved Lender, as the case may be, as a prepayment of the Terminal Improvements Portion of the Redeveloper Loan; and (E) to be retained in the Cape Liberty Revenue Fund for the sole purpose of applying such amounts towards the payment of Estimated Operating Expenses for the following year's Annual Operating Expense Budget."

SECTION 5. Amendment to Section 19 of the Revenue Collection and Disbursement Agreement. Section 19 of the Revenue Collection and Disbursement Agreement shall be deleted in its entirety and replaced with the following:

"Section 19. Notices. Except as specifically provided herein, all notices and demands, hereunder shall be in writing and mailed, telecopied, telegraphed or delivered to:

PANYNJ:	Port Authority of New York and New Jersey Port Commerce Department 225 Park Avenue South New York, New York 10003 Attention: Director of Port Commerce
With copy to:	Port Authority of New York and New Jersey Law Department 225 Park Avenue South New York, New York 10003 Attention: General Counsel
Redeveloper:	Royal Caribbean Cruises, Ltd. 1050 Caribbean Way Miami, Florida 33132 Attention: Vice President, Commercial Development
With copy to:	Royal Caribbean Cruises, Ltd. 1050 Caribbean Way Miami, Florida 33132 Attention: Counsel
Port Manager	Cape Liberty Cruise Port LLC c/o Royal Caribbean Cruises Ltd

1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President
New Business Development

With copy to: Royal Caribbean Cruises Ltd
1050 Caribbean Way
Miami, Florida 33132
Attention: General Counsel

Agent: The Bank of New York Mellon
Corporate Trust Department
385 Rifle Camp Road
Woodland Park, New Jersey 07424
Attention: Corporate Trust Administration

SECTION 6. Reaffirmation of Revenue Collection and Disbursement Agreement. Except as amended by this First Amendment to the Revenue Collection and Disbursement Agreement, the Revenue Collection and Disbursement Agreement, and as applicable the Transaction Documents, as previously amended or supplemented, are hereby reaffirmed and ratified. All references in the Transaction Documents to the "Revenue Collection and Disbursement Agreement" shall hereafter be deemed to refer to the Revenue Collection and Disbursement Agreement, as amended by this First Amendment to the Revenue Collection and Disbursement Agreement.

SECTION 7. Authority to Enter into Amendment to Revenue Collection and Disbursement Agreement. The Parties hereto represent and warrant to each other that each has full right and authority to enter into this First Amendment to the Revenue Collection and Disbursement Agreement and that the person signing this First Amendment to the Revenue Collection and Disbursement Agreement on behalf of the PANYNJ, the Redeveloper, the Port Manager or the Agent, respectively, has the requisite authority for such act.

SECTION 8. Non-Liability of Individuals. No Commissioner, director, officer, agent or employee of PANYNJ, shall be charged personally or held contractually liable by or to the any party under any term or provision of this First Amendment to the Revenue Collection and Disbursement Agreement, or of any other previous agreement, document or instrument executed in connection therewith, or of any supplement, modification or amendment to this First Amendment to the Revenue Collection and Disbursement Agreement or to such other agreement, document or instrument, or because of any breach or alleged breach thereof, or because of its or their execution or attempted execution.

SECTION 9. No Third Party Beneficiaries. The provisions of this First Amendment to the Revenue Collection and Disbursement Agreement are for the exclusive benefit of the Parties and their Affiliates and not for the benefit of any third Person, nor shall

this First Amendment to Revenue Collection and Disbursement Agreement be deemed to have conferred any rights, express or implied, upon any third Person.

SECTION 10. Counterparts. This First Amendment to the Revenue Collection and Disbursement Agreement may be executed and delivered in any number of counterparts, and such counterparts taken together shall constitute one and the same instrument.

SECTION 11. Governing Law. This First Amendment to the Revenue Collection and Disbursement Agreement shall be construed in accordance with, and governed by, the Applicable Law of the State of New Jersey, without consideration given to choice of law principles.

SECTION 12. Direction to Agent. The PANYNJ, the Redeveloper, and the Port Manager hereby authorize and direct the Agent to enter into and execute this First Amendment to the Revenue Collection and Disbursement Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Revenue Collection and Disbursement Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: *[Signature]*
Name: _____
Title: **Richard M. Larrabee**

Director, Port Commerce Dept.

ROYAL CARIBBEAN CRUISES LTD.

By: _____
Name: _____
Title: _____

CAPE LIBERTY CRUISE PORT LTD

By: _____
Name: _____
Title: _____

THE BANK OF NEW YORK MELLON

By: _____
Name: _____
Title: _____

APPROVED:	
FORM	TERMS
<i>[Signature]</i>	<i>ia</i> <i>net</i>

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Revenue Collection and Disbursement Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____
Name:
Title:

ROYAL CARIBBEAN CRUISES LTD.

By: Adam Goldstein
Name: **Adam Goldstein**
Title: **President & CEO**
Royal Caribbean International



CAPE LIBERTY CRUISE PORT LTD

By: _____
Name:
Title:

THE BANK OF NEW YORK MELLON

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Revenue Collection and Disbursement Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____
Name:
Title:

ROYAL CARIBBEAN CRUISES LTD.

By: _____
Name:
Title:

CAPE LIBERTY CRUISE PORT LTD

By: _____
Name:
Title:

THE BANK OF NEW YORK MELLON

By: _____
Name: *Frank Gallagher*
Title: **FRANK GALLAGHER**
VICE PRESIDENT

EXHIBIT A-1
AMENDMENTS TO EXHIBIT A - DEFINITIONS

EXHIBIT A-1 - DEFINITIONS

Exhibit A to the Redevelopment Agreement is hereby amended as follows:

(A) The following definitions are hereby deleted in their entirety from Exhibit A:

“BLRA’s Incidental Profit Share”
“BLRA’s Net Parking Profit Share”
“Incidental Concession Fee”
“Incidental Improvements”
“Incidental Profit”
“Incidental Usage Agreement”
“Incidental Use(s)”

(B) The following definitions are hereby added to Exhibit A:

“Agent Fees” shall have the meaning set forth in Section 1 of the Revenue Collection and Disbursement Agreement.

“Amendment Effective Date” means January 1, 2014.

“Annual Overflow Parking Statement” shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

“Annual Overflow Profit Statement” shall have the meaning set forth in Section 7.9 of the Parking Management Agreement.

“Assignment Agreement” means the Amendment and Assignment Agreement dated as of January 1, 2014 by and between the City, the PANYNJ, the Redeveloper, the Port Manager and the Agent.

“Bond Issuance Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“BPEI Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“Dissolution Ordinance” shall have the meaning as set forth in the Recitals to each of the Transaction Documents.

“Elevation Acknowledgement” shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.

[Handwritten initials and signature]

"Elevation Exemption" shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.

"Employee Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"First Amendment to the Parking Management Agreement" means that certain First Amendment to the Parking Management Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Purchase and Sale Agreement" means that certain First Amendment to the Purchase and Sale Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Redevelopment Agreement" means that certain First Amendment to Redevelopment Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Revenue Collection and Disbursement Agreement" means that certain First Amendment to the Revenue Collection and Disbursement Agreement, dated as of January 1, 2014, by and between the PANYNJ, the Redeveloper, the Port Manager and the Agent.

"Gross Overflow Parking Revenues" means the amount equal to the sum of all revenues of any nature paid to or received by the Parking Manager from the provision of Parking Services on the Overflow Parking Area during a calendar year.

"Independent Overflow Accountant Certification" shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

"Net Overflow Parking Profit" means the amount equal to Gross Overflow Parking Revenues less Overflow Parking Expenses.

"Outside C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Overflow Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"Overflow Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Overflow Parking Area for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering Parking Services for the Overflow Parking Area.

REV. 12/14


"PANYNJ" means the Port Authority of New York and New Jersey, a body corporate and politic created by Compact between the State of New Jersey and the State of New York, with the consent of the Congress of the United States.

"PANYNJ Audit" shall have the meaning set forth in Section 6.14 of the Parking Management Agreement.

"PANYNJ's Incidental Revenue Share" means, with respect to any calendar year quarter, an amount equal to (i) for the period commencing on the Amendment Effective Date to and including December 31, 2017, ten percent (10%) of the Incidental Revenues for such quarter and (ii) for the period commencing on January 1, 2018 and ending on the last day of the Term, fifteen percent (15%) of Incidental Revenues for such quarter.

"PANYNJ's Net Parking Profit Share" means, (1) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area only, assuming for purposes of this clause (1) that the square footage of the Parking Area is 255,711 square feet and (2) for the period commencing on Relocation Date and ending on the last day of the Term, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area, assuming for purposes of this clause (2) that the square footage of the Parking Area is 88,140; provided that, upon the Completion Date of the Phase IV(b) Improvements and measurement and determination of the square footage of the Parking Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, the PANYNJ's Net Parking Profit Share shall be retroactively adjusted accordingly based on the as-built measurement of the Parking Area, and promptly paid by, or reimbursed by the PANYNJ to, Port Manager.

"Parking Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements which consist of Parking Improvements and shall be in an amount equal to \$15,000,000.

"Parking Garage Site" means the portion of the Parking Area to be used by the Redeveloper for the construction of a structured parking garage, substantially as shown on Exhibit C-1 to the First Amendment to the Redevelopment Agreement.

"Permanent C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Purchase Contract" means that Contract for Purchase and Sale between the BLRA and the PANYNJ dated as of July 30, 2010 pursuant to which the PANYNJ purchased certain real property in the City, including the Redevelopment Area, from the BLRA.

"Quarterly Reporting Date" means the 15th day of April, July, October and January of each calendar year during the Term.

"Redeveloper Loan Financing Charge" shall have the meaning set forth in Section 4.1(4)(ii) of the Terminal Operating Agreement.

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"Relocation Date" means the date of issuance of the last Certificate of Occupancy required with respect to the Phase (IV)(b) Improvements.

"Second Amendment to the Terminal Operating Agreement" means that certain Second Amendment to the Terminal Operating Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Port Manager.

"Second Amendment to the Usage Agreement" means that certain Second Amendment to the Usage Agreement, dated as of January 1, 2014 by and between the PANYNJ and the Redeveloper.

"Staging Delivery Date" means the date on which the PANYNJ delivers physical possession of the Staging Site to the Redeveloper in accordance with the provisions of the Redevelopment Agreement.

"Staging Outside Delivery Date" means March 15, 2014.

"Staging Site" means that portion of the Terminal Area and Employee Parking Area to be used by the Redeveloper as a construction staging site in accordance with Section 5.8.1 of the Redevelopment Agreement and as shown on Exhibit E to the First Amendment to the Redevelopment Agreement.

"TCAP Fee" shall have the meaning set forth in Section 4.1(3)(j) of the Terminal Operating Agreement.

"TCAP Manual" shall have the meaning set forth in Section 6.9 of the Redevelopment Agreement.

"Terminal Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements and a portion of the Phase II Improvements which consist of Terminal Improvements and shall be in an amount equal to \$50,000,000.

(C) The definition of each of the following terms is deleted from Exhibit A in its entirety and replaced as follows:

"Actual Operating Expenses" means any and all costs, expenses and fees that the PANYNJ, the Port Manager and the Redeveloper, incurred in connection with the operation, maintenance and management of the Port for the applicable calendar year, including without limitation (1) all expenses payable pursuant to the Terminal Operating Agreement, (2) assessments and other governmental charges, (3) the Priority Charges, (4) the BLRA Financing Charge, (5) the Redeveloper Loan Financing Charge, and (6) the Capital Reserve Charge. Actual Operating Expenses shall not include Parking Expenses, Overflow Parking Expenses or Incidental Expenses.

“Actual Operating Revenues” means the sum of all revenues generated by the Port including, but not limited to, Berthing Tariffs and Wharfage Fees received during the applicable calendar year. Actual Operating Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Incidental Revenues.

“Base Parking Profit” means, for the period commencing on January 1, 2014 and ending on the last day of the Term: an amount equal to the greater of (a) 50% of the amount of the Net Parking Profit for the applicable calendar year and (b) that portion of the Annual Base Charge attributable to the Parking Area during such year payable under Article 4 of the Terminal Operating Agreement; provided that (i) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Parking Area as set forth in Section 5.8.3(1) of the Redevelopment Agreement and (ii) for the period commencing on the Relocation Date and ending on the last day of the Term, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement as adjusted pursuant to the terms of Section 10B(iv) of the First Amendment to the Parking Management Agreement, and, upon the Completion Date of the Phase (IV)(b) Improvements, and measurement and determination of the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, any and all amounts payable on the basis of Base Parking Profit shall be retroactively adjusted accordingly, and promptly paid by, and reimbursed to, the party entitled thereto based on such adjustment. Notwithstanding anything herein to the contrary, so long as the Overflow Parking Area is used for Overflow Parking, in no event shall any Overflow Parking Area be deemed to constitute Parking Area or Employee Parking Area, except as may be otherwise agreed to in writing by the PANYNJ and the Redeveloper.

“BLRA Financing Charge” shall have the meaning set forth in Section 4.1(4)(i) of the Terminal Operating Agreement.

“Consumer Price Index” or **“CPI”** means the Consumer Price Index for all Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York, Northeastern New Jersey Area (1982-1984=100) or any successor index thereto, appropriately adjusted; provided that if there shall be no successor index, a substitute index will be determined in the reasonable discretion of the PANYNJ after consultation and an opportunity to comment by the Redeveloper. In determining the CPI for any calendar year, the CPI for such year shall be the CPI reported for October of the year immediately preceding the calendar year for which the increase is applicable.

“Gross Parking Revenues” means the amount equal to the sum of all revenues of any nature paid to or received by Parking Manager from the provision of Parking Services on the Parking Premises during a calendar year but not including Gross Overflow Parking Revenues.

“Incidental Revenues” means the amount equal to the sum of all revenues, amounts, monies, income and receipts of any nature generated by (and otherwise paid or payable to) the



Port Manager in connection with all Incidental Uses of the Port during the applicable period. Incidental Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Actual Operating Revenues.

"Incidental Uses" means (1) the retail sales of goods and services at the Redevelopment Area not in connection with Cruise Operations; (2) the operation of a marina to provide for mooring and services for a nautical craft; (3) the operation of a ferry landing; (4) the production of trade shows for the display of commercial goods and services not in connection with Cruise Operations; and (5) the holding of group or special events provided that those activities are approved by the prior written consent of the PANYNJ, which consent shall not be unreasonably withheld, conditioned or delayed.

"Parking Account" means an account in a federally insured financial institution that meets the requirements of the Governmental Unit Deposit Protection Act, N.J.S.A. 17:9-41 et seq. and is reasonably acceptable to the PANYNJ for the deposit of the Gross Parking Revenues and Gross Overflow Parking Revenues.

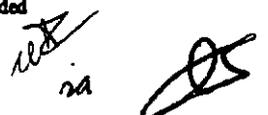
"Parking Area" means that portion of the Redevelopment Area available for use by cruise passengers, Port employees, Invitees and guests for the parking of motor vehicles (including circulation within such area) upon which is Constructed the Parking Improvements and which is subject to the Parking Management Agreement. The Parking Areas prior to, and from and after, the Relocation Date are shown on Exhibits B-1 and C-1 to the First Amendment to the Redevelopment Agreement and Exhibits B and C to the Parking Management Agreement.

"Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Parking Premises for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering the Parking Services as set forth in the Parking Management Agreement but excluding any Overflow Parking Expenses. Parking Expenses shall include payments of principal and interest (and any permitted prepayments of principal) on, and any reasonable related expenses incurred by the Redeveloper in connection with, the Parking Improvements Portion of the Redeveloper Loan as required by Section 4.3 of the Parking Management Agreement

"Parking Management Agreement" means that certain Parking Management Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

"Parking Management Fee" shall have the meaning set forth in Section 7.1 and Section 7.6 of the Parking Management Agreement.

"Parking Requirements" means the requirement that any Parking Improvement; (1) provide space for the parking of approximately 690 motor vehicles prior to Substantial Completion of the Phase IV(b) Improvements and space for approximately 900 motor vehicles on and after Substantial Completion of the Phase IV(b) Improvements, or such other number of spaces as the Parties may agree upon in the event that the Terminal Area and Terminal

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“Term” means the term of each respective Transaction Document, running from the Effective Date through to and including December 31, 2043; provided however, that if the Redeveloper fails to receive a final Certificate of Occupancy for the Phase IV(b) Improvements by December 31, 2016 (as such date may be extended pursuant to extensions provided for under the Redevelopment Agreement, Force Majeure and the provisions of Article 21 of the Redevelopment Agreement) and such failure was caused by factors under the control of the Redeveloper, then the Term of each respective Transaction Document shall end on December 31, 2038, unless, in either case, sooner terminated or extended as provided in the Transaction Documents.

“Terminal Operating Agreement” means that certain Terminal Operating Agreement, dated as of September 1, 2005, by and between the BLRA and the Port Manager, together with any and all amendments thereto.

“Usage Agreement” means that certain Usage Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

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REVENUE COLLECTION AND DISBURSEMENT AGREEMENT

DATED AS OF DECEMBER 1, 2006

REVENUE COLLECTION AND DISBURSEMENT AGREEMENT

THIS REVENUE COLLECTION AND DISBURSEMENT AGREEMENT is entered into this 1st day of December, 2006, among the **BAYONNE LOCAL REDEVELOPMENT AUTHORITY** (the "BLRA"), a New Jersey statutory municipal entity; **ROYAL CARIBBEAN CRUISES LTD.** (the "Redeveloper"), a foreign corporation organized under the laws of the Republic of Liberia; **CAPE LIBERTY CRUISE PORT LLC** (the "Port Manager"), a Delaware limited liability company; and, **THE BANK OF NEW YORK**, (the "Agent"), a state banking corporation organized and existing under the laws of the State of New York (the Agent, together with the BLRA, Redeveloper and Port Manager, the "Parties").

WITNESSETH

WHEREAS, on September 1, 2005, the BLRA, Redeveloper and its affiliate, the Port Manager, entered into certain agreements, including a Usage Agreement by and between the BLRA and the Redeveloper dated as of September 1, 2005 as amended from time to time, including by an amendment executed on the date hereof (the "Usage Agreement"), and including the Terminal Operating Agreement by and between the BLRA and the Port Manager dated as of September 1, 2005 as amended from time to time, including by an amendment executed on the date hereof (the "Terminal Operating Agreement" and, together with the Usage Agreement, the "Transaction Documents"), in order to set forth the respective undertakings, rights and obligations of Redeveloper, Port Manager and the BLRA in connection with the redevelopment and use of the Cape Liberty Cruise Port ("Port"), all in accordance with Applicable Law; and,

WHEREAS, in order to modify the flow of funds from, and payment of expenses for, the operation of the Port, the Usage Agreement and Terminal Operating Agreement have been

amended as of the date hereof as described above, and the BLRA, Redeveloper, Port Manager and Agent have agreed to enter into this Revenue Collection and Disbursement Agreement (the "Agreement") in order to effectuate those modifications.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms contained herein, the Parties, intending to be legally bound hereby, agree as follows:

Section 1. Definitions. For purposes of continuity, capitalized terms not otherwise defined in the preambles hereto or in this Section 1 shall have the meaning assigned to such terms in Exhibit A appended hereto. The following terms shall have the meaning set forth in this Section 1:

"Agent" shall mean The Bank of New York, a state banking corporation organized and existing under the laws of the State of New York.

"Agent Fees" shall mean those fees payable to the Agent pursuant to Section 10(A).

"Agent's Money Market Fund" shall mean the money market fund offered by the Agent that invests in obligations of, or guaranteed by, the United States of America, and that is rated at least "Am" or "Am-G" by Standard & Poor's Corporation or Moody's Investors Service.

"Agreement" shall mean this Revenue Collection and Disbursement Agreement.

"Annual Statement" shall have the meaning set forth in Section 10(D).

"BLRA Authorized Representative" shall mean each of the persons designated to act on behalf of the BLRA by the Transaction Documents or by written certificate furnished to Redeveloper, Port Manager or the Agent, as the case may be, containing the specimen signatures of such persons and signed on behalf of the BLRA by an authorized officer or representative of the BLRA.

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Friday which is not a day on which either state or federally chartered banking institutions in the City of New York, the State of New Jersey or the New York Stock Exchange are authorized or obligated by law or executive order to close.

"Cape Liberty Capital Reserve Charge" shall mean for purposes of this Agreement, the Capital Reserve Charge.

"Cape Liberty Capital Reserve Fund" shall mean the Cape Liberty Capital Reserve Fund created pursuant to Section 3.

amended as of the date hereof as described above, and the BLRA, Redeveloper, Port Manager and Agent have agreed to enter into this Revenue Collection and Disbursement Agreement (the "Agreement") in order to effectuate those modifications.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms contained herein, the Parties, intending to be legally bound hereby, agree as follows:

Section 1. Definitions. For purposes of continuity, capitalized terms not otherwise defined in the preambles hereto or in this Section 1 shall have the meaning assigned to such terms in Exhibit A appended hereto. The following terms shall have the meaning set forth in this Section 1:

"Agent" shall mean The Bank of New York, a state banking corporation organized and existing under the laws of the State of New York.

"Agent Fees" shall mean those fees payable to the Agent pursuant to Section 10(A).

"Agent's Money Market Fund" shall mean the money market fund offered by the Agent that invests in obligations of, or guaranteed by, the United States of America, and that is rated at least "Am" or "Am-G" by Standard & Poor's Corporation or Moody's Investors Service.

"Agreement" shall mean this Revenue Collection and Disbursement Agreement.

"Annual Statement" shall have the meaning set forth in Section 10(D).

"BLRA Authorized Representative" shall mean each of the persons designated to act on behalf of the BLRA by the Transaction Documents or by written certificate furnished to Redeveloper, Port Manager or the Agent, as the case may be, containing the specimen signatures of such persons and signed on behalf of the BLRA by an authorized officer or representative of the BLRA.

"Business Day" shall mean any Monday, Tuesday, Wednesday, Thursday or Friday which is not a day on which either state or federally chartered banking institutions in the City of New York, the State of New Jersey or the New York Stock Exchange are authorized or obligated by law or executive order to close.

"Cape Liberty Capital Reserve Charge" shall mean for purposes of this Agreement, the Capital Reserve Charge.

"Cape Liberty Capital Reserve Fund" shall mean the Cape Liberty Capital Reserve Fund created pursuant to Section 3.

"Cape Liberty Revenue Fund" shall mean the Cape Liberty Revenue Fund created pursuant to Section 3.

"Deposit Report" shall have the meaning set forth in Section 4.

"Funds" shall mean the Cape Liberty Revenue Fund and the Cape Liberty Capital Reserve Fund.

"Local Fiscal Affairs Law" shall mean N.J.S.A. 40A:5-1 et seq., as amended and supplemented.

"Monthly Statement" shall have the meaning set forth in Section 10(D).

"Parties" shall mean, for purposes hereof, the BLRA, the Redeveloper, the Port Manager and the Agent.

"Priority Charges Budget" shall have the meaning set forth in Section 5(A).

"Resolution" shall mean a resolution of the BLRA, duly adopted on September 22, 2005 and amended on February 16, 2006, entitled, "Resolution Authorizing the Issuance of Revenue Bonds (Royal Caribbean Project) of the City of Bayonne Redevelopment Agency", as supplemented by a supplemental resolution duly adopted on September 22, 2005 and amended

on February 16, 2006 entitled "Supplemental Resolution Authorizing the Issuance of Not To Exceed \$16,500,000 Revenue Bonds, Series 2006 (Royal Caribbean Project) of the City of Bayonne Redevelopment Agency and Determining Various Other Matters in Connection Therewith" and as supplemented by a certificate of the Executive Director of the BLRA dated as of March 16, 2006.

"Revenues" shall have the meaning set forth in Section 4.

"Surplus" shall have the meaning set forth in Section 7.

"Terminal Operating Expenses" shall mean, for purposes hereof, Actual Operating Expenses, but shall not include Priority Charges, the BLRA Financing Charge and the Cape Liberty Capital Reserve Charge.

"Transaction Documents" shall mean, only for purposes of this Agreement, the Usage Agreement and the Terminal Operating Agreement. For clarification purposes, this term as otherwise defined in Exhibit A shall remain unchanged.

"Withdrawal Directions" shall have the meaning set forth in Section 5.

Words importing persons include firms, associations and corporations; words importing the singular number include the plural number, and vice versa.

References to Sections and Exhibits shall, unless indicated otherwise, refer to Sections and Exhibits of this Agreement.

Section 2. Appointment of Agent. The BLRA, the Redeveloper and the Port Manager hereby appoint The Bank of New York, a state banking corporation organized and existing under the laws of the State of New York, as Agent hereunder, and The Bank of New York hereby accepts such appointment, upon and subject to the terms and conditions hereinafter set forth.

Section 3. Creation of Funds. The following Funds are initially created hereunder and shall be held by the Agent:

(A) Cape Liberty Revenue Fund and

(B) Cape Liberty Capital Reserve Fund.

Section 4. Deposit of Revenues. The BLRA, the Redeveloper and the Port Manager hereby agree to remit, or to cause to be remitted, to the Agent: Berthing Tariffs, Wharfage Fees, Working Capital Advances, Revenue Deficiencies, Minimum Fees and other miscellaneous revenues, if any, all to the extent such amounts are not paid in respect to BLRA Financing Charges (together, the "Revenues"), in such amounts and within the time periods prescribed in the Transaction Documents. To the extent that the Revenues are remitted to the Agent by wire transfer, the BLRA, the Redeveloper and the Port Manager, as applicable, agree to complete such wire transfers in accordance with the Agent's wire instructions appended hereto as Exhibit B. With each remittance of the Revenues, the BLRA, Redeveloper and/or Port Manager, as applicable, shall submit a written report to the Agent and to the BLRA, Redeveloper and Port Manager, as applicable (the "Deposit Report"), indicating the total amount of such Revenues and the amount of each applicable category of Revenues. Upon receipt of such Revenues, the Agent shall deposit same in the Cape Liberty Revenue Fund. The Agent shall be accountable only for moneys actually received.

Section 5. Application of Cape Liberty Revenue Fund. (A) On or before December 15th of each year the BLRA and the Redeveloper shall provide the Agent with a written report executed by the BLRA and the Redeveloper (the "Priority Charges Budget") itemizing the anticipated monthly budget for Priority Charges for the immediately subsequent calendar year. On or before the twentieth (20th) day of each month during the term hereof, the BLRA shall

provide the Agent (with a copy to the Port Manager and Redeveloper) with written directions executed by the BLRA (the "Withdrawal Directions") instructing the Agent to pay or transfer, as applicable, from the Cape Liberty Revenue Fund the following categories of expenses (in the amounts set forth in the Withdrawal Directions), to the following entities or Funds, as applicable, in the following order of priority: (i) Agent Fees to the Agent; (ii) Priority Charges to the BLRA; (iii) Terminal Operating Expenses to the Port Manager; (iv) Port Management Fee to the Port Manager; and, (v) the Cape Liberty Capital Reserve Charge to the Cape Liberty Capital Reserve Fund. On or before the twenty-fifth (25th) day of each month, the Agent shall make the payment of the Priority Charges described in the Withdrawal Directions without the approval of the Port Manager, provided the amount of such payment does not exceed the amount set forth in the Priority Charges Budget. For those Priority Charges that do exceed the amount set forth in the Priority Charges Budget, and for all of the other categories of expenses described in the Withdrawal Directions, the Agent shall proceed with such payments or transfers on the twenty-fifth (25th) day of the month, provided that the Agent does not receive a written objection from the Port Manager by the twenty-fifth (25th) day of such month. If a permitted objection notice is received to such payments or transfers before the twenty-fifth (25th) day of the month, the Agent shall not proceed with such withdrawal (other than with respect to Priority Charges equal to or less than the amount set forth in the Priority Charges Budget) until it receives written instructions executed by both the BLRA and the Port Manager, or an order from an arbitrator or court of competent jurisdiction.

(B) If at any time there shall not be a sufficient amount on deposit in the Cape Liberty Revenue Fund to comply with any Withdrawal Directions, the Agent shall withdraw an amount sufficient to make up such deficiency from the Cape Liberty Capital Reserve Fund and shall

deposit same into the Cape Liberty Revenue Fund, or, in the event that there is not a sufficient amount on deposit in the Cape Liberty Capital Reserve Fund to make such a deposit, then the Agent, on behalf of the BLRA, shall request from the Redeveloper, and Redeveloper shall promptly remit within fifteen (15) days of such request, the amount of such deficiency for deposit into the Cape Liberty Revenue Fund. Redeveloper shall, upon such remittance, identify to the Agent (with a copy to the BLRA) any such payment as a Working Capital Advance, a Revenue Deficiency or a Minimum Fee payment, as may be applicable.

Section 6. Application and Restoration of Cape Liberty Capital Reserve Fund. The Agent shall deposit funds in the Cape Liberty Capital Reserve Fund in accordance with the terms hereof. The Agent shall make withdrawals from the Cape Liberty Capital Reserve Fund in accordance with any Withdrawal Directions from the BLRA or pursuant to Section 5(B) as applicable, provided however that, with respect to any Withdrawal Directions, no objections were raised by the Port Manager pursuant to Section 5(A). The BLRA agrees that all deposits to, and withdrawals from, the Cape Liberty Capital Reserve Fund shall be made in accordance with the terms of the Transaction Documents.

Section 7. Surpluses. If, at the end of any calendar year, after payment of all expenses pursuant to all of the Withdrawal Directions delivered to the Agent during such calendar year a surplus exists in the Cape Liberty Revenue Fund (a "Surplus"), then the BLRA shall deliver Withdrawal Directions to the Agent (with a copy to the Port Manager) for the disbursement of such Surplus (in the amounts set forth in the Withdrawal Directions) in the following order of priority for payment as follows: (A) to repay Redeveloper for any Working Capital Advance; (B) to reimburse Redeveloper for any Revenue Deficiency paid under Section 5(B); (C) for deposit each calendar year in the Cape Liberty Capital Reserve Fund up to an aggregate of 10% of such

calendar year's Annual Operating Expense Budget, taking into account all deposits made during such calendar year into the Cape Liberty Capital Reserve Fund; and, (D) to be retained in the Cape Liberty Revenue Fund for the sole purpose of applying such amounts towards the payment of Estimated Operating Expenses for the following year's Annual Operating Expense Budget. To the extent that the Agent does not receive a written objection from the Port Manager within five (5) days of receipt of such Withdrawal Directions as applied to any Surplus, the Agent shall proceed with the disbursement of the Surplus in accordance with the Written Directions. If an objection notice is received within the time set forth in this Section 7, the Agent shall not proceed with such disbursement until it receives instructions executed by both the BLRA and the Port Manager, or an order from an arbitrator or court of competent jurisdiction.

Section 8. Redeveloper and Port Manager Rights With Respect to Withdrawal Directions; Compliance. If the Agent receives written notice from the Redeveloper or the Port Manager of an Event of Default which is attributable to the BLRA's failure under the Usage Agreement or the Terminal Operating Agreement to submit Withdrawal Directions which appropriately apply all monies due to the Cape Liberty Revenue Fund or the Cape Liberty Capital Reserve Fund under the Transaction Documents, then the Agent will be authorized to accept written approvals solely from the Redeveloper or the Port Manager with respect to the Withdrawal Directions, provided that such authorization shall only continue until the Agent is notified in writing that the Event of Default has been cured or no longer exists under the Transaction Documents.

Section 9. Investments. Moneys which are held by the Agent hereunder may be invested at the written direction of a BLRA Authorized Representative in accordance with the Local Fiscal Affairs Law, N.J.S.A. 40A:5-1 et seq. or such other law governing the investment of funds

by New Jersey municipalities or municipal statutory entities. Notwithstanding anything herein to the contrary, unless otherwise directed by the BLRA, all Funds shall be invested in the Agent's Money Market Fund, or, upon the written direction of a BLRA Authorized Representative, in accordance with the provisions pertaining to investment securities as set forth in the Resolution. All investment income (net of any early withdrawal costs) derived from the investment of moneys which are on deposit in the Funds established hereunder shall be credited to the applicable Fund.

Section 10. Duties of Agent, Indemnification of Parties and Hold Harmless. (A) The Agent shall be compensated for its reasonable fees, expenses and disbursements, including legal fees, incurred with respect to services rendered hereunder, based upon invoices submitted to the BLRA for payment (the "Agent Fees"). Payment of such Agent Fees shall be made as provided herein, provided that if the Agent Fees cannot be paid from the Funds as provided for herein, then the Redeveloper shall be affirmatively obligated to pay the Agent Fees to the Agent. The Agent acknowledges that it has no lien on or right to the moneys in any of the Funds for any such reimbursement or payment of its fees or expenses. To the extent permitted by Applicable Law, the Redeveloper shall indemnify and save the Agent harmless against any losses, liabilities or expenses (including legal fees) that it may incur in the exercise and performance of its powers, duties and obligations hereunder that are not due to its gross negligence or willful misconduct, provided that to the extent such losses, liabilities or expenses (including legal fees) are caused by the BLRA's gross negligence or willful misconduct, the BLRA, shall indemnify the Agent for such losses, liabilities or expenses (including legal fees). For clarification purposes, the Redeveloper shall not be responsible, and the BLRA shall be solely responsible, to the Agent for any losses, liabilities or expenses (including legal fees) caused by BLRA's gross negligence and

willful misconduct. To the extent permitted by Applicable Law, the Redeveloper shall indemnify and save the BLRA harmless against any losses, liabilities or expenses (including legal fees) that it may incur hereunder that are due to the Redeveloper's or Port Manager's gross negligence or willful misconduct. To the extent permitted by Applicable Law, the BLRA shall indemnify and save the Redeveloper harmless against any losses, liabilities or expenses (including legal fees) that it may incur hereunder that are due to the BLRA's gross negligence or willful misconduct. This Section 10 shall survive the discharge of this Agreement and the removal and resignation of the Agent.

(B) The Agent shall not be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect of this Agreement or to advance any of its own moneys unless properly indemnified to its satisfaction by the Redeveloper and/or the BLRA. The Agent shall not be liable in connection with the performance of its respective duties hereunder except for its own gross negligence or willful misconduct.

(C) The Agent shall be entitled to conclusively rely and act upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it to be genuine and to have been signed and presented by the proper Party or Parties, and may consult with counsel, who may be counsel to the BLRA, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith. Whenever the Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a

certificate signed by a BLRA Authorized Representative and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof in reliance thereon, but in its discretion the Agent may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the BLRA to the Agent shall be sufficiently executed if executed in the name of the BLRA by a BLRA Authorized Representative and may be made by facsimile.

(D) The Agent shall deliver a monthly, written statement to the BLRA, the Redeveloper and the Port Manager which details, among other things, the balances of the Funds as of the date of such statement, together with investment income, if any, which has been earned thereon, which are on deposit in each of the Funds which are held by the Agent pursuant to the terms hereof (the "Monthly Statement"). The Monthly Statement shall also detail all deposits made by category pursuant to the Deposit Report(s), as well as all withdrawals and disbursements, by category, pursuant to the Withdrawal Directions. In addition to the foregoing, the Agent shall, in January of each calendar year, deliver a written statement to the BLRA, the Redeveloper and the Port Manager which details all of the foregoing with respect to each of the Funds for the previous calendar year (the "Annual Statement").

(E) The Agent may perform any of its duties hereunder by and through attorneys, agents or employees and may in all cases pay reasonable compensation to all such attorneys, agents or employees as may reasonably be employed in connection with such duties. Any such amounts which are paid by the Agent shall be reimbursed to the Agent in accordance with Section 10(A).

Section 11. Resignation of Agent. The Agent, or any successor thereof, may at any time resign and shall be discharged of its duties and obligations created by this Agreement by giving not less than sixty (60) days written notice to the BLRA, the Redeveloper and the Port Manager. Such notice shall specify the date when such resignation shall take effect and shall take effect on the day specified in such notice, unless a successor shall have been previously appointed by the BLRA, in which event such resignation shall take effect immediately upon the appointment of such successor. Notwithstanding anything herein to the contrary, the Agent shall be obligated to continue to perform all of the duties and obligations required to be performed by such Agent under the terms hereof, until such time as a successor Agent has been appointed and has accepted such appointment as provided herein, or until the Agent has, on appropriate application to a court of competent jurisdiction, secured the order, judgment or decree of a court of competent jurisdiction permitting its withdrawal or resignation as Agent hereunder.

Section 12. Removal of Agent. The Agent, or any successor thereof, may be removed at any time by the BLRA without cause and upon appointment of a successor, upon forty-five (45) days written notice, by a written instrument or concurrent written instruments signed and duly acknowledged by the BLRA, the Redeveloper and the Port Manager. Such removal shall take effect upon the expiration of said forty-five (45) day period.

Section 13. Appointment of Successor Agent. In case the Agent, or any successor thereof, shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of such Agent or of its property shall be appointed, or if any public officer shall take charge or control of the Agent or of its property or affairs, the BLRA shall forthwith appoint a successor Agent within sixty (60) days of such event occurring. If the BLRA fails to appoint a successor Agent pursuant to

the foregoing provisions of this Section 13 within sixty (60) days after the Agent has given written notice to the BLRA, the Redeveloper and the Port Manager or after the occurrence of any other event requiring or authorizing such appointment of a successor, the Agent may apply to any court of competent jurisdiction to appoint such successor. Said court may thereupon, after such notice, if any, as such court may deem proper and may prescribe, appoint such successor Agent. Any successor Agent appointed under the provisions of this Section 13 shall be a bank, trust company, national banking association or other banking institution, which is ranked among the top ten (10) financial institutions in the New York/New Jersey area in terms of assets, does business and has its corporate trust office located in the State of New Jersey, has the qualifications which are prescribed herein, it is willing and able to accept the appointment on reasonable and customary terms and which is authorized by Applicable Law to perform all duties which are imposed upon it by the terms hereof.

Section 14. Transfer of Rights and Property to Successor Agent. Any successor Agent which is appointed under the provisions of Section 13 shall execute, acknowledge and deliver to its predecessor Agent and also to the BLRA, the Redeveloper and the Port Manager, a written instrument accepting such appointment, and thereupon such successor Agent without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Agent, with like effect as if named herein as such Agent. The predecessor Agent shall, nevertheless, upon payment of such predecessor Agent Fees and expenses and upon the written request of the BLRA or of the successor Agent, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required to more fully and certainly vest and confirm in such successor Agent all the right, title and interest of the predecessor Agent in and to any

property held by it under the terms hereof. The predecessor Agent shall pay over, assign and deliver to the successor Agent any money or other property which is subject to the trusts and conditions herein set forth. Should any deed, conveyance or written instrument be required from the BLRA, the Redeveloper or the Port Manager by such successor Agent to more fully and certainly vest in and confirm to such successor Agent any such moneys, estates, properties, rights, powers, duties or obligations, any and all such deeds, conveyances and written instruments shall, upon request, and so far as may be authorized by Applicable Law, be executed, acknowledged and delivered by the BLRA, the Redeveloper and the Port Manager, as applicable.

Section 15. Merger or Consolidation of Agent. Any company into which any Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which such Agent may sell or transfer its corporate trust business (provided that such company shall be a bank, trust company, national banking association or other banking institution which is qualified to be a successor to such Agent under the provision of Section 13, and which shall be authorized by Applicable Law to perform all the duties imposed upon it by the terms hereof) shall be the successor to such Agent without the execution or filing of any paper, or the performance of any further act, deed or conveyance.

Section 16. Termination. This Agreement shall terminate when the Transaction Documents terminate or expire.

Section 17. Effect of this Agreement. This Agreement does not amend, and is not intended to amend, the terms of the Transaction Documents, and the terms, conditions and covenants of the Transaction Documents shall remain unchanged and otherwise in full force and

effect except as modified pursuant to their own terms. In the event of any inconsistency between this Agreement and the Transaction Documents, the Transaction Documents shall control.

Section 18. Amendment. The BLRA, the Redeveloper, the Port Manager and the Agent may only amend this Agreement by a written amendment executed by all of the Parties.

Section 19. Notices. Except as otherwise specifically provided herein, all notices and demands hereunder shall be in writing and mailed, telecopied, telegraphed or delivered to:

BLRA:

Bayonne Local Redevelopment Authority
51 Port Terminal Boulevard
Suite 21
Bayonne, New Jersey 07002
Attention: Nancy A. Kist, Executive Director

With copy to:

John F. Coffey, II, Esq.
Bayonne Municipal Building
630 Avenue C
Bayonne, NJ 07002-3898

Joseph P. Baumann, Jr., Esq.
McManimon & Scotland, L.L.C.
One Riverfront Plaza, 4th Floor
Newark, NJ 07102

Redeveloper:

Royal Caribbean Cruises Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President, New
Business Development

With a copy to:

Royal Caribbean Cruises Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President and
General Counsel

Port Manager:

Cape Liberty Cruise Port LLC, c/o
Royal Caribbean Cruises Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President, New
Business Development

With a copy to:

Royal Caribbean Cruises Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President and
General Counsel

Agent:

The Bank of New York
Corporate Trust Department
385 Rifle Camp Road
West Paterson, New Jersey 07424
Attn: Corporate Trust Administration

Section 20. Governing Law, Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey. The Parties agree that any action or claim arising out of, or any dispute in connection with, this Agreement, any rights, remedies, obligations, or duties hereunder, or the performance or enforcement hereof, shall be governed by the applicable dispute resolutions of the Transaction Documents.

Section 21. 2006 Cruise Season. The Parties agree that the terms and conditions of this Agreement shall apply retroactively to January 1, 2006 and prospectively consistent with the terms and conditions of this Agreement and the Transaction Documents. The Parties further agree that all payments made by Redeveloper in respect of Actual Operating Expenses prior to the date of this Agreement from and after January 1, 2006 shall be deemed Working Capital Advances hereunder, and all Revenue for such period will be processed by the Agent pursuant to Section 7 of this Agreement once funds are received so that Redeveloper is reimbursed for such Working Capital Advances prior to December 31, 2006.

Section 22. Performance and Business Days. If the date for performance of any obligation to be performed or undertaken pursuant to the terms hereof shall fall on a day which is not a Business Day, then the date for performance of any such obligation shall be extended to next Business Day.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

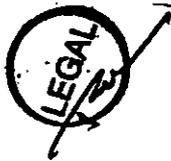
BAYONNE LOCAL REDEVELOPMENT AUTHORITY

By: [Signature]
Name: Nancy A. Kist
Title: Executive Director

ATTEST:
By: Maura Boyle
Name: Maura Boyle
Title: SEA DIX

ROYAL CARIBBEAN CRUISES LTD. as Redeveloper

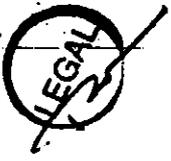
By: Adam M. Goldstein
Name: Adam M. Goldstein
Title: President R.C.T.



ATTEST:
By: [Signature]
Name: James N. Boink
Title: Director Commercial Development

CAPE LIBERTY CRUISE PORT LLC as Port Manager

By: [Signature]
Name: John Tercek
Title: Manager



ATTEST:
By: [Signature]
Name: James N. Boink
Title: Director Commercial Development

By: [Signature]
Name: Craig Milan
Title: Manager

THE BANK OF NEW YORK, as Agent

By: [Signature]
Name: SUSAN PSZONEK
Title: Vice President

ATTEST:
By: [Signature]
Name: CHRISTOPHER J. GRELL
Title: VICE PRESIDENT

EXHIBIT A

Definitions

Exhibit A

DEFINITIONS

The Parties agree that for purposes of the Transaction Documents, the following capitalized terms shall have the meanings specified below. Other capitalized terms used within the body of this Exhibit and not expressly defined shall be defined by their context, or in the Transaction Documents. The following definitions shall be applicable to all of the Transaction Documents.

"AAA" means the American Arbitration Association.

"Actual Operating Expenses" means any and all costs, expenses and fees that the BLRA, the Port Manager and the Redeveloper, incurred in connection with the operation, maintenance and management of the Port for the applicable calendar year, including without limitation (1) all expenses payable pursuant to the Terminal Operating Agreement, (2) assessments and other governmental charges, (3) the Priority Charges, (4) the BLRA Financing Charge, and (5) the Capital Reserve Charge. Actual Operating Expenses shall not include Parking Expenses or Incidental Expenses.

"Actual Operating Revenues" means the sum of all revenues generated by the Port including, but not limited to, Berthing Tariffs and Wharfage Fees received during the applicable calendar year. Actual Operating Revenues shall not include Gross Parking Revenues or Incidental Revenues.

"Additional Grants" means grant money received by the BLRA other than for the BLRA Bulkhead Improvements or Additional Parking Improvements.

"Additional Improvements" means all Improvements other than the Existing Improvements.

"Additional Parking Improvements" means those Parking Improvements undertaken and constructed pursuant to Section 4.4 of the Parking Management Agreement and Section 7.15 of the Redevelopment Agreement comprising one or more elevated parking structures which meet, in whole or in part, the Parking Requirements, and the Parking Location Requirements.

"Additional Plan Submission Extension" shall have the meaning set forth in Section 6.2.2(2) of the Redevelopment Agreement.

"Adjacent Lands" shall have the meaning set forth in Section 17.1 of the Redevelopment Agreement.

"Affiliate" means any Person controlled by, under common control with, or which controls any other Person, as may be applicable or warranted by the context in which it is used, by possessing, directly or indirectly, the power to direct or cause the direction of the management and policies of such Person whether through the beneficial ownership of voting or equity securities, by contract or otherwise.

"Agreed Berthing Schedule" means the final schedule for the berthing of Vessels of RCCL Cruise Lines at the Primary Berth(s) and the Secondary Berth.

"Alteration" means the reconfiguration, reduction or relocation of all or portion of the Parking Premises.

"Alternative Development Plan Conditions" means the following conditions for alternative development use, by the BLRA, of a Phase III Severance Parcel: (1) BLRA has an alternative use for not less than 50% of each such Phase III Severance Parcel; (2) the BLRA has a development plan and reasonably believes it will obtain all necessary approvals and/or commence construction of such alternative use pursuant to the development plan within one 1 year, or, should such Phase III Severance Parcel include all or a portion of the Terminal Improvements, within 3 years, and (3) the BLRA provides written Notice of the estimated Commencement Date of construction of such alternative use thereunder.

"Annual Base Charge" shall have the meaning set forth in Section 4.1(3)(a) of the Terminal Operating Agreement.

"Annual BLRA Common Area Charge" shall have the meaning set forth in Section 4.1(3)(d) of the Terminal Operating Agreement.

"Annual Construction Area Charge" shall have the meaning set forth in Section 4.1(3)(b) of the Terminal Operating Agreement.

"Annual Operating Expense Budget" shall have the meaning set forth in Section 4.1(2) of the Terminal Operating Agreement.

"Annual Operating Expenses" shall have the meaning set forth in Section 4.1(2) of the Terminal Operating Agreement.

"Annual Parking Statement" shall have the meaning set forth in Section 7.3(1) of the Parking Management Agreement.

"Annual Profit Statement" shall have the meaning set forth in Section 7.4 of the Parking Management Agreement.

"Annual Terminal Improvements Charge" means the definition set forth in Section 4.1(3)(c) of the Terminal Operating Agreement.

"Applicable Law" means any and all Federal, State, County and local laws, rules, regulations, statutes, ordinances, permits, resolutions, judgments, orders, decrees, directives, interpretations, standards, licenses, and similarly binding authority, applicable to the (1) Redevelopment Area, (2) Redevelopment Project, (3) performance by the Parties of their respective obligations under the Transaction Documents, and (4) exercise by the Parties of their respective rights under the Transaction Documents.

"Approval" means any one or more approvals, authorizations, permits, licenses or certificates required and issued or granted by any Governmental Body having jurisdiction, whether Federal, State, County or local, to the extent necessary to implement the Redevelopment Project or a portion thereof including Certificates of Occupancy.

"Approved Contractor" means a contractor of Redeveloper or its Affiliate approved by the BLRA in accordance with the Transaction Documents.

"Approved Lender" means a lender approved by the Redeveloper to finance a Loan for the Purchase Price and Associated Costs, if any, for a given Phase.

"Associated Costs" means any and all costs associated with securing a Loan, Redeveloper Loan or issuing the Bonds, including the BLRA Financing Fee and any required reserve funds.

"Authorized BLRA Representative" means each of the Persons designated to act on behalf of the BLRA by the Transaction Documents or by written certificate furnished to Redeveloper or Port Manager, as the case may be, containing the specimen signatures of such Persons and signed on behalf of the BLRA by an authorized officer or representative of the BLRA.

"Authorized Port Manager Representative" means each of the Persons designated to act on behalf of Port Manager by the Transaction Documents, or by a written certificate furnished to the BLRA containing the specimen signatures of such Persons and signed on behalf of Port Manager by an authorized officer of Port Manager.

"Authorized Redeveloper Representative" means each of the Persons authorized and designated to act on behalf of Redeveloper pursuant to the Transaction Documents or by a written certificate furnished to BLRA containing the specimen signatures of such Persons and signed on behalf of Redeveloper by an authorized officer of Redeveloper.

"Available Property" shall have the meaning set forth in Section 17.2 of Redevelopment Agreement.

"Availability Acceptance Period" means the 30 day period Redeveloper shall have to accept the terms and conditions set forth in the BLRA's Availability Notice.

"Availability Schedule" means the BLRA's written Notice to the Redeveloper indicating the availability of any Secondary Berths for the following applicable calendar year.

"Base Parking Profit" means:

- (1) For each calendar year between the Effective Date and December 31, 2008: an amount equal to the greater of (a) 50% of the amount of the Net Parking Profit for the applicable year and (b) the Annual Base Charge for that year payable under Article 4 of the Terminal Operating Agreement; and
- (2) For each calendar year between January 1, 2009 and December 31, 2038: an amount equal to the greater of (a) 50% of the amount of the Net Parking Profit for the applicable calendar year and (b) that portion of the Annual Base Charge attributable to the Parking Area during such year payable under Article 4 of the Terminal Operating Agreement.

"Berth" means individually any berth on the Redevelopment Area where a Vessel may dock and which individually may be identified as Berth N-1, Berth N-2 or Berth N-5 or any other designation so given, and to the degree that such individual berths are developed and constructed pursuant to the terms and conditions of the Transaction Documents.

"Berth N-1" means that certain Berth at the Port as depicted on Exhibit F to the Redevelopment Agreement.

"Berth N-2" means that certain Berth at the Port as depicted on Exhibit G to the Redevelopment Agreement.

"Berth N-5" means that certain Berth at the Port as depicted on Exhibit H to the Redevelopment Agreement.

"Berthing Tariff" means the tariff charged to the RCCL Cruise Lines and the Other Cruise Lines for each passenger embarking at the Port to their respective cruise Vessels, which Berthing Tariff shall equal the lesser of (1) the Breakeven Tariff, and (2) the Maximum Market Tariff.

"Berthing Tariff Deficiency" shall have the meaning set forth in Section 5.2(3) Terminal Operating Agreement.

"BLRA" means the Bayonne Local Redevelopment Authority, an instrumentality and agency of the City.

"BLRA Administrative Fee" shall have the meaning set forth in Section 4.1(3)(g) of the Terminal Operating Agreement.

"BLRA Audit" shall have the respective meanings set forth in Section 6.13(1) of the Parking Management Agreement and Section 5.12(1) of the Terminal Operating Agreement.

"BLRA's Availability Notice" means the written Notice of the BLRA to the Redeveloper, notifying Redeveloper of the availability for development of the Additional Parking Improvements.

"BLRA Bulkhead Improvements" means Bulkhead Improvements and certain other construction, other than the Phase II and Phase III Improvements (which, to the degree undertaken pursuant to the Transaction Documents, shall be the responsibility of the Redeveloper), the cost of which shall be no less than \$5 million and which shall provide a westward extension of Berth N-1 as depicted on Exhibit I to the Redevelopment Agreement, and which are to be constructed by the BLRA in accordance with the Redevelopment Agreement and the Transaction Documents.

"BLRA Capital Charge" shall have the meaning set forth in Section 4.1(3)(h) of the Terminal Operating Agreement.

"BLRA Contribution" means the \$5 million to be contributed by the BLRA towards the costs of the BLRA Bulkhead Improvements.

"BLRA Financing Charge" shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

"BLRA Financing Fee" means an amount equal to the lesser of .25% of the par amount of Bonds, Loan or Redeveloper Loan, or the applicable New Jersey Economic Development Authority fee.

"BLRA's Development Offer" shall have the meaning set forth in Section 17.1 of the Redevelopment Agreement.

"BLRA's Incidental Profit Share" means an amount equal to 50% of the amount of the Incidental Profit payable to the BLRA under the Incidental Usage Agreement.

"BLRA's Net Parking Profit Share" means: (1) For each calendar year, between the Effective Date and December 31, 2008, an amount equal to the Base Parking Profit less the Annual Base Charge payable under Article 4 of the Terminal Operating Agreement and (2) For each calendar year between

January 1, 2009 and December 31, 2008: an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area only.

"BLRA Resolution" means the resolution numbered 062305-07 adopted at the BLRA's meeting of June 24, 2005, which authorizes the BLRA's entry into the Transaction Documents with the Redeveloper, Port Manager and Parking Manager to undertake the performance of the Redevelopment Project contemplated by the Transaction Documents.

"BLRA Share #1" shall have the meaning set forth in Section 4.1(3)(h)(i)(I) of the Terminal Operating Agreement.

"BLRA Share #2" shall have the meaning set forth in Section 4.1(3)(h)(i)(II) of the Terminal Operating Agreement.

"BLRA Supplemental Charge" shall have the meaning set forth in Section 4.1(3)(e) of the Terminal Operating Agreement.

"BLRA Volume charge" shall have the meaning set forth in Section 4.1(3)(f) of the Terminal Operating Agreement.

"Bonds" means any bonds, notes or other evidence of indebtedness issued by the BLRA or other entity approved by the BLRA (such approval being subject to the BLRA's sole discretion) pursuant to Applicable Law for the purpose of paying the Purchase Price and the Associated Costs. To the degree that any Redeveloper Loan or Loan given by the Redeveloper or an Approved Lender, as the case may be, evidences indebtedness issued by the BLRA, such a Redeveloper Loan or Loan shall be considered a Bond for purposes of the Transaction Documents.

"Bondholders" means the holders of the Bonds.

"Bond Deadline" means the 150 days from receipt of the Financing Notice which the BLRA has to conclude the issuance of Bonds.

"Bond Deficiency" means the inability of the BLRA to issue Bonds, or that the proceeds from the issuance of Bonds are insufficient to pay Redeveloper the entire Purchase Price and Associated Costs, if any.

"Breakeven Tariff" means a quotient where the numerator is the Annual Operating Expenses and the denominator is the Estimated Number of Passengers.

"Building 14" means that building situated on the Redevelopment Area consisting of approximately 120,000 square feet, which has been reconstructed into a Terminal Improvement as depicted on Exhibit J to the Redevelopment Agreement.

"Bulkhead Area" means that portion of the Redevelopment Area and Port, including land underwater, available for the Construction of the Bulkhead Improvements and berthing of the Vessels.

"Bulkhead Improvements" means the totality of the marine and civil engineering undertaken on the Bulkhead Area, including, as reasonably required by Redeveloper in accordance with sound engineering, all waterside bulkhead, relieving platform, fender system, and related Improvements corresponding to one or more Berths, with adjacent water depth of 35 feet, capable of accommodating the berthing of cruise Vessels including at least one Voyager-Class Vessel.

"Bulkhead Improvement Costs" means the total cost for the development and Construction of the Bulkhead Improvements by Redeveloper.

"Business Day" means any day of the week, exclusive of Saturdays, Sundays and legal holidays, during which business is carried out in the ordinary course.

"Capital Reserve Charge" shall have the meaning set forth in Section 4.1(6) of the Terminal Operating Agreement.

"Capital Reserve Fund" means an account in a federally insured financial institution established pursuant to Section 5.4 of the Terminal Operating Agreement, which complies with the Governmental Unit Deposit Protection Act, N.J.S.A. 17:9-41 et seq., and which is reasonably acceptable to the BLRA.

"Casualty Restoration" means any repair or restoration of the Improvements undertaken in accordance with Article 10 of the Redevelopment Agreement in the event of fire or other casualty.

"Casualty Termination Date" shall have the meaning set forth in Section 10.2 of the Redevelopment Agreement.

"Certificate of Costs" means a certificate prepared and signed by an Authorized Redeveloper Representative certifying the amount of Redeveloper's Cost of Construction for the relevant Phase of the Improvements, and any back-up documentation required therewith.

"Certificate of Occupancy" means a temporary or permanent "certificate of occupancy" issued by the City in connection with the Redevelopment Project or the Improvements, if so required by Applicable Law.

"Channel Dredging Project" means the project to be undertaken by the United States Army Corps of Engineers to deepen and straighten the waterway and approach of the Port Jersey Channel such that a cruise Vessel may navigate and dock in an east-west orientation and the eastern most boundary of the Bulkhead Improvements is not more than 250 feet from the northeast corner of the Peninsula, Substantial Completion of which occurs when such cruise Vessel navigation and docking is permissible under Applicable Law.

"City" means the City of Bayonne in the County of Hudson, New Jersey.

"City Council" means the governing body of the City.

"Cleanup and Removal Costs" means all reasonable and necessary expenses, including legal expenses and restoration costs associated with a discharge, incurred by the BLRA or its agents or any Person with written approval from a Governmental Body and to the extent required by Applicable Laws or Hazardous Materials Laws relating to the: (1) investigation, removal or attempted removal and remediation of Hazardous Materials including associated monitoring or disposal of soil, surface water, ground water or media, or (2) taking of reasonable measures to prevent or mitigate damage to the public health, safety, or welfare, including, but not limited to, public and private property, shorelines, beaches, surface waters, water columns and bottom sediments, soils and other affected property, including wildlife and other natural resources, and shall include costs incurred by the BLRA for the indemnification and legal defense of contractors.

"Closing" means the date on which the Parties shall consummate the purchase and sale of each Phase.

"Closing Date" means the date on which a Closing is to be consummated under the Purchase and Sale Agreement.

"Commencement Date" means the date set forth in the Development and Construction Schedule for the beginning of Construction of an applicable Phase. For the Phase II Improvements, it shall be a date no earlier than 30 days prior to the date that the BLRA reasonably expects to complete the BLRA Bulkhead Improvements, or such earlier date as determined by Redeveloper in its sole discretion.

"Completion Date" means the date of Substantial Completion of the Construction of any Phase of the Redevelopment Project.

"Condemnation Termination Date" shall have the meaning set forth in Section 13.3(3) of the Redevelopment Agreement.

"Confidential Information" means and includes all non-public, confidential or proprietary information that one Party or its representatives makes available to the other Party or its representatives, specifically identified as confidential. Confidential Information shall include, but not be limited to, information related to the past, present and future plans, ideas, business, strategies, marketing programs, activities, customers and suppliers of any Party to the Transaction Documents. Confidential Information shall not, however, mean or include information that (1) was, at the time of its disclosure, already in the possession of the receiving Party; (2) is or becomes generally available to the public other than as a result of a breach of any of the Transaction Documents by the receiving Party or its representatives; or (3) becomes available to the receiving Party on a non-confidential basis from a source other than the disclosing Party or its representatives; provided, however, that such source is not to the knowledge of the receiving Party bound by a confidentiality agreement or other legal or fiduciary obligation of secrecy to the disclosing party; (4) information that the BLRA as a Governmental Body has to allow the public at large to view; and (5) the specific terms and conditions of any of the Transaction Documents or any information that has to be derived from it.

Configuration "A" means the configuration of the Phase II Improvements, beginning at a point approximately 250 feet from the northeasterly corner of the Peninsula, as depicted in Exhibit K to the Redevelopment Agreement.

Configuration "B" means the configuration of the Phase II Improvements, beginning at a point approximately 600 feet from the northeasterly corner of the Peninsula, as depicted in Exhibit L to the Redevelopment Agreement.

"Construction" and "Construct" means any work performed by or on behalf of Redeveloper, Port Manager or Parking Manager including, without limitation, construction of the Improvements, all Casualty Restorations, or work performed in connection with the use, maintenance, repair or operation of the Redevelopment Area.

"Construction Area" means that portion of the Redevelopment Area reasonably required by the Redeveloper for the Construction of the Improvements and/or as a temporary staging area for that purpose, the square footage of which shall be established with reasonable accuracy from time to time by the BLRA in accordance with the Transaction Documents.

"Construction Inflation Factor" means the variable by which the relative cost of Construction will increase over time and as adjusted from time to time as set forth in the Engineering News Record Index or a substitute index determined in the reasonable discretion of the BLRA after consultation and an opportunity to comment by the Redeveloper.

"Construction Schedule Approval" means the BLRA's written approval of the Development and Construction Schedule, for Construction of a given Phase.

"Construction Schedule Submission" means the Redeveloper's submission, to the BLRA, of the Development and Construction Schedule, for Construction of a given Phase.

"Consumer Price Index" or "CPI" means the Consumer Price Index for all Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, N.Y., Northeastern New Jersey Area (1982-1984=100), or any successor index thereto, appropriately adjusted; provided that if there shall be no successor index, a substitute index will be determined in the reasonable discretion of the BLRA after consultation and an opportunity to comment by the Redeveloper.

"County" means the County of Hudson, New Jersey.

"Cruise Operations" means the operation of Vessels (including Voyager-Class Vessels), including the navigation of such Vessels on navigable waters, the docking and berthing of such Vessels at the Port, and the embarking and disembarking of passengers from said Vessels at the Port in connection with the Permitted Uses.

"Declaration" shall have the meaning set forth in Section 4.2 of the Redevelopment Agreement or in Section 3.3 of the Terminal Operating Agreement, as the case may be.

"Default Interest Rate" means, unless otherwise specified in context as another interest rate, the rates of interest prescribed by the New Jersey Rules of Court, specifically, Rule 4:42-11, in connection with interest on judgments in the Superior Court of New Jersey, as such rates may be adjusted from time to time and generally, every calendar year, by the Supreme Court of New Jersey.

"Design Approval Notice" shall have the meaning set forth in Section 6.3 of the Redevelopment Agreement.

"Development and Construction Schedule" means the timetable prepared by Redeveloper and approved by the BLRA setting forth in reasonable detail Redevelopment Project milestones for the Construction of the Improvements, including the dates upon which applications are to be submitted for public approvals pursuant to Applicable Law, the Commencement Date and the Completion Date.

"Development Offer Acceptance Period" shall have the meaning set forth in Section 17.1 of the Redevelopment Agreement.

"Direct Service Date" means the date upon which a private or public utility assumes responsibility for electrical service to the Redevelopment Area.

"Discounting Formulas" shall have the meaning set forth in Section 6.2 of the Usage Agreement and Section 5.14 of the Terminal Operating Agreement.

"Dispute" means any dispute, controversy or claim between the Parties requiring dispute resolution under the Dispute Resolution Article(s) of the respective Transaction Documents.

"Dispute Notice" means the written Notice provided from one Party to another advising of the existence of a Dispute, and expressing a desire for the Party receiving such Notice to consider the Dispute pursuant to the Dispute Resolution Article of the applicable Article of each respective, Transaction Document.

"Docking Area" means that land portion of the Redevelopment Area adjacent to the Bulkhead Improvements upon which is constructed the Docking Area Improvements and which is available to service cruise Vessels, including Voyager-Class Vessels, and which provides a security area, extending, as of the Effective Date, 150 feet (which distance may be increased to up to 300 feet if required by Homeland Security) to the south of the Bulkhead Improvements, the square footage of which shall be established with reasonable accuracy from time to time by the BLRA.

"Docking Area Improvements" means development and Construction on the Docking Area of Improvements such that the Docking Area may be used to service one or more cruise Vessels, including Voyager-Class vessels, and provide a security zone to the south of such Improvements (150' and up to 300' if required by Homeland Security).

"Effective Date" means January 1, 2005.

"Engineering News Record Index" means the Construction Cost Index and the Building Cost Index, respectively, maintained by the *Engineering News Record* which apply to general construction costs and which are based upon the *Engineering News Record's* "20 City" average rate, or any successor Index, as adjusted appropriately; provided that if there shall be no successor index, the BLRA may apply the CPI or a substitute index as determined in the reasonable discretion of the BLRA after consultation and an opportunity to comment by the Redeveloper.

"Environmental Contamination" means the presence of hazardous substance(s), hazardous wastes or Hazardous Materials in the environment such that: (1) significant harm is being caused to the environment or human health or there is a significant possibility of such harm being caused; (2) pollution of controlled waters is being, or is likely to be, caused; or (3) the performance of a remedial action (including the Environmental Remediation) is required pursuant to Applicable Law to address such hazardous substance(s), hazardous waste(s) or Hazardous Materials, including, but not limited to, that contamination which resulted from the prior uses of the Redevelopment Area by the U.S. Government, Department of Defense.

"Environmental Indemnification" shall have the meaning set forth in Section 15.5 of the Redevelopment Agreement.

"Environmental Remediation" means all action necessary to implement the RAWP prepared by Excel Environmental Resources and approved by the New Jersey Department of Environmental Protection, dated July, 2001 and as amended in November, 2001, and as may be amended from time to time, necessary to obtain a site-wide no further action letter from the New Jersey Department of Environmental Protection in accordance with non-residential direct contact criteria established by the New Jersey Department of Environmental Protection.

"Environmental Record" shall have the meaning set forth in Section 15.9 of the Redevelopment Agreement.

"Estimated Aggregate Tonnage" shall have the meaning set forth in Section 5.2(2)(b) of the Terminal Operating Agreement.

"Estimated Number of Passengers" shall have the meaning set forth in Section 5.2(2)(a) of the Terminal Operating Agreement.

"Event of Default" shall have the meaning and include those events set forth in the Default and Remedies Article of the applicable Transaction Document to which it corresponds.

"Existing Improvements" means the Bulkhead Improvements, the Docking Area Improvements, the Parking Improvements, the Terminal Improvements and such other Improvements Constructed and in use as of the date of the Transaction Documents and as depicted on Exhibit M to the Redevelopment Agreement.

"Existing Parking Improvements" means those Parking Improvements Constructed in the Redevelopment Area by Redeveloper as of the date of the Transaction Documents as illustrated in Exhibit N to the Redevelopment Agreement.

"Fair Market Value of the Redevelopment Area" shall have the meaning set forth in Section 13.2 of the Redevelopment Agreement.

"Final Dispute Notice" means the written Notice given by one Party to the other prior to the commencement of binding arbitration pursuant to the Dispute Resolution Article of the applicable Article of each respective, Transaction Document.

"Financing Notice" means the Redeveloper's written Notices to BLRA setting forth the: (1) Certificate of Costs, (2) Purchase Price, and (3) estimated Associated Costs and form of financing that, in Redeveloper's sole discretion, the BLRA is requested to secure to close on the purchase of a particular Phase.

"Force Majeure Events" shall have the meaning set forth in the Force Majeure Article of the Transaction Document to which it corresponds.

"Future Parking Improvements" means all Parking Improvements constructed in or on the Redevelopment Area after the Effective Date.

"Governmental Body" means any Federal, State, County or local agency, department, commission, authority, court or tribunal and any successor thereto, exercising executive, legislative, judicial or administrative functions of or pertaining to government.

"Gross Parking Revenues" means the amount equal to the sum of all revenues of any nature paid to or received by Parking Manager from the provision of Parking Services on the Parking Premises during a calendar year.

"Handle" shall have the meaning set forth in Section 3.7.4. of the Terminal Operating Agreement.

"Hazardous Materials" means any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials, including without limitation, fuel oil, petroleum products or any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under any Applicable Law.

"Hazardous Materials Laws" means Applicable Law pertaining to the industrial hygiene or to the environmental conditions on, under, about or affecting the Redevelopment Area.

"Homeland Security" means the United States Department of Homeland Security or successor agency, and any requirements of that Department imposed by Applicable Law.

"Improvements" means the Existing Improvements, Phase II Improvements, Phase III Improvements, Phase IV(a) Improvements or Phase IV(b) Improvements, Other Improvements, Incidental Improvements and a Casualty Restoration prior to the purchase of same by the BLRA pursuant to the Purchase & Sale Agreement. Improvements shall not include the BLRA Bulkhead Improvements or any Improvements constructed by the BLRA under the Redevelopment Agreement, such as the Waterfront Park.

"Incidental Budget" shall have the meaning set forth in Section 4.7 of the Incidental Usage Agreement.

"Incidental Concession Fee" means an amount equal to 50% of the amount of the Incidental Profit for Incidental Use payable to Redeveloper.

"Incidental Expenses" means the amount equal to the sum of all costs, expenses and fees directly attributable to managing and operating the Incidental Uses of the Port, including without limitation, any additional security services fees, insurance premiums, cleaning and maintenance and labor costs and additional expenses relating to the Construction and maintenance of Incidental Improvements for such Incidental Uses (i.e. conference facilities and equipment). The term "Incidental Expenses" shall not include Parking Expenses and Actual Operating Expenses.

"Incidental Improvements" means those facilities utilized for the undertaking of the Incidental Uses pursuant to the Incidental Usage Agreement.

"Incidental Profit" means the amount equal to Incidental Revenues less Incidental Expenses for the applicable Incidental Uses during the applicable calendar year.

"Incidental Revenues" means the amount equal to the sum of all revenues of any nature generated by the Port Manager from all Incidental Uses of the Port during the applicable calendar year, including, without limitation, revenues derived from (1) payments for the use of the Port or any portion thereof (i.e. rents and fees paid by licensees, vendors and retailers) and (2) fees collected from or in connection with banquets, conferences, trade shows or other events at the Port. The term "Incidental Revenues" shall not include Gross Parking Revenues or Actual Operating Revenues.

"Incidental Usage Agreement" means the Incidental Usage Agreement to be negotiated and executed subsequent to the execution of all of the other Transaction Documents by and between the BLRA, the Redeveloper and the Port Manager, which is one of the Transaction Documents.

"Incidental Use(s)" means all non-cruise related use(s) of the Port and Improvements during the Term, including, without limitation, the operation thereof for shipping, kiosks, food and beverage venues, retail stores, shops, banquets, conferences, trade shows and similar commercial purposes each as may be approved by the BLRA.

"Indemnified Party" means the BLRA Indemnified Parties or the Redeveloper Indemnified Parties or the Port Manager, as the case may be, entitled to, or claiming a right to, indemnification under the Transaction Documents.

"Indemnifying Party" means the BLRA or the Redeveloper or the Port Manager, as the case may be, obligated to provide indemnification under the Transaction Documents.

"Independent Accountant" means an accounting firm mutually selected by Redeveloper and the BLRA for purposes of auditing under the Transaction Documents.

"Independent Accountant Certification" shall have the meaning set forth in Section 7.3(2) of the Parking Management Agreement.

"Invitees" means Persons or entities entering or remaining on the Port upon the express and direct request or invitation of Port Manager, Parking Manager or Redeveloper, including, but not limited to, customers of Port Manager or Parking Manager and contractors retained by Port Manager, Parking Manager or Redeveloper to perform work in the Redevelopment Area.

"Issuance Costs" means all of the costs associated with the issuance of the Bonds including, capitalized interest, if any, and any required reserve funds.

"Known Conditions" means those environmental conditions identified in the RAWP prepared by Excel Environmental Resources, Inc. dated July, 2001 and as amended in November, 2001, and as may be supplemented or amended from time to time, and as approved by the New Jersey Department of Environmental Protection, pursuant to which the Peninsula is being remediated.

"Loan" means the financing of the Purchase Price and Associated Costs through an Approved Lender.

"Manager's Audit" means that audit which the Parking Manager, as part of its system of internal controls, shall perform, in accordance with parking industry standards, of periodic random audits of transactions.

"Maximum Market Tariff" shall have the meaning set forth in Section 5.2(2) of the Terminal Operating Agreement.

"Maximum Market Wharfage Fee" shall have the meaning set forth in Section 5.2(2) of the Terminal Operating Agreement.

"Minimum Fee" shall have the meaning set forth in Section 6.5 of the Usage Agreement.

"N-1 Transition Date" means that certain date upon which there is Substantial Completion of all Construction of the Phase II Improvements and RCCL Cruise Lines may commence Cruise Operations at Berth N-1.

"Negotiating Team" means the respective teams of 1 to 3 representatives of each Party that will attempt to consider and resolve a Dispute prior to binding arbitration pursuant to the Dispute Resolution Article of the applicable Article of each respective, Transaction Document.

"Net Parking Profit" means the amount equal to Gross Parking Revenues less Parking Expenses.

"No Lien Affidavit" means the affidavit executed on the Closing Date as referenced in the Purchase and Sale Agreement, verifying that there are no liens on the applicable Improvements being conveyed at that applicable Closing.

"Notice" shall have the meaning set forth in the Section of the Miscellaneous Article of each respective Transaction Document to which it corresponds.

"Other Cruise Lines" means the operators of Vessels, other than RCCL Cruise Lines, conducting Cruise Operations.

"Other Improvements" means a change, alteration, replacement or addition to a completed Improvement (including replacement, or partial replacement, of a portion of the Parking Area with the Additional Parking Improvements), excluding a Casualty Restoration.

"Parcel" means a parcel of real property in the Redevelopment Area.

"Parking Account" means an account in a federally insured financial institution that meets the requirements of the Governmental Unit Deposit Protection Act, N.J.S.A 17:9-41 et seq. and is reasonably acceptable to the BLRA for the deposit of the Gross Parking Revenues.

"Parking Area" means that portion of the Redevelopment Area available for use by cruise passengers, Port employees, Invitees and guests for the parking of motor vehicles (including circulation within such area) upon which is Constructed the Parking Improvements and which is subject to the Parking Management Agreement, the square footage of which shall be established with reasonable accuracy from time to time by the BLRA. See Exhibit O to the Redevelopment Agreement and Exhibit B to the Parking Management Agreement, respectively, as the case may be.

"Parking Area Location Requirement" means the requirement that the BLRA make reasonable efforts to locate the Parking Area close enough to the Terminal Area so that Redeveloper is not required to make separate or lengthier transportation arrangements for cruise ship passengers than required by the Parking Area of the Existing Parking Improvements for a one Berth facility, and reasonably proximate to the Terminal Area for a two Berth facility.

"Parking Budget" shall have the meaning set forth in Section 6.14 of the Parking Management Agreement.

"Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Parking Premises for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering the Parking Services as set forth in the Parking Management Agreement.

"Parking Improvements" means facilities for the parking of cruise passenger, Port employee and Invitee vehicles including but not limited to, pavement, garage structure (if required by the BLRA), striping, fencing, revenue control system, security system and lighting.

"Parking Management Agreement" means the Parking Management Agreement dated as of September 1, 2005 by and between the BLRA and the Redeveloper, which is one of the Transaction Documents.

"Parking Management Fee" shall have the meaning set forth in Section 7.1 of the Parking Management Agreement.

"Parking Manager" means the Redeveloper, its Affiliate or Approved Contractor or such other Person appointed under the Parking Management Agreement to manage and operate the Parking Premises from time to time during the Term.

"Parking Premises" means together the Parking Area inclusive of the Parking Improvements.

"Parking Requirements" means the requirement that any Parking Improvement: (1) provide space for the parking of 690 motor vehicles, or such number of spaces as the Parties may agree upon, in the event that the Terminal Area and Terminal Improvements remain a 1 Berth facility, or (2) provide space for the parking of 1,600 motor vehicles, or such number of spaces as the Parties may agree upon, in the event that the Terminal Area and Terminal Improvements become a 2 Berth facility, all in conformance with the terms and conditions of the Transaction Documents.

"Parking Services" means the services to be rendered by the Parking Manager with respect to the maintenance, operation and management of the Parking Premises, all as set forth in the Parking Management Agreement and Appendix "A" thereto.

"Parking Severance Date" means the date upon which the BLRA expects to separate a Parking Severance Parcel from the Parking Area pursuant to Section 5.6 of the Redevelopment Agreement.

"Parking Severance Notice" means the written Notice given to the Redeveloper by the BLRA pursuant to Section 5.6 of the Redevelopment Agreement to advise of the Parking Severance Date.

"Parking Severance Parcel" means one or more Parcels, each a portion of the Parking Area, that the BLRA has determined to separate from the Parking Area pursuant to Section 5.6 of the Redevelopment Agreement.

"Parties" means the parties to the Transaction Document to which the term corresponds, inclusive of the BLRA, the Redeveloper and the Port Manager.

"Peninsula" means the former U.S. Army Ocean Terminal which was transferred to the BLRA pursuant to the Transfer Documents and deemed an "area in need of redevelopment" under the Redevelopment Law.

"Permitted Uses" means the following lawful uses as they relate to the Port and the Redevelopment Area: (1) the loading and unloading of passengers, their baggage, and cargo from any Vessel in the performance of Cruise Operations; (2) the entertaining of guests and/or holding of functions or banquets on board the Vessels while in the Port and docked between scheduled arrivals and departures; (3) any other use permitted under the Transaction Documents and, (4) any other use approved in writing by the BLRA, provided that any such activity would not be in violation of Applicable Law.

"Person" means any individual, sole proprietorship, corporation, partnership, joint venture, limited liability company or corporation, trust, unincorporated association, institution, public or Governmental Body, or any other entity.

"Phase" means any of the Phase II Improvements, Phase III Improvements, Phase IV(a) Improvements, Phase IV(b) Improvements or Other Improvements as set forth in the Redevelopment Agreement and the Transaction Documents.

"Phase II Commencement Notice" means the Notice which the BLRA may, at any time, serve upon the Redeveloper directing the Redeveloper in writing to undertake the Phase II Improvements.

"Phase II Improvements" means the Construction of Bulkhead Improvements and Docking Area Improvements pursuant to the Redevelopment Agreement such that a Voyager-Class Vessel may berth in

either Configuration "A" or Configuration "B" as required under the Redevelopment Agreement, provided however, that Phase II Improvements shall not include the BLRA Bulkhead Improvements.

"Phase III Completion Date" means that certain date in which all Construction of the Phase III Improvements has reached Substantial Completion such that RCCL Cruise Lines may commence Cruise Operations at Berth N-2.

"Phase III Improvements" means the Construction of Bulkhead Improvements and Docking Area Improvements such that one Voyager-Class Vessel (in addition to a Vessel berthing at the Phase II Improvements) may berth simultaneously as depicted on Exhibit P to the Redevelopment Agreement.

"Phase III Improvements Notice" means that written Notice sent to the Redeveloper by the BLRA advising the Redeveloper to commence the Phase III Improvements, provided that the BLRA reasonably expects the Channel Dredging Project to be completed by the United States Army Corp. of Engineers within 1 year of the issuance of such Notice.

"Phase III Severance Area" means the area identified as Exhibit Q to the Redevelopment Agreement.

"Phase III Severance Date" means the date upon which the BLRA expects to separate a Phase-III Severance Parcel pursuant to Section 5.5 of the Redevelopment Agreement.

"Phase III Severance Parcel" means one or more Parcels, each a portion of the Phase III Severance Area, that the BLRA has determined to separate therefrom pursuant to Section 5.5 of the Redevelopment Agreement. The Phase III Severance Parcel shall be configured and measured pursuant to the provisions of Section 5.8 of the Redevelopment Agreement. Each Phase III Severance Parcel separated seriatim shall lie within the boundary of the maximum extent of the Phase III Severance Area.

"Phase III Severance Notice" means the written Notice given to the Redeveloper by the BLRA to advise of the Phase III Severance Date.

"Phase IV(a) Improvements" means the demolition of the then existing Terminal Improvements and the Construction of a new 2 Berth Terminal Improvement to be located adjacent to the Bulkhead Improvements Constructed in connection with the Phase III Improvements as depicted in Exhibit R to the Redevelopment Agreement.

"Phase IV(b) Improvements" means the demolition of the then existing Terminal Improvements and its replacement with a new 1 Berth Terminal Improvement located adjacent to the Bulkhead Improvements as depicted in Exhibit S to the Redevelopment Agreement.

"Plans and Specifications" means the completed final drawings, plans and specifications prepared by Redeveloper that shall conform to the Preliminary Design Plan approved by the BLRA as the same may be modified from time to time with respect to any Phase of the Improvements or a Casualty Restoration.

"Plan Submission Date" means, with respect to the applicable Phase, the date Redeveloper must submit the Preliminary Design Plan to the BLRA pursuant to the Redevelopment Agreement.

"Plan Submission Extension" shall have the meaning set forth in Section 6.2.2(2) of the Redevelopment Agreement.

"Port" means the Cape Liberty Cruise Port located on the Redevelopment Area, and comprised of the Docking Area, the Terminal Area, Bulkhead Improvements, Berths and adjacent waters thereto.

"Port Management Fee" means a management fee of \$150,000 per annum, subject to annual increases based on the percentage change in the CPI over each prior calendar year.

"Port Manager" means Cape Liberty Cruise Port LLC, a Delaware limited liability company, or such other Person appointed under the Terminal Operating Agreement to manage the Port from time to time during the Term.

"Port Manager's Audit" shall have the meaning set forth in Section 5.12(3) of the Terminal Operating Agreement.

"Port Manager's Covenants" shall have the meaning set forth in Section 3.2 of the Terminal Operating Agreement.

"Port Security Plan" shall have the meaning prescribed in Section 5.6 of the Terminal Operating Agreement.

"Port Security Manager" shall have the meaning prescribed in Section 5.6(1) of the Terminal Operating Agreement.

"Port Security Officer" shall have the meaning prescribed in Section 5.6(1) of the Terminal Operating Agreement.

"Preconditions for Redevelopment of Phase III Improvements" means:

(1) Redeveloper reasonably determines commercial demand for cruise ship operations is likely to be sufficient to provide utilization of the Bulkhead Improvements which are a part of the Phase III Improvements for a minimum of 2 out of every 3 weekend days (Friday, Saturday and Sunday) during the season for Cruise Operations within the 3 years next following the year in which the Phase III Improvements Notice is given, and

(2) Redeveloper estimates that Redeveloper's Cost of Construction for the Phase II Improvements plus the Phase III Improvements are, in the aggregate, expected to be less than \$17 million as increased from the Effective Date by the Construction Inflation Factor.

"Pre-Existing Contamination" means and includes all contaminants investigated as part of the RAWP or such other fuel oil, petroleum products or Environmental Contamination existing on or within the Redevelopment Area prior to the Effective Date.

"Preliminary Design Plan" means the preliminary design plan for each Phase.

"Preliminary Site Plan" means a plan that sets forth the location and dimensions of the Improvements, vehicular and pedestrian circulation areas, proposed security zone, easements for utility service, and the boundary of the respective Phase relative to the Redevelopment Area.

"Primary Berth" shall have the meaning set forth in Section 3.2.1 of the Usage Agreement.

"Priority Charges" shall have the meaning set forth in Section 4.1(3) of the Terminal Operating Agreement.

"Project Engineer" means an experienced and licensed engineer appointed by Redeveloper to serve as the head engineer of the Redevelopment Project from time to time.

"Proposed Berthing Schedule" means the Redeveloper's written Notice to BLRA of the Vessels (including size and passenger capacity), dates and times that the RCCL Cruise Lines intend to berth at the Primary Berth(s) and the Secondary Berth for the following calendar year.

"psf" means a unit of measurement reflecting a 1 square foot area.

"Purchase and Sale Agreement" means the Purchase and Sale Agreement dated as of September 1, 2005 by and between the BLRA and Redeveloper, which is one of the Transaction Documents.

"Purchase Price" means an amount which represents Redeveloper's Cost of Construction of a particular Phase and anticipated cost of Construction if a particular Phase is not completed prior to the sale of same pursuant to the Purchase and Sale Agreement.

"Quit Claim Deeds" means the deeds executed and delivered to the BLRA from the United States of America, Department of the Army, on September 28, 2001 and December 11, 2002, respectively, which transferred the Peninsula to the BLRA and which have been subsequently recorded in the public record.

"RAWP" means the remedial action work plan which is a component of the Environmental Remediation.

"RCCL Cruise Lines" means the Redeveloper, Celebrity Cruises, Inc. and their Affiliates.

"Records" shall have the meaning prescribed to those documents referenced in Section 6.13 of the Parking Management Agreement and Section 5.12 of the Terminal Operating Agreement, as the case may be.

"Redeveloper" means Royal Caribbean Cruises Ltd., a corporation organized and existing under the laws of the Republic of Liberia.

"Redeveloper Indemnified Parties" means the RCCL Cruise Lines, and their directors, officers, employees, agents, parent, subsidiaries, contractors, consultants, successors and assigns.

"Redeveloper Licenses" means those licenses granted to Redeveloper for undertaking the Redevelopment Project or to the Port Manager for providing the Terminal Services for the Port, as applicable, under the Transaction Documents.

"Redeveloper Loan" means the financing, through the Redeveloper, of the Purchase Price and the Associated Costs for the purchase of a particular Phase of Improvements under the Purchase and Sale Agreement.

"Redevelopment Agreement" means the Redevelopment Agreement dated as of September 1, 2005 by and between the BLRA and the Redeveloper, which is one of the Transaction Documents.

"Redevelopment Area" means that portion of the Peninsula comprising, from time to time as the case may be, and as established by appropriate measurement and configuration pursuant to Section 5.8 of the Redevelopment Agreement: the Parking Area, the Terminal Area, the Docking Area, the Bulkhead Area, adjacent waters, Berths and the Construction Area, as each is determined in accordance with the

aforementioned terms of the Redevelopment Agreement including such areas of the Maritime Industrial District (as defined in the Redevelopment Plan) determined by the BLRA to be available for the Construction, use and operation of the Improvements, including, upon completion, the Improvements thereon. The measurements shall be established pursuant to Section 5.8.3 of the Redevelopment Agreement. As of the Effective Date, the Redevelopment Area is as presently depicted as the Existing Improvements on Exhibit M to the Redevelopment Agreement.

"Redeveloper's Cost of Construction" means any and all expenses applicable and costs incurred by Redeveloper in connection with the design, development and Construction of the Improvements, including, without limitation, plans, surveys, materials, contractor and sub-contractor fees, permitting fees, costs of capital, government fees, environmental remediation, applicable Priority Charges incurred during Construction of such Improvements, hook-up fees, and taxes, and any back-up documentation associated therewith.

"Redeveloper's Covenants" shall have the meaning set forth in Section 4.1 of the Redevelopment Agreement.

"Redeveloper's Designation" shall have the meaning as set forth in Section 3.1 of the Redevelopment Agreement.

"Redeveloper's Net Parking Profit Share" means for each calendar year the greater of (1) \$0 or (2) the Net Parking Profit less the BLRA's Net Parking Profit Share.

"Redeveloper's Trade Fixtures" means all items of personal property owned or leased by Redeveloper or its contractors, agents, assignees and licensees, located in, attached or affixed to, or used in connection with the Redevelopment Project, and located on the Redevelopment Area including, but not limited to:

- (1) computers;
- (2) office machines, including non-electric comptometers and typewriters, and coin counters;
- (3) Construction and maintenance equipment, including vises, welding outfits, benches, storage bins or cabinets, ladders, portable spray booths, and small hand tools and equipment; maintenance equipment, including vises, welding outfits, benches, storage bins or cabinets, ladders, portable spray booths, and small hand tools and equipment;
- (4) miscellaneous items such as air compressors, alarm systems, blowers, paper balers, pumps, refrigeration units, heavy scales, water coolers, and steel hand trucks, but not including air conditioning equipment, electrical wiring and conduits, air ducts and plumbing fixtures and pipes;
- (5) furniture including desks, file cabinets, chairs and sofas, benches, stools, tables, safes;
- (6) signing and art work, including bulletin boards, pegboards, pictures and decorative art placed on walls, sign holders; and
- (7) any and all renewals, replacements of, additions to, and substitutions for the above-enumerated items.

"Redevelopment Law" means the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented.

"Redevelopment Plan" means the "Peninsula at Bayonne Harbor Redevelopment Plan" adopted by the City Council of the City by ordinance duly adopted December 15, 2004 and as further amended and supplemented from time to time, which Redevelopment Plan governs the redevelopment of the Peninsula.

"Redevelopment Project" means: (1) the undertaking and Construction of the Improvements and Casualty Restorations by the Redeveloper, (2) the operation, maintenance and management of the Redevelopment Area and Improvements by the Port Manager or the Parking Manager, as the case may be; and (3) the usage of the Redevelopment Area, and the Improvements thereon, by the Redeveloper, RCCL Cruise Lines, Port Manager and their Affiliates in accordance with the Transaction Documents.

"Reimbursement Revenue" shall mean the sum of all rents, fees and other income paid to the BLRA, its Affiliates, assigns or designees in connection with use, reuse, lease, sale or other disposition of the Improvements (or any portion thereof) less (1) to the extent applicable, any amount due to the BLRA under the Transaction Documents as of the Termination Date with interest thereon accrued at the Default Interest Rate, (2) reasonable administrative and operating expenses incurred by the BLRA, or on its behalf, in connection with the use, reuse, lease, sale or other disposition of the Improvements, (3) the cost (or debt service on funds borrowed to pay the cost) of any additional improvements, or renovations to the Improvements reasonably contemplated under the Redevelopment Agreement, and undertaken by the BLRA or on its behalf, and (4) the amount of the Priority Charges and the BLRA's Net Parking Profit Share the BLRA could have reasonably expected to receive (net of any of such amounts the BLRA actually received) if the Redeveloper, Parking Manager and Port Manager had continued to use the Redevelopment Area for Cruise Operations as contemplated in the Transaction Documents, provided, however, that the amounts specified in (4) above shall not be deducted in calculating the Reimbursement Revenue if the termination of the Transaction Documents was by virtue of a termination of the Redevelopment Agreement under Sections 10.2, 19.1.1, 19.1.3 and/or 20.4 thereof. For purposes of this calculation, the BLRA's Net Parking Profit Share shall be equal to the average of the BLRA's Net Parking Profit Share for the immediately preceding 3 calendar year period prior to the Termination Date. The maximum amount of Reimbursement Revenue payable by the BLRA to Redeveloper in a calendar year shall be the sum of the Minimum Fee payable with respect to such year and the Stranded Investment Recovery with respect to such year provided, however, that in the event of a sale of such Improvements the maximum amount of Reimbursement Revenue shall be an amount sufficient to defease the unamortized portion of any outstanding Bonds, Redeveloper's Loan, Loans and the Stranded Investment Recovery.

"Relocation Fee" means a corresponding reduction in the BLRA's Net Parking Profit Share payable during each calendar year by the dollar amount required for Redeveloper to pay for reasonably increased transportation costs for failure of the BLRA to satisfy the Parking Area Location Requirement.

"Revenue Deficiency" shall have the meaning set forth in Section 6.4(3) of the Usage Agreement.

"Revenue Fund" means an account established pursuant to Section 5.3 of the Terminal Operating Agreement in a federally insured financial institution which complies with the Governmental Unit Deposit Protection Act, N.J.S.A 17:9-41 et seq. and which is reasonably satisfactory to the BLRA.

"Revenue Surplus" shall have the meaning set forth in Section 6.4(4) of the Usage Agreement.

"Sale Acceptance Period" shall have the meaning set forth in Section 17.2 of the Redevelopment Agreement.

"Sale Offer" shall have the meaning set forth in Section 17.2 of the Redevelopment Agreement.

"Schedule Amendments" shall have the meaning set forth in Section 3.2.2(6) of the Usage Agreement.

"Scheduled Completion Date" means the date specified in the Development and Construction Schedule for completion of the applicable Improvements of an applicable Phase and approved by the BLRA.

"Scheduled Cruise Days" means the dates (as rescheduled from time to time) and times set forth in the Proposed Berthing Schedule and Agreed Berthing Schedule which Redeveloper shall have for the berthing of their Vessels.

"Schedule Deadline" means April 30 of each calendar year or such other date as mutually agreed to by the Parties.

"Secondary Berth" shall have the meaning set forth in Section 2.2.1 of the Usage Agreement.

"sf" means square foot or feet, as a unit of measurement.

"Stranded Investment Recovery" means the amount required to repay the Redeveloper for Redeveloper's Cost of Construction of any Improvement incurred by the Redeveloper, but not reimbursed to the Redeveloper through the purchase of such Improvement by the BLRA under the Purchase and Sale Agreement, as of the Termination Date. Such repayment is based upon an assumed debt service schedule that amortizes such cost using level debt service over a period of time that commences with the Termination Date and ends on December 31, 2038 at an interest rate that is equal to the corresponding Municipal Market Data yield for "A" rated, tax-exempt, general obligation municipal bonds as published in The Bond Buyer (or a similar index).

"State" means the State of New Jersey.

"Submissions" shall have the meaning set forth in Section 15.9 of the Redevelopment Agreement.

"Substantial Completion" means (1) for the Terminal Improvements, that the City has issued either a temporary or permanent Certificate of Occupancy, and (2) for all other Improvements, that they have been substantially completed in accordance with the Plans and Specifications.

"Taking" shall have the meaning set forth in Section 13.1 of the Redevelopment Agreement.

"Term" shall mean the term of each respective Transaction Document, running from the Effective Date through to and including December 31, 2038.

"Terminal Area" means that portion of the Redevelopment Area available for use as a passenger ship terminal upon which is constructed the Terminal Improvements and including also exterior space used by cruise and related businesses including but not limited to loading and unloading, taxi and passenger vehicle drop-off and pick-up areas, and dedicated routes to and from cruise Vessels and the Terminal Improvements for the transport of passengers, the square footage of which shall be established with reasonable accuracy from time to time by the BLRA in accordance with the Transaction Documents.

"Terminal Improvements" means the Improvements upon the Terminal Area within the Redevelopment Area, used as a passenger ship terminal from time to time during the Term, including Building 14.

"Terminal Operating Agreement" means the Terminal Operation Agreement dated as of September 1, 2005 by and between the BLRA and the Port Manager, which is one of the Transaction Documents.

"Terminal Services" shall have the meaning as set forth and as articulated in Section 5.1 of the Terminal Operating Agreement.

"Termination Date" shall have the meaning set forth in Section 8.1.3 of the Redevelopment Agreement.

"Termination Fee" means the fee required to be paid by the Redeveloper to the BLRA upon termination of the Transaction Documents, and shall be equal to the sum of: (1) \$500,000 as increased by the CPI from the Effective Date, (2) the unamortized portion of \$2 million as amortized on a straight line basis over a 33 year period from the Effective Date, and (3) the unamortized portion of the BLRA Capital Charge.

"Transaction Documents" means collectively the Redevelopment Agreement, the Purchase and Sale Agreement, the Usage Agreement, the Parking Management Agreement, the Incidental Usage Agreement and the Terminal Operating Agreement.

"Transfer Documents" means and refers to the Quit Claim Deeds and all other documents and agreements transferring the Peninsula from the United States of America, Department of the Army, to the BLRA. The Transfer Documents include the U.S. Government Indemnification.

"Unavoidable Delay" means an event, other than an Event of Default, which delays the timely completion and Construction of the Improvements as contemplated by the Plans and Specifications for the applicable Phase, including a Force Majeure Event.

"Unknown Conditions" means any environmental condition which was not identified in the RAWP prepared by Excel Environmental Resources, Inc., dated July, 2001 and as amended in November 2001, and as may be supplemented or amended from time to time, and as approved by the New Jersey Department of Environmental Protection, pursuant to which the Peninsula is being remediated.

"Usage Agreement" means the Usage Agreement dated as of September 1, 2005 by and between the BLRA and Redeveloper, which is one of the Transaction Documents.

"U.S. Government Indemnification" shall have the meaning set forth in Section 15.8 of the Redevelopment Agreement.

"Vessel" means ships (including Voyager-Class cruise ships), which operate on navigable waters that engage in docking and berthing at the Port, and may engage in the embarking and disembarking of passengers at the Port pursuant to the Transaction Documents.

"Voyager-Class" means a class of cruise ship Vessel that is approximately 175,000 tons in weight and 1,100 feet in length.

"Waterfront Park" means the public park to be constructed and maintained by the BLRA on the Waterfront Park Area.

"Waterfront Park Area" means a Parcel of real property of approximately two hundred (200) feet in width and approximately four hundred (400) feet in length situated at the eastern corner of the Peninsula as depicted on Exhibit T of the Redevelopment Agreement.

"Waterfront Park Payment" means \$300,000 payable by Redeveloper to the BLRA in connection with the BLRA's construction of the Waterfront Park as set forth in Sections 6.14 and 7.2 of the Redevelopment Agreement.

"Wharfage Fees" means the charges assessed to the cruise Vessels berthing at the Port, which equals the product of (1) a quotient where the numerator is the Estimated Operating Expenses less the product of the Berthing Tariff and the Estimated Number of Passengers and the denominator is the Estimated Aggregate Tonnage and (2) the Vessels' respective gross registered tonnage.

"Working Capital Advance" shall have the meaning set forth in Section 6.4(2) of the Usage Agreement.

Expency - 9 million - (97.58)C

EXHIBIT B

BANK OF NEW YORK

WIRE INSTRUCTIONS

The Bank of New York - NY, NY

ABA 021000018

Credit: GLA 111-565

F/C to: Account Number and name**

Attn: Susan Pszonek 973-357-7046

**Cape Liberty Revenue Fund A/C 763554

or

Cape Liberty Reserve Fund A/C 763555

**Cape Liberty Cruise Port
2010 Plan**

BLRA Expenses	10P
6658.2001 - Port Lease Facility - Cape Liberty	\$1,750,000
Annual Construction Area Charge	\$0
Annual Terminal Improvements Charge	\$342,000
6621.2003 - Maint. Common Area - Cape Liberty	\$87,042
BLRA Supplemental Charge	\$318,261
BLRA Volume Charge	\$0
BLRA Financing Charge	\$1,140,725
Capital Reserve Charge	\$648,887
BLRA Administrative Fee	\$23,436
BLRA Insurance	\$52,000
BLRA Capital Charge	\$0
BLRA Total	\$4,662,461

CLCP Expenses	10P
6621.2001 - Maint. Facility - Cape Liberty	225,000
6621.2002 - Maint. Parking - Cape Liberty	300,000
6651.2001 - Bus Transfer Service - Cape Liberty	382,768
6651.2003 - Outside Service Fees - Other - Cape Liberty	2,776,919
6660.2000 - Utilities - Cape Liberty	450,000
6701.2001 - Insurance	209,504
Cape Liberty Expenses	4,344,209
Marketing Activities	11,400

Payroll - FT Exempt	213,474
Payroll - FT Non Exempt	39,978
Payroll	283,451
Payroll - Overtime	12,000
Payroll Taxes	19,958
Group Health Insurance	17,640
Pension	17,742
Bonus	36,324
Payroll & Benefits	387,116
Employee Relations	895
Employee Related	895
Outside Office Supplies	3,924
Computer Supplies	201
Repairs & Maintenance (G&A)	3,769
Gas & Oil	4,393
Delivery Charges	407
Supplies & Operations	12,694
T&L - Airfare	1,303
T&L - Hotel Expenses	1,009
T&L - Meal Expenses	907
T&L - Car/Transportation	2,517
T&L - Other	1,060
Entertainment	949
Travel & Entertainment	7,746
Telecommunications	29,819
Auto Rent	7,540
Equipment Rent	5,000
General & Administrative	420,607

CLCP Total

4,778,416

9,338,866

5/26/2010

BLRA PRIORITY CHARGE BUDGET 2010

Category	2010 Annual Amount
Annual Base Charge	\$ 1,773,954.00
Terminal improvements	\$ 342,000.00
Annual BLRA Common Area Charge	\$ 86,470.14
BLRA Supplemental Charge	\$ 211,570.16
BLRA Supplemental Charge New Improvements	\$ 104,601.61
BLRA Administrative Fee	\$ 23,058.70
BLRA Cost of Insurance	\$ 62,500.00
Total Priority Charge Annual 2010	\$ 2,604,154.62
Priority Charge Monthly	\$ 217,012.88

See below
 See below
 \$75,000 X CPI Increase
 See below
 2.4% X Cost of Construction Less \$250,000
 \$20,000 X CPI Increase
 See below

Construction Cost
 \$ 4,509,415.34

INSURANCE	
BLRA Liability Insurance Cost 2010	\$ 250,000.00
RCCL Share of BLRA Occupied SF	25.00%

CPI-U 12/04 206.8
 CPI-U12/08 233.012
 CPI-U 12/09 238.427 1.023239146
 CPI Increase 1.15294

See <http://data.bls.gov/cgi-bin/surveymost>

	SF*	\$ PSF	Total	Category
Terminal Area	349,413	\$ 0.13	\$ 44,313.58	Supplemental Charge
Docking Area	225,344	\$ 0.13	\$ 28,578.77	Supplemental Charge
Parking Area	438,931	\$ 0.13	\$ 55,666.49	Supplemental Charge
Total RDA Area	1,013,688	\$ 1.75	\$ 1,773,954.00	Base Charge
Parking Area	438,931	\$ 1.50	\$ 658,396.50	Base Charge Applicable to BLRA's Net Parking Profit Share
Terminal Improvements	120,000	\$ 2.85	\$ 342,000.00	Terminal Improvement Charge
Terminal Improvements	120,000	\$ 0.69	\$ 83,011.33	Supplemental Charge

*All sf figures regarding Terminal, Docking and Parking areas from LGA's drawing of 3/5/2009 and confirmed by Tim Rioux in May, 2010.

FIRST AMENDMENT TO PARKING MANAGEMENT AGREEMENT

By and Between

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

And

ROYAL CARIBBEAN CRUISES LTD.

Dated as of January 1, 2014

THIS FIRST AMENDMENT TO THE PARKING MANAGEMENT AGREEMENT by and between **The Port Authority of New York and New Jersey**, a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States of America and having its principal executive office at 225 Park Avenue South in the City of New York, New York County and State of New York (the "PANYNJ") and **Royal Caribbean Cruises Ltd.**, a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") having its offices at 1050 Caribbean Way, Miami, Florida 33132 (the PANYNJ and Redeveloper each, a "Party" and, together, the "Parties"), is made as of this 1st day of January, 2014 (the "First Amendment to the Parking Management Agreement" or this "Amendment"). This First Amendment to the Parking Management Agreement amends that certain Parking Management Agreement dated September 1, 2005 (the "Parking Management Agreement"), by and between the Bayonne Local Redevelopment Agency (the "BLRA"), an instrumentality and agency of the City of Bayonne, County of Hudson, New Jersey (the "City") and the Redeveloper. Capitalized terms used herein, and not otherwise defined herein, shall have the meanings prescribed to them in Exhibit A, as amended, to the Parking Management Agreement, as hereby amended.

WITNESSETH

WHEREAS, on September 1, 2005, the BLRA, Redeveloper and its affiliate, the Port Manager, entered into the Transaction Documents, including the Parking Management Agreement, in order to set forth the respective undertakings, rights and obligations of the Redeveloper, the Port Manager and the BLRA in connection with the redevelopment and use of the Port, all in accordance with Applicable Law; and

WHEREAS, on July 30, 2010, the PANYNJ and the BLRA entered into a Contract of Purchase and Sale (the "Purchase Contract") pursuant to which the PANYNJ purchased from the BLRA certain portions of the Peninsula, including the Redevelopment Area; and

WHEREAS, pursuant to the terms of the Purchase Contract, the BLRA agreed to assign to the PANYNJ, and the PANYNJ agreed to accept and assume, all of BLRA's rights and interests in and to the Transaction Documents; and

WHEREAS, the City by ordinance duly adopted on August 14, 2013 entitled "AN ORDINANCE OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY, DISSOLVING THE CITY OF BAYONNE REDEVELOPMENT AGENCY PURSUANT TO N.J.S.A. 40A:12A-24 and N.J.S.A. 40A:5A-20" (the "Dissolution Ordinance") has assumed all of BLRA's rights, title and interests in the Transaction Documents, subject to the express conditions set forth in the Dissolution Ordinance; and

WHEREAS, the City, the Redeveloper, the Port Manager, the Agent and the PANYNJ have executed an Assignment Agreement dated as of the date hereof pursuant to which the City (as successor to the BLRA) assigned and transferred to the PANYNJ, and the PANYNJ accepted and assumed, all of the City's rights and interests in the Parking Management Agreement; and

WHEREAS, since the execution of the Transaction Documents and the Assignment Agreement, it has been determined by the Parties that it is necessary to make certain changes to the Parking Management Agreement related to, among other things, the Assignment Agreement and the Construction and financing of the Phase IV(b) Improvements and the financing of a portion of the Phase II Improvements; and

WHEREAS, Section 13.9 of the Parking Management Agreement permits amendments thereto provided they are in writing and signed by the Parties; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and in the Parking Management Agreement as amended and supplemented by this First Amendment to the Parking Management Agreement, and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

SECTION 1. Amendment to Exhibit A of the Parking Management Agreement; Reference to BLRA; Reference to Governmental Unit Deposit Protection Act.

(A) **Amendment to Exhibit A.** Exhibit A to the Parking Management Agreement is hereby amended as set forth on Exhibit A attached hereto.

(B) **Reference to BLRA.** From and after the date hereof, except for the reference to the "BLRA" in the term "BLRA Financing Charge", all references to "BLRA" in the Parking Management Agreement shall be amended to read "PANYNJ" and all references to "Bayonne Local Redevelopment Authority" shall be amended to read "Port Authority of New York and New Jersey."

(C) **Reference to Governmental Unit Deposit Protection Act.** All references to the Governmental Unit Deposit Protection Act in the Parking Management Agreement, if any, including any requirements for compliance therewith, are hereby deleted.

SECTION 2. Amendment to Section 2.1(1) of the Parking Management Agreement.

(A) Section 2.1(1) of the Parking Management Agreement is hereby deleted in its entirety and amended to read as follows:

“(1) The PANYNJ is a body corporate and politic established by the Compact between the States of New York and New Jersey, with the consent of the Congress of the United States.”

(B) The PANYNJ reaffirms all of the representations set forth in Sections 2.1(2) through 2.1(7) of the Parking Management Agreement provided that the references therein to the “BLRA” shall be deemed to mean the “PANYNJ”.

SECTION 3. Amendment to Section 3.1 of the Parking Management Agreement. Section 3.1 of the Parking Management Agreement shall be deleted in its entirety and replaced with the following:

“**Section 3.1 License.** The PANYNJ, for and in consideration of the Parking Services to be provided hereunder and the covenants contained in this Parking Management Agreement, and subject to the terms and conditions of the Parking Management Agreement, does hereby grant to the Redeveloper an exclusive license to operate, maintain and manage any and all motor vehicle parking in the Redevelopment Area, including, without limitation, the Parking Premises, and in the Overflow Parking Area. The Redeveloper and the Port Manager shall have the exclusive right to use the Parking Area and the Parking Improvements. The Redeveloper and the Port Manager shall have the right to non-exclusive, preferential use of the Overflow Parking Area. If the Redeveloper or the Port Manager shall at any time require the use of additional parking area for the parking of its cruise passengers, the PANYNJ shall make the Overflow Parking Area available and accessible so long as the Redeveloper, or the Port Manager, gives 24 hours notice to the PANYNJ’s facility manager (which notice may be oral) that such Overflow Parking Area is required and the estimated number of spaces to be occupied.”

SECTION 4. Amendment to Section 4.1 of the Parking Management Agreement. Section 4.1 of the Parking Management Agreement shall be deleted in its entirety and replaced with the following:

“**Section 4.1 Parking Premises.** The Parking Premises shall be as set forth on Exhibit B-1 attached to the First Amendment to the Redevelopment Agreement prior to the Relocation Date and as set forth on Exhibit C-1 attached to the First Amendment to the Redevelopment Agreement from and after the Relocation Date. The PANYNJ may, however, at any time during the Term (at the PANYNJ’s sole option and expense), undertake the reconfiguration, reduction or relocation of the Parking Premises (each, an “Alteration”) provided that: (1) as a condition precedent to the undertaking of any such Alteration, the Parking Requirements are satisfied; and (2) the PANYNJ at all times continuously meets the Parking Requirements, including the Parking Area Location Requirement. The PANYNJ shall use reasonable efforts to meet the Parking Area Location Requirement. In the event that the PANYNJ is unable to satisfy the Parking Area Location Requirement, then the

PANYNJ shall pay the Relocation Fee to the Redeveloper as an off-set against the PANYNJ's Net Parking Profit Share."

SECTION 5. Amendments to Sections 6.12, 6.13 and 6.14 of the Parking Management Agreement. Sections 6.12, 6.13 and 6.14 of the Parking Management Agreement are hereby deleted in their entireties and amended to read as follows:

"Section 6.12 Parking Fees and Parking Expenses. The Parking Manager shall establish and collect all parking fees, whether hourly, daily, monthly or otherwise, together with all other sums included as Gross Parking Revenues or Gross Overflow Parking Revenues due with regard to the operation of the Parking Premises and Overflow Parking Area and promptly deposit them, as collected, in the Parking Account. The Parking Manager shall incur and pay, or cause to be paid, from the Gross Parking Revenues, to the extent sufficient, the Parking Expenses, and from the Gross Overflow Parking Revenues, to the extent sufficient, the Overflow Parking Expenses. In no event shall that portion of the Parking Expenses which consists of collectively (i) the principal and interest payments on the Parking Improvements Portion of the Redeveloper Loan and (ii) the reasonable expenses incurred by the Redeveloper in connection with the Parking Improvements Portion of the Redeveloper Loan, exceed in any fiscal year \$1,450,000 (excluding any prepayments permitted by Section 7.4 of this Parking Management Agreement). The Parking Manager shall pay all Parking Expenses and Overflow Parking Expenses on a timely basis so as to avoid the imposition of interest or penalties, and shall carefully control Parking Expenses and Overflow Parking Expenses in order to minimize costs. In the event that Gross Parking Revenues are insufficient to pay Parking Expenses or Gross Overflow Parking Revenues are insufficient to pay Overflow Parking Expenses in any month, the Parking Manager shall advance such amount as may be necessary to cover any such deficit. The Parking Manager shall be reimbursed for such advances (without interest) in subsequent months to the extent that Gross Parking Revenues exceed Parking Expenses or Gross Overflow Revenues exceed Overflow Parking Expenses for such subsequent months."

"Section 6.13 Internal Controls, Accounting System. (1)
The Parking Manager shall implement and maintain an accurate and efficient system of internal controls recording the receipt of Gross Parking Revenues and Gross Overflow Parking Revenues and disbursement of Parking Expenses and Overflow Parking Expenses (such documentation hereinafter referred to as the "Records"). Upon 10-days written Notice to the Parking Manager, the PANYNJ and any other Person or entity authorized to conduct an audit of the Records (the "PANYNJ Audit") shall have access to the Records during normal business hours at the office of the Parking Manager within the State or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the purpose of inspection, auditing and copying.

(2) All records pertaining to the receipt of Gross Parking Revenues and Gross Overflow Parking Revenues and payment of Parking

Expenses and Overflow Parking Expenses, including, without limitation, monthly parking records, coupon and validation stamp sales and redemption records, cash register tapes, cashier reports, daily reports, bank statements with respect to the Parking Account, deposit slips invoices and vendor invoices and cancelled checks shall be retained by the Parking Manager and made available to the PANYNJ for the purpose of the PANYNJ Audit for a period of 2 years. Such right to perform the PANYNJ Audit shall survive the termination and/or expiration of the Term for a period of 2 years.

(3) The Parking Manager, as part of its system of internal controls, shall perform the Manager's Audit and shall make the Manager's Audit available to the PANYNJ for inspection. The cost of performing the Manager's Audit shall be included in the Parking Expenses.

(4) The Parking Manager shall provide an itemized monthly and year-to-date statement to the PANYNJ, on or before the twentieth (20th) date of the succeeding month, stating the Gross Parking Revenues and Gross Overflow Parking Revenues and Parking Expenses and Overflow Parking Expenses and the beginning and ending cash balances of the Parking Account with respect to such month. Such monthly report shall be prepared in a manner that tracks Gross Parking Revenues and Gross Overflow Parking Revenues and Parking Expenses and Overflow Parking Expenses to the Parking Budget (as defined below)."

"Section 6.14 Parking Budget. On or before November 15 of each calendar year, the Parking Manager shall submit to the PANYNJ a proposed budget detailing the estimated Gross Parking Revenues and Gross Overflow Parking Revenues and Parking Expenses and the Overflow Parking Expenses of the Parking Premises for the following calendar year, which proposal shall include recommended parking rates for the following calendar year (the "Parking Budget"). On or before December 15 of each year, the PANYNJ will deliver to the Parking Manager either written approval of the Parking Budget or written Notice specifically identifying those line items of the Parking Budget that the PANYNJ disapproves, in which event the Parking Manager and the PANYNJ shall each, in good faith, agree upon a resolution of the disapproved line items, within 30 days from the date of the written Notice of disapproval. The Parking Manager shall use commercially reasonable efforts to abide by the approved Parking Budget. The Parking Budget (including the effective parking rates) may be revised or amended in the course of the calendar year if agreed to by both the Parking Manager and the PANYNJ."

SECTION 6. Amendment to Section 7.4 and Addition of New Sections 7.6, 7.7, 7.8, 7.9, and 7.10.

(A) Section 7.4 shall be deleted in its entirety and replaced with the following:

“Section 7.4 Payments; Permitted Prepayments. (A) Within 10 days after the Independent Accountant Certification (or any alternative certification) is delivered to the Redeveloper, the Redeveloper shall (1) prepare and deliver to the PANYNJ a statement in writing certified by an authorized representative of Redeveloper, setting forth the Net Parking Profit, the PANYNJ Net Parking Profit Share, the Relocation Fee, if any, and the Redeveloper’s Net Parking Profit Share for the immediately preceding year (the “Annual Profit Statement”), (2) the amount of any prepayment, if any, which is permitted by paragraph (B) below, and (3) cause the Parking Manager to pay (a) to the Redeveloper an amount equal to the Redeveloper’s Net Parking Profit Share and the Relocation Fee, if any, (b) to the PANYNJ an amount equal to the PANYNJ Net Parking Profit Share, if any, and (c) to the Redeveloper or the Approved Lender, as applicable, the amount of the proposed prepayment of the principal amount outstanding on the Parking Improvements Portion of the Redeveloper Loan, if any, and only to the extent permitted by paragraph (B) below.

(B) If, at the end of any fiscal year, the Annual Parking Statement, as certified by the Independent Accountant, demonstrates that the PANYNJ Net Parking Profit Share is at least equal to \$500,000, then the Redeveloper may make a prepayment of any principal amount outstanding on the Parking Improvements Portion of the Redeveloper Loan for the immediately preceding year, if, and only to the extent that, the PANYNJ Net Parking Profit Share is still at least equal to \$500,000 when the proposed amount of the prepayment is included in the Parking Expenses for the immediately preceding year for the purposes of calculating Net Parking Profit. If the proposed prepayment, when included in the Parking Expenses for the immediately preceding year, would result in the PANYNJ Net Parking Profit Share being less than \$500,000, then no prepayment of principal on the Parking Improvements Portion of the Redeveloper Loan shall be permitted for that year.”

(B) New Sections 7.6, 7.7, 7.8, 7.9, and 7.10 shall be added to the Parking Management Agreement to read as follows:

“Section 7.6 Parking Management Fee for Overflow Parking Area. The Parking Manager (whether the Redeveloper, its Affiliate or an Approved Contractor) shall be paid a Parking Management Fee for providing the Parking Services at the Overflow Parking Area. The Parking Management Fee for the Redeveloper or its Affiliate at the Overflow Parking Area shall be fifty percent (50%) of the Net Overflow Parking Profits. The Parking Management Fee for an Approved Contractor shall be based on a commercially reasonable amount to be mutually agreed upon by the Redeveloper and the PANYNJ in connection with the contract between Redeveloper and proposed contractor. The Parking Management Fee for an Approved Contractor shall be considered an Overflow Parking Expense payable from the Gross Overflow Parking Revenues.”

“Section 7.7 Net Overflow Parking Profit. (1) During the Term, the PANYNJ shall receive each calendar year fifty percent (50%) of the Net Overflow Parking Profits.

(2) During the Term, the Redeveloper shall receive each calendar year fifty percent (50%) of the Net Overflow Parking Profits.”

“Section 7.8 Annual Overflow Parking Statements. (1) Within 30 days after the end of each calendar year, and within 30 days after the expiration and/or termination of this Parking Management Agreement, the Parking Manager shall submit to the PANYNJ, the Redeveloper and the Independent Accountant a statement certified by an authorized representative of the Parking Manager setting forth the annual Gross Overflow Parking Revenues, the annual Overflow Parking Expenses, and the annual Net Overflow Parking Profit (the “Annual Overflow Parking Statement”). The Parking Manager shall, simultaneously with delivery of the Annual Overflow Parking Statement, provide the Independent Accountant with a copy of the Records for such period or such portion of the Records that the Independent Accountant may request in its sole discretion.

(2) Within 90 days after receipt of the Annual Overflow Parking Statement, the Redeveloper shall cause the Independent Accountant to submit to Redeveloper and the PANYNJ a certification certifying that the Annual Overflow Parking Statement accurately presents the Net Overflow Parking Profit in accordance with generally accepted accounting principles (the “Independent Overflow Accountant Certification”). Notwithstanding the above, the PANYNJ may in its sole discretion undertake an alternate method for such certification provided the cost shall not exceed the cost to obtain the Independent Overflow Accountant Certification. Any and all expenses of the Independent Accountant shall be included in the Parking Budget as Overflow Parking Expenses and paid from the Gross Overflow Parking Revenues.”

“Section 7.9 Overflow Payments. Within 10 days after the Independent Overflow Accountant Certification (or any alternative certification) is delivered to the Redeveloper, the Redeveloper shall (1) prepare and deliver to the PANYNJ a statement in writing certified by an authorized representative of the Redeveloper, setting forth the Net Overflow Parking Profit, the fifty percent (50%) share of Net Overflow Parking Profit to which each of the PANYNJ and the Redeveloper are entitled and, the Relocation Fee, if any, for the immediately preceding calendar year (the “Annual Overflow Profit Statement”), and (2) cause the Parking Manager to pay both the Redeveloper and the PANYNJ an amount equal to fifty percent (50%) of the Net Overflow Parking Profits.”

“Section 7.10 Overflow PANYNJ Audit. In the event that the PANYNJ Audit referenced in Section 6.13(1) discloses unreported or

unrecognized Gross Overflow Parking Revenues, or failure to collect and deposit Gross Overflow Parking Revenues in the Parking Account and/or Overflow Parking Expenses that are misstated or not permitted pursuant to this Parking Management Agreement or the Transaction Documents, and such unrecognized Gross Overflow Parking Revenues or unauthorized Overflow Parking Expenses would result in an increase in the PANYNJ's fifty percent (50%) share of Net Overflow Parking Profit with respect to such calendar year, then the Parking Manager shall promptly pay over to the PANYNJ such increase together with interest thereon at the Default Interest Rate. Should the PANYNJ Audit result in an increase in the PANYNJ 50% Net Overflow Parking Profit Share of greater than 5%, then the Parking Manager shall reimburse the PANYNJ for the cost of the PANYNJ Audit and such reimbursement amount shall not be deemed an Overflow Parking Expense."

Notwithstanding anything to the contrary contained in the Transaction Documents, no amounts shall be payable under Sections 7.1, 7.2, 7.3 and 7.4 of the Parking Management Agreement with respect to the Overflow Parking Area and/or any revenues or expenses with respect thereto.

SECTION 7. Amendments to Section 8.1(1)(b), 8.2 and 8.6, and addition of new Section 8.7 to the Parking Management Agreement.

(A) Section 8.1(1)(b) of the Parking Management Agreement shall be amended to include a new sentence to read as follows:

"The limit for the insurance required by this Section 8.1(1)(b) shall be in an amount of not less than \$1,000,000 to the extent required by Applicable Law."

(B) The last sentence of Section 8.1(3) shall be deleted in its entirety and amended to read as follows:

"The PANYNJ shall have the right upon 30 days written notice from time to time to cause the Parking Manager to increase liability limits or modify coverages; provided, however, that the PANYNJ agrees that it shall not increase liability limits or modify coverages for a period of two (2) years beginning from the date of this Amendment in the absence of circumstances which would expose the PANYNJ to increased risk as determined by the PANYNJ."

(C) Sections 8.2 and 8.6.1 of the Parking Management Agreement each shall be amended so that the requirement that the "BLRA" therein is named as additional insured shall be deemed to mean that the "PANYNJ and its designated related entities" shall be required to be named as additional insureds or loss payees, as applicable.

(D) Section 8.6(4) of the Parking Management Agreement shall be amended to include a new sentence to read as follows:

“The insurance if required by Applicable Law as set forth in this Section 8.6(4) shall have coverage limits of not less than \$1,000,000.”

(E) A new Section 8.6(5) shall be added to read as follows:

“(5) Comprehensive crime insurance in the amounts and for the coverages that are commercially reasonable.”

(F) A new Section 8.7 shall be added to read as follows:

“**Section 8.7 Immunity Endorsement.** Relating to the policies set forth in this Article 8, the certificates of insurance and policies must contain the following endorsement: “The insurer(s) shall not without obtaining the express advance written permission from the General Counsel of the PANYNJ, raise any defense involving in any way the jurisdiction of the tribunal over the person of the PANYNJ, the immunity of the PANYNJ, its commissioners, officers, directors, agents or employees, the governmental nature of the PANYNJ, or the provision of any statutes respecting suits against the PANYNJ.”

SECTION 8. Amendment to Section 9.1(1) of the Parking Management Agreement. Section 9.1(1) of the Parking Management Agreement is hereby deleted in its entirety and amended to read as follows:

“**Section 9.1 Term.** The Term of this Parking Management Agreement shall commence on the Effective Date and end on December 31, 2043; provided however, that if the Redeveloper fails to receive a final Certificate of Occupancy for the Phase IV(b) Improvements by December 31, 2016 (as such date may be extended pursuant to extensions provided for under the Redevelopment Agreement, Force Majeure and the provisions of Article 21 of the Redevelopment Agreement) and such failure was caused by factors under the control of the Redeveloper, then the Term of this Parking Management Agreement shall end on December 31, 2038, unless, in either case, sooner terminated or extended pursuant to the terms of this Parking Management Agreement.”

SECTION 9. Amendment to Section 13.8 of the Parking Management Agreement. Section 13.8 of the Parking Management Agreement shall be deleted in its entirety and replaced with the following:

“**Section 13.8 Notices.** Any notice, demand, election, payment, or other communication, which the PANYNJ or Redeveloper shall desire or be required to give pursuant to the provisions of this Parking Management Agreement (each a “Notice”), shall be sent by registered or certified mail, return receipt requested, and the giving of such Notice shall be deemed complete on the third (3rd) business day after the same is deposited in a United States Post Office with postage charges

prepaid, enclosed in a securely sealed envelope addressed to the Person intended to be given such Notice at the respective addresses set forth below or to such other address as such Party may theretofore have designated by Notice pursuant to this Section 13.8.”

PANYNJ: Port Authority of New York and New Jersey
Port Commerce Department
225 Park Avenue South
New York, New York 10003
Attention: Director of Port Commerce

With copy to: Port Authority of New York and New Jersey
Law Department
225 Park Avenue South
New York, New York 10003
Attention: General Counsel

Redeveloper: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President, Commercial Development

With copy to: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: General Counsel

All Notices to be given under this Parking Management Agreement shall be given in writing in conformance with this Section 13.8 and, unless a certain number of days is specified, within a reasonable time.”

SECTION 10. Overflow Parking Area; Employee Parking Area.

(A) The Redeveloper and the Port Manager shall have non-exclusive, preferential use of that certain paved surface area, adjacent to the Parking Garage Site, shown on Exhibit C-3 attached hereto (the “Overflow Parking Area”), which Overflow Parking Area shall be made available by the PANYNJ for use by cruise passengers, invitees and guests for the parking of motor vehicles in accordance with the provisions of this First Amendment to the Parking Management Agreement. Notwithstanding anything to the contrary contained in the Transaction Documents, including, without limitation Section 4.1 of the Terminal Operating Agreement, no Priority Charges shall be payable with respect to the Overflow Parking Area so long as the Overflow Parking Area is being used for Overflow Parking only.

(B) (i) On the Relocation Date, subject to adjustment as provided in clauses (ii) and (iii) below, the PANYNJ shall designate that certain paved surface area shown on Exhibit C-4 attached hereto as “employee parking” for the exclusive use of the

Redeveloper's and the Port Manager's employees and vendors working at the Port (as the same may be reduced from time to time as provided in clauses (ii) and/or (iii) below, the "Employee Parking Area").

(ii) The Redeveloper shall have the right, on or prior to the date that is 10 days prior to the Relocation Date, to reduce (which reduction may be a complete elimination of) the Employee Parking Area by giving written notice to the PANYNJ thereof, which notice shall set forth the square footage and location of the area the Port Manager desires to have designated as Employee Parking Area (in lieu of that shown on Exhibit C-4 hereto) and, from and after the Relocation Date through the date of any subsequent reduction pursuant to the provisions of this Section 10, such reduced area shall be designated the "Employee Parking Area".

(iii) From and after the Relocation Date, the Redeveloper shall have the right, on or prior to December 1st of each calendar year during the Term, to reduce (which reduction may be a complete elimination of) the then Employee Parking Area by giving written notice to the PANYNJ thereof, which notice shall set forth the square footage and location of the area the Port Manager desires to have designated as Employee Parking Area (in lieu of the then designated area) and, from and after the immediately following January 1st through the date of any subsequent reduction pursuant to the provisions of this Section 10, such reduced area shall be designated the "Employee Parking Area".

(iv) For purposes of calculating Priority Charges and any and all other amounts payable by the Port Manager and/or the Redeveloper pursuant to the Transaction Documents:

(x) for the period commencing on the Relocation Date and ending on the date immediately preceding the 3rd anniversary of the Relocation Date (i) 75% of the square footage of the Employee Parking Area shall be treated as Terminal Area, and (ii) 25% of the square footage of the Employee Parking Area shall be treated as Parking Area; and

(y) for the period commencing on the 3rd anniversary of the Relocation Date and ending on the last date of the Term (i) 50% of the square footage of the Employee Parking Area shall be treated as Terminal Area, and (ii) 50% of the square footage of the Employee Parking Area shall be treated as Parking Area.

SECTION 11. Effectiveness. [Intentionally Deleted].

SECTION 12. Reaffirmation of Parking Management Agreement.

Except as amended by this First Amendment to the Parking Management Agreement, the Parking Management Agreement, and as applicable the Transaction Documents, as previously amended or supplemented, are hereby reaffirmed and ratified. All references in the Transaction Documents to the "Parking Management Agreement" shall hereafter be deemed to refer to the Parking Management Agreement, as amended by this First Amendment to the Parking Management Agreement.

SECTION 13. No Broker. Each Party herein covenants, warrants and represents to the other party that it has had no dealings, conversations or negotiations with any broker concerning the execution and delivery of this First Amendment to Parking Management Agreement.

SECTION 14. Authority To Enter Into First Amendment to Parking Management Agreement. The Parties hereto represent and warrant to each other that each has full right and authority to enter into this First Amendment to Parking Management Agreement and that the person signing this First Amendment to Parking Management Agreement on behalf of PANYNJ or the Parking Manager, respectively, has the requisite authority for such act.

SECTION 15. Non-Liability Of Individuals. No Commissioner, director, officer, agent or employee of PANYNJ, the Redeveloper or the Parking Manager, shall be charged personally or held contractually liable by or to the any party under any term or provision of this First Amendment to Parking Management Agreement, or of any other previous agreement, document or instrument executed in connection therewith, or of any supplement, modification or amendment to this First Amendment to Parking Management Agreement or to such other agreement, document or instrument, or because of any breach or alleged breach thereof, or because of its or their execution or attempted execution.

SECTION 16. OFAC Compliance.

(a) *Parking Manager's Representation and Warranty.* The Parking Manager hereby represents and warrants to the PANYNJ that the Parking Manager is not a person or entity with whom the PANYNJ is restricted from doing business under the regulations of the Office of Foreign Assets Control ("OFAC") of the United States Department of the Treasury (including, without limitation, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order or other regulation relating to national security or foreign policy (including, without limitation, Executive Order 13224 of September 23, 2001, *Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism*), or other governmental action related to national security, the violation of which would also constitute a violation of law, such persons being referred to herein as "Blocked Persons" and such regulations, statutes, executive orders and governmental actions being referred to herein as "Blocked Persons Laws") and is not engaging in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. The Parking Manager acknowledges that the PANYNJ is entering into this First Amendment to the Parking Management Agreement in reliance on the foregoing representations and warranties and that such representations and warranties are a material element of the consideration inducing the PANYNJ to enter into and execute this First Amendment to the Parking Management Agreement.

(b) *Parking Manager's Covenant.* The Parking Manager covenants that during the term of this First Amendment to the Parking Management Agreement it shall not become a Blocked Person, and shall not engage in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. In the event of any breach of the aforesaid covenant, the same shall constitute an event of default and, accordingly, a basis for

termination of this First Amendment to the Parking Management Agreement, in addition to any and all other remedies provided under this First Amendment to the Parking Management Agreement or at law or in equity, which does not constitute an acknowledgement by the PANYNJ that such breach is capable of being cured.

(c) *Parking Manager's Indemnification Obligation.* The Parking Manager shall indemnify and hold harmless the PANYNJ and its Commissioners, directors, officers, employees, agents and representatives from and against any and all claims, damages, losses, risks, liabilities and expenses (including, without limitation, attorney's fees and disbursements) arising out of, relating to, or in connection with the Parking Manager's breach of any of its representations and warranties made hereunder. Upon the request of the PANYNJ, the Parking Manager shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent) and in handling such it shall not, without obtaining express advance permission from the General Counsel of the PANYNJ, raise any defense involving in any way the jurisdiction of the tribunal over the person of the PANYNJ, the immunity of the PANYNJ, its Commissioners, officers, agents or employees, the governmental nature of the PANYNJ, or the provision of any statutes respecting suits against the PANYNJ.

(d) *Survival.* The provisions of this Section shall survive the expiration or earlier termination of the First Amendment to the Parking Managements Agreement.

SECTION 17. No Third Party Beneficiaries. The provisions of this First Amendment to the Parking Management Agreement are for the exclusive benefit of the Parties and their Affiliates and not for the benefit of any third person, nor shall this First Amendment to Parking Management Agreement be deemed to have conferred any rights, express or implied, upon any third Person, with the exception of the Port Manager and the Redeveloper, which are deemed to be express third party beneficiaries of this First Amendment to the Parking Management Agreement.

SECTION 18. Severability. If any term or provision of this First Amendment to the Parking Management Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this First Amendment to the Parking Management Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this First Amendment to the Parking Management Agreement shall be valid and enforced to the fullest extent permitted by Law.

SECTION 19. Counterparts. This First Amendment to the Parking Management Agreement may be executed and delivered in any number of counterparts, and such counterparts taken together shall constitute one and the same instrument.

SECTION 20. Governing Law. This First Amendment to the Parking Management Agreement shall be construed in accordance with, and governed by, the Applicable Law of the State of New Jersey, without consideration given to choice of law principles.

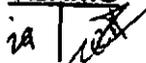
IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Parking Management Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: 
Name: Richard M. Larrabee
Title: Director, Port Commerce Dept.

ROYAL CARIBBEAN CRUISES LTD.

By: _____
Name: _____
Title: _____

APPROVED:	
FORM	TERMS
	

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Parking Management Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____
Name:
Title:

ROYAL CARIBBEAN CRUISES LTD.

By: Adam M. Goldstein
Name: _____
Title: **Adam Goldstein
President & CEO
Royal Caribbean International**

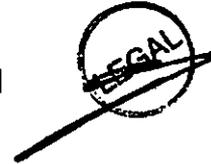


EXHIBIT A-1
AMENDMENTS TO EXHIBIT A - DEFINITIONS

EXHIBIT A-1 - DEFINITIONS

Exhibit A to the Redevelopment Agreement is hereby amended as follows:

(A) The following definitions are hereby deleted in their entirety from Exhibit A:

“BLRA’s Incidental Profit Share”
“BLRA’s Net Parking Profit Share”
“Incidental Concession Fee”
“Incidental Improvements”
“Incidental Profit”
“Incidental Usage Agreement”
“Incidental Use(s)”

(B) The following definitions are hereby added to Exhibit A:

“Agent Fees” shall have the meaning set forth in Section 1 of the Revenue Collection and Disbursement Agreement.

“Amendment Effective Date” means January 1, 2014.

“Annual Overflow Parking Statement” shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

“Annual Overflow Profit Statement” shall have the meaning set forth in Section 7.9 of the Parking Management Agreement.

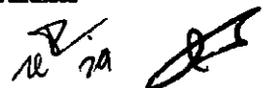
“Assignment Agreement” means the Amendment and Assignment Agreement dated as of January 1, 2014 by and between the City, the PANYNJ, the Redeveloper, the Port Manager and the Agent.

“Bond Issuance Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“BPEI Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“Dissolution Ordinance” shall have the meaning as set forth in the Recitals to each of the Transaction Documents.

“Elevation Acknowledgement” shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.



"Elevation Exemption" shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.

"Employee Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"First Amendment to the Parking Management Agreement" means that certain First Amendment to the Parking Management Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Purchase and Sale Agreement" means that certain First Amendment to the Purchase and Sale Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Redevelopment Agreement" means that certain First Amendment to Redevelopment Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Revenue Collection and Disbursement Agreement" means that certain First Amendment to the Revenue Collection and Disbursement Agreement, dated as of January 1, 2014, by and between the PANYNJ, the Redeveloper, the Port Manager and the Agent.

"Gross Overflow Parking Revenues" means the amount equal to the sum of all revenues of any nature paid to or received by the Parking Manager from the provision of Parking Services on the Overflow Parking Area during a calendar year.

"Independent Overflow Accountant Certification" shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

"Net Overflow Parking Profit" means the amount equal to Gross Overflow Parking Revenues less Overflow Parking Expenses.

"Outside C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Overflow Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"Overflow Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Overflow Parking Area for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering Parking Services for the Overflow Parking Area.

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"PANYNJ" means the Port Authority of New York and New Jersey, a body corporate and politic created by Compact between the State of New Jersey and the State of New York, with the consent of the Congress of the United States.

"PANYNJ Audit" shall have the meaning set forth in Section 6.14 of the Parking Management Agreement.

"PANYNJ's Incidental Revenue Share" means, with respect to any calendar year quarter, an amount equal to (i) for the period commencing on the Amendment Effective Date to and including December 31, 2017, ten percent (10%) of the Incidental Revenues for such quarter and (ii) for the period commencing on January 1, 2018 and ending on the last day of the Term, fifteen percent (15%) of Incidental Revenues for such quarter.

"PANYNJ's Net Parking Profit Share" means, (1) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area only, assuming for purposes of this clause (1) that the square footage of the Parking Area is 255,711 square feet and (2) for the period commencing on Relocation Date and ending on the last day of the Term, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area, assuming for purposes of this clause (2) that the square footage of the Parking Area is 88,140; provided that, upon the Completion Date of the Phase IV(b) Improvements and measurement and determination of the square footage of the Parking Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, the PANYNJ's Net Parking Profit Share shall be retroactively adjusted accordingly based on the as-built measurement of the Parking Area, and promptly paid by, or reimbursed by the PANYNJ to, Port Manager.

"Parking Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements which consist of Parking Improvements and shall be in an amount equal to \$15,000,000.

"Parking Garage Site" means the portion of the Parking Area to be used by the Redeveloper for the construction of a structured parking garage, substantially as shown on Exhibit C-1 to the First Amendment to the Redevelopment Agreement.

"Permanent C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Purchase Contract" means that Contract for Purchase and Sale between the BLRA and the PANYNJ dated as of July 30, 2010 pursuant to which the PANYNJ purchased certain real property in the City, including the Redevelopment Area, from the BLRA.

"Quarterly Reporting Date" means the 15th day of April, July, October and January of each calendar year during the Term.

"Redeveloper Loan Financing Charge" shall have the meaning set forth in Section 4.1(4)(ii) of the Terminal Operating Agreement.

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"Relocation Date" means the date of issuance of the last Certificate of Occupancy required with respect to the Phase (IV)(b) Improvements.

"Second Amendment to the Terminal Operating Agreement" means that certain Second Amendment to the Terminal Operating Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Port Manager.

"Second Amendment to the Usage Agreement" means that certain Second Amendment to the Usage Agreement, dated as of January 1, 2014 by and between the PANYNJ and the Redeveloper.

"Staging Delivery Date" means the date on which the PANYNJ delivers physical possession of the Staging Site to the Redeveloper in accordance with the provisions of the Redevelopment Agreement.

"Staging Outside Delivery Date" means March 15, 2014.

"Staging Site" means that portion of the Terminal Area and Employee Parking Area to be used by the Redeveloper as a construction staging site in accordance with Section 5.8.1 of the Redevelopment Agreement and as shown on Exhibit E to the First Amendment to the Redevelopment Agreement.

"TCAP Fee" shall have the meaning set forth in Section 4.1(3)(j) of the Terminal Operating Agreement.

"TCAP Manual" shall have the meaning set forth in Section 6.9 of the Redevelopment Agreement.

"Terminal Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements and a portion of the Phase II Improvements which consist of Terminal Improvements and shall be in an amount equal to \$50,000,000.

(C) The definition of each of the following terms is deleted from Exhibit A in its entirety and replaced as follows:

"Actual Operating Expenses" means any and all costs, expenses and fees that the PANYNJ, the Port Manager and the Redeveloper, incurred in connection with the operation, maintenance and management of the Port for the applicable calendar year, including without limitation (1) all expenses payable pursuant to the Terminal Operating Agreement, (2) assessments and other governmental charges, (3) the Priority Charges, (4) the BLRA Financing Charge, (5) the Redeveloper Loan Financing Charge, and (6) the Capital Reserve Charge. Actual Operating Expenses shall not include Parking Expenses, Overflow Parking Expenses or Incidental Expenses.

“Actual Operating Revenues” means the sum of all revenues generated by the Port including, but not limited to, Berthing Tariffs and Wharfage Fees received during the applicable calendar year. Actual Operating Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Incidental Revenues.

“Base Parking Profit” means, for the period commencing on January 1, 2014 and ending on the last day of the Term: an amount equal to the greater of (a) 50% of the amount of the Net Parking Profit for the applicable calendar year and (b) that portion of the Annual Base Charge attributable to the Parking Area during such year payable under Article 4 of the Terminal Operating Agreement; provided that (i) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Parking Area as set forth in Section 5.8.3(1) of the Redevelopment Agreement and (ii) for the period commencing on the Relocation Date and ending on the last day of the Term, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement as adjusted pursuant to the terms of Section 10B(iv) of the First Amendment to the Parking Management Agreement, and, upon the Completion Date of the Phase (IV)(b) Improvements, and measurement and determination of the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, any and all amounts payable on the basis of Base Parking Profit shall be retroactively adjusted accordingly, and promptly paid by, and reimbursed to, the party entitled thereto based on such adjustment. Notwithstanding anything herein to the contrary, so long as the Overflow Parking Area is used for Overflow Parking, in no event shall any Overflow Parking Area be deemed to constitute Parking Area or Employee Parking Area, except as may be otherwise agreed to in writing by the PANYNJ and the Redeveloper.

“BLRA Financing Charge” shall have the meaning set forth in Section 4.1(4)(i) of the Terminal Operating Agreement.

“Consumer Price Index” or **“CPI”** means the Consumer Price Index for all Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York, Northeastern New Jersey Area (1982-1984=100) or any successor index thereto, appropriately adjusted; provided that if there shall be no successor index, a substitute index will be determined in the reasonable discretion of the PANYNJ after consultation and an opportunity to comment by the Redeveloper. In determining the CPI for any calendar year, the CPI for such year shall be the CPI reported for October of the year immediately preceding the calendar year for which the increase is applicable.

“Gross Parking Revenues” means the amount equal to the sum of all revenues of any nature paid to or received by Parking Manager from the provision of Parking Services on the Parking Premises during a calendar year but not including Gross Overflow Parking Revenues.

“Incidental Revenues” means the amount equal to the sum of all revenues, amounts, monies, income and receipts of any nature generated by (and otherwise paid or payable to) the

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Port Manager in connection with all Incidental Uses of the Port during the applicable period. Incidental Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Actual Operating Revenues.

"Incidental Uses" means (i) the retail sales of goods and services at the Redevelopment Area not in connection with Cruise Operations; (2) the operation of a marina to provide for mooring and services for a nautical craft; (3) the operation of a ferry landing; (4) the production of trade shows for the display of commercial goods and services not in connection with Cruise Operations; and (5) the holding of group or special events provided that those activities are approved by the prior written consent of the PANYNJ, which consent shall not be unreasonably withheld, conditioned or delayed.

"Parking Account" means an account in a federally insured financial institution that meets the requirements of the Governmental Unit Deposit Protection Act, N.J.S.A. 17:9-41 et seq. and is reasonably acceptable to the PANYNJ for the deposit of the Gross Parking Revenues and Gross Overflow Parking Revenues.

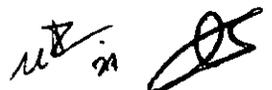
"Parking Area" means that portion of the Redevelopment Area available for use by cruise passengers, Port employees, Invitees and guests for the parking of motor vehicles (including circulation within such area) upon which is Constructed the Parking Improvements and which is subject to the Parking Management Agreement. The Parking Areas prior to, and from and after, the Relocation Date are shown on Exhibits B-1 and C-1 to the First Amendment to the Redevelopment Agreement and Exhibits B and C to the Parking Management Agreement.

"Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Parking Premises for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering the Parking Services as set forth in the Parking Management Agreement but excluding any Overflow Parking Expenses. Parking Expenses shall include payments of principal and interest (and any permitted prepayments of principal) on, and any reasonable related expenses incurred by the Redeveloper in connection with, the Parking Improvements Portion of the Redeveloper Loan as required by Section 4.3 of the Parking Management Agreement

"Parking Management Agreement" means that certain Parking Management Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

"Parking Management Fee" shall have the meaning set forth in Section 7.1 and Section 7.6 of the Parking Management Agreement.

"Parking Requirements" means the requirement that any Parking Improvement; (1) provide space for the parking of approximately 690 motor vehicles prior to Substantial Completion of the Phase IV(b) Improvements and space for approximately 900 motor vehicles on and after Substantial Completion of the Phase IV(b) Improvements, or such other number of spaces as the Parties may agree upon in the event that the Terminal Area and Terminal



“Term” means the term of each respective Transaction Document, running from the Effective Date through to and including December 31, 2043; provided however, that if the Redeveloper fails to receive a final Certificate of Occupancy for the Phase IV(b) Improvements by December 31, 2016 (as such date may be extended pursuant to extensions provided for under the Redevelopment Agreement, Force Majeure and the provisions of Article 21 of the Redevelopment Agreement) and such failure was caused by factors under the control of the Redeveloper, then the Term of each respective Transaction Document shall end on December 31, 2038, unless, in either case, sooner terminated or extended as provided in the Transaction Documents.

“Terminal Operating Agreement” means that certain Terminal Operating Agreement, dated as of September 1, 2005, by and between the BLRA and the Port Manager, together with any and all amendments thereto.

“Usage Agreement” means that certain Usage Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

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EXHIBIT B
OVERFLOW PARKING AREA

**FIRST AMENDMENT TO THE
USAGE AGREEMENT**

By and Between

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

And

ROYAL CARIBBEAN CRUISES LTD.

BAYONNE, NEW JERSEY

Dated as of December 1, 2006

FIRST AMENDMENT TO USAGE AGREEMENT

THIS FIRST AMENDMENT TO THE USAGE AGREEMENT dated September 1, 2005 by and between the Bayonne Local Redevelopment Authority, an instrumentality and agency of the City of Bayonne, in the County of Hudson, New Jersey (the "BLRA"), having its offices at 51 Port Terminal Boulevard, Suite 21, Bayonne, NJ 07002, and Royal Caribbean Cruises Ltd., a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") having its offices at 1050 Caribbean Way, Miami, Florida 33132 (The BLRA and Redeveloper each, a "Party" and, together, the "Parties"), is made as of this first day of December, 2006 (the "First Amendment to the Usage Agreement"). Capitalized terms used herein, and not otherwise defined herein, shall have the meanings prescribed to them in Exhibit A to the Usage Agreement, as amended herein.

WITNESSETH

WHEREAS, on September 1, 2005, the BLRA, Redeveloper and its affiliate, the Port Manager, entered into the Transaction Documents, including the Usage Agreement and the Terminal Operating Agreement, in order to set forth the respective undertakings, rights and obligations of Redeveloper, Port Manager and the BLRA in connection with the redevelopment and use of the Cape Liberty Cruise Port ("Port"), all in accordance with Applicable Law; and

WHEREAS, since the execution of the Transaction Documents, it has been determined by the Parties that it is necessary to make certain technical changes to the Usage Agreement and the Terminal Operating Agreement, and further, to enter into the Revenue Collection and Disbursement Agreement in order to make certain changes related to the disbursement of certain funds and payment of certain expenses; and

WHEREAS, Section 13.9 of the Usage Agreement permits amendments thereto provided they are in writing and signed by the Parties; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and in the Usage Agreement as amended and supplemented by this First Amendment to the Usage Agreement, and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

Section 1. Amendment to Exhibit A of the Usage Agreement. Exhibit A to the Transaction Documents is hereby amended to include the following definitions:

"Agent" means the Bank of New York, a state banking corporation organized and existing under the laws of the State of New York, or any successor Agent appointed pursuant to the Revenue Collection and Disbursement Agreement.

"Bond Resolution" means the resolution of the BLRA, duly adopted on September 22, 2005 and amended on February 16, 2006, entitled, "Resolution Authorizing the Issuance of Revenue Bonds (Royal Caribbean Project) of the City of Bayonne Redevelopment Agency", as supplemented, including by a resolution of the BLRA duly adopted on September 22, 2005 and amended on February 16, 2006 entitled "Supplemental Resolution Authorizing the Issuance of Not To Exceed \$16,500,000 Revenue Bonds, Series 2006 (Royal Caribbean Project) of the City of Bayonne Redevelopment Agency and Determining Various Other Matters in Connection Therewith" and by a certificate of the Executive Director of the BLRA dated as of March 16, 2006.

"Bond Trustee" means the Bank of New York, West Paterson, New Jersey, and its successors and assigns, as trustee with respect to the Bonds.

"Cape Liberty Capital Reserve Fund" shall mean the cape liberty capital reserve fund established pursuant to Section 3 of the Revenue Collection and Disbursement Agreement, which fund shall be established in a federally insured financial institution which complies with the Governmental Unit Deposit Protection Act, N.J.S.A 17:9-41 et seq. and which is reasonably satisfactory to the BLRA.

"Cape Liberty Revenue Fund" shall mean the cape liberty revenue fund established pursuant to Section 3 of the Revenue Collection and Disbursement Agreement, which fund shall be established in a federally insured financial institution which complies with the Governmental Unit Deposit Protection Act, N.J.S.A 17:9-41 et seq. and which is reasonably satisfactory to the BLRA.

"Revenue Collection and Disbursement Agreement" shall mean the Revenue Collection and Disbursement Agreement dated as of December 1, 2006 entered into by the BLRA, the Redeveloper, the Port Manager and the Agent.

"Terminal Operating Expenses" means Actual Operating Expenses (other than Agent Fees, Priority Charges, the BLRA Financing Charge, Port Management Fee and the Capital Reserve Charge).

Exhibit A to the Transaction Documents is further amended to delete the definitions of Capital Reserve Fund and Revenue Fund. All references to "Capital Reserve Fund" in the Transaction Documents shall be amended to read "Cape Liberty Capital Reserve Fund" and all references to the "Revenue Fund" in the Transaction Documents shall be amended to read "Cape Liberty Revenue Fund."

Section 2 Amendment to Section 3.2.2 of the Usage Agreement. Section 3.2.2 of the Usage Agreement is hereby amended to replace "March 1" with "December 15."

Section 3 Amendment to Section 6.1 of the Usage Agreement. Section 6.1 of the Usage Agreement is hereby deleted in its entirety and amended to read as follows:

Establishment, Invoicing and Collection of Berthing Tariffs and Wharfage Fees. The BLRA and the Port Manager shall establish the Berthing Tariffs and Wharfage Fees in accordance with Section 5.2 of the Terminal Operating Agreement. The Port Manager shall, on behalf of the BLRA, invoice RCCL Cruise Lines and the Other Cruise Lines for the Berthing Tariffs and Wharfage Fees in accordance with Section 5.3 of the Terminal Operating Agreement. The BLRA shall be responsible for, and shall designate, the Agent and Bond Trustee to act on its behalf to collect all Berthing Tariffs and Wharfage Fees."

Section 4. Amendment to Section 6.3(1) of the Usage Agreement. Section 6.3(1) of the Usage Agreement is hereby deleted in its entirety and amended to read as follows:

Payment of Berthing Tariffs and Wharfage Fees. Except to the extent paid by RCCL Cruise Lines or the Other Cruise Lines, the Redeveloper shall pay the BLRA Financing Charge, when due, to the Bond Trustee. The Redeveloper shall pay to the Agent the unpaid portion of the Berthing Tariffs and Wharfage Fees invoiced to RCCL Cruise Lines which are payable to the Agent. To the extent that Berthing Tariffs and Wharfage Fees are remitted to the Agent by wire transfer, such wire transfers shall be made in accordance with the Agent's wire instructions."

Section 5. Amendment to Section 6.4(2), (3) and (4) of the Usage Agreement. Sections 6.4(2), (3) and (4) of the Usage Agreement are hereby deleted in their entirety and amended to read as follows:

"(2) If, during any calendar year, there are insufficient funds from Actual Operating Revenues or the Cape Liberty Capital Reserve Fund, to pay any Actual Operating Expenses when such obligations become due, then, within 15 days of demand by the Agent, the Bond Trustee, the Port Manager or the BLRA, as applicable, the Redeveloper shall advance sufficient funds to the Agent (to the extent there are insufficient funds to pay Actual Operating Expenses other than the BLRA Financing Charge) or the Bond Trustee (to the extent there are insufficient funds to pay the BLRA Financing Charge) to meet any shortfall as may be necessary to pay such Actual Operating Expenses (in either case a "Working Capital Advance") To the extent that any Working Capital Advance is remitted to the Agent by wire transfer, such wire transfers shall be made in accordance with the Agent's wire instructions.

(3) If at the end of any calendar year, it is determined that there were insufficient Actual Operating Revenues, or funds in the Cape Liberty Capital Reserve Fund, to pay all Actual Operating Expenses (a "Revenue Deficiency"), then Redeveloper shall pay an amount equal to such Revenue Deficiency to the Agent (to the extent such Revenue Deficiency results in insufficient funds to pay Actual Operating Expenses other than the BLRA Financing Charge) or the Bond Trustee (to the extent such Revenue Deficiency results in insufficient funds to pay the BLRA Financing Charge) within 15 days of demand by the Agent, the Bond Trustee, the Port Manager or the BLRA. To the extent that any Revenue Deficiency is remitted to the Agent by wire transfer, such wire transfers shall be made in accordance with the Agent's wire instructions.

(4) If at the end of any calendar year, a surplus results from Actual Operating Revenues exceeding Actual Operating Expenses (a "Revenue Surplus"), then the BLRA shall direct the Agent to apply all monies representing such Revenue Surplus as follows: (a) To repay Redeveloper for any Working Capital Advance; (b) To reimburse Redeveloper for any Revenue Deficiency previously paid; (c) for deposit each calendar year in the Cape Liberty Capital Reserve Fund up to an aggregate of 10% of such calendar year's Annual Operating Expense Budget, taking into account all deposits made during such calendar year into the Cape Liberty Capital Reserve Fund; and (d) As a credit against the Estimated Operating Expenses for the following year's Annual Operating Expense Budget."

Section 6. Amendment to Section 6.5(1) of the Usage Agreement. Section 6.5(1) of the Usage Agreement is hereby deleted in its entirety and amended to read as follows:

"(1) Redeveloper shall unconditionally and irrevocably pay to the Agent or the Bond Trustee, as applicable, punctual and full payment of the Revenue Deficiency or Working Capital Advance, as and when due under Section 6.4 above, provided, however, that upon the termination of the Transaction Documents by virtue of a termination of the Redevelopment Agreement under Section 10.2, 19.1.1, 19.1.3 and/or 20.4 thereof, in each case, the Redeveloper shall be relieved of all its obligation to pay the Revenue Deficiency and Working Capital Advance to the Agent on behalf of the BLRA, and shall thereafter only be required to pay the Bond Trustee, for further payment to the Bondholders and/or Approved Lenders, the BLRA Financing Charge (the amount of the Revenue Deficiency, Working Capital Advance or BLRA Financing Charge payable under this Section 6.5(1), as the case may be, shall mean in each instance, the "Minimum Fee"). No set-off, claim, reduction or diminution of any obligation, or any defense of any kind or nature which Redeveloper now has or hereafter may have against the BLRA or the Port Manager, shall be available hereunder to the Redeveloper against the BLRA or Port Manager with respect to the payment of the Minimum Fee."

Section 7. Amendment to Section 7.1(1) of the Usage Agreement. Section 7.1(1) of the Usage Agreement is hereby amended by inserting the following language in place of the presently existing language:

"(1) Neither the BLRA, nor its employees, agents or Affiliates, shall have any duty to operate, maintain and/or manage the Port. The BLRA's sole obligations shall be to retain a Port Manager to operate the Port, to retain the Agent pursuant to the terms of the Revenue Collection and Disbursement Agreement and to retain the Bond Trustee pursuant to the Bond Resolution. The BLRA shall not be responsible under any circumstances for the actions of the Port Manager."

Section 8. Reaffirmation of Usage Agreement. Except as amended by this First Amendment to the Usage Agreement, the Usage Agreement, and as applicable the Transaction Documents, as previously amended or supplemented, are hereby reaffirmed and ratified.

Section 9. Counterparts. This First Amendment to the Usage Agreement may be executed and delivered in any number of counterparts, and such counterparts taken together shall constitute one and the same instrument.

Section 10. Governing Law. This First Amendment to the Usage Agreement shall be construed in accordance with, and governed by, the Applicable Law of the State of New Jersey, without consideration given to choice of law principles.

[Remainder of this Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Usage Agreement to be executed as of the day and year first above written.

THE BLRA:

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

By: 
Nancy A. Kist,
Executive Director

REDEVELOPER:

ROYAL CARIBBEAN CRUISES LTD.

By: Adam M. Goldstein
Name: Adam M. Goldstein
Title: President R.C.I.



PARKING MANAGEMENT AGREEMENT

By and Between

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

and

ROYAL CARIBBEAN CRUISES LTD.

BAYONNE, NEW JERSEY

Dated as of September 1, 2005

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PARKING MANAGEMENT AGREEMENT

THIS PARKING MANAGEMENT AGREEMENT (this "Parking Management Agreement") is entered into as of this 1st day of September, 2005, but effective as of the Effective Date by and between the Bayonne Local Redevelopment Authority, an instrumentality and agency of the City of Bayonne, in the County of Hudson, New Jersey (the "BLRA"), having its offices at 51 Port Terminal Boulevard, Suite 21, Bayonne, NJ 07002, and Royal Caribbean Cruises Ltd., a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") on behalf of RCCL Cruise Lines and having its offices at 1050 Caribbean Way, Miami, Florida 33132 (The BLRA and Redeveloper each, a "Party" and, together, the "Parties"). Capitalized terms used herein shall have the meanings prescribed to them in Exhibit A.

WITNESSETH

WHEREAS, the Redevelopment Law provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, the BLRA was established by ordinance number 0-98-26, adopted on June 10, 1998 by the City Council of the City, in the County and State as an instrumentality and agency of the City, pursuant to the provisions of the Redevelopment Law, with responsibility for implementing redevelopment plans and carrying out redevelopment projects within the City; and

WHEREAS, pursuant to a decision by the United States of America to decommission the Peninsula, the Peninsula was transferred to the BLRA pursuant to the Quitclaim Deeds; and

WHEREAS, in accordance with the criteria set forth in the Redevelopment Law, the City identified and designated the Peninsula as an area in need of redevelopment by resolution numbered 99-11-23-078, adopted on November 23, 1999 by the City Council pursuant to the Redevelopment Law; and

WHEREAS, by ordinance numbered 04-11-10-005, adopted on December 16, 2004 by the City Council, the City approved the Redevelopment Plan for the Peninsula; and

WHEREAS, the Redevelopment Law authorizes the BLRA to arrange or contract for the planning, construction or undertaking of any development project or redevelopment work in an area designated as an area in need of redevelopment pursuant to N.J.S.A. 40A:12A-8; and

WHEREAS, the BLRA is the owner of the Redevelopment Area; and

WHEREAS, by resolution numbered 062305-07, adopted on June 24, 2005 by the BLRA, the BLRA designated the Redeveloper and Port Manager, as applicable, as the "redeveloper" of the Redevelopment Area as permitted by the Redevelopment Law and agreed to enter the Transaction Documents, including this Parking Management Agreement, in order to set forth the respective undertakings, rights and obligations of Redeveloper and the BLRA in connection with the redevelopment and use of the Redevelopment Area, all in accordance with Applicable Law.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

ARTICLE 1

DEFINITIONS, INTERPRETATION AND CONSTRUCTION

Section 1.1 Definitions. The capitalized terms used herein shall have the meanings prescribed to them in Exhibit A.

Section 1.2 Interpretation and Construction. In this Parking Management Agreement, unless the context expressly otherwise requires:

(1) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Parking Management Agreement, refer to this Parking Management Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Parking Management Agreement.

(2) All references to Articles, Sections, Schedules or Exhibits shall, unless otherwise indicated, refer to the Articles, Sections, Schedules or Exhibits in this Parking Management Agreement.

(3) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(4) All notices to be given hereunder and responses thereto shall be given within a reasonable time, unless a certain number of days is specified.

(5) Unless otherwise indicated, any "fees and expenses" shall be required to be customary and reasonable.

(6) Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld, delayed or conditioned.

(7) The time periods set forth herein are to be strictly complied with, provided, however, that notwithstanding the foregoing, the time periods set forth herein for performance by Redeveloper may, in the sole discretion of the BLRA, be extended at the written request of Redeveloper. All references to days shall mean calendar days unless the context specifies otherwise.

ARTICLE 2

REPRESENTATIONS

Section 2.1 **Representations by the BLRA.** The BLRA represents to Redeveloper that:

- (1) the BLRA is a duly organized and validly existing municipal entity under the Applicable Laws of the State;
- (2) Under the laws of the State of New Jersey, the BLRA is duly authorized to enter into, execute and deliver this Parking Management Agreement, to undertake the obligations contemplated by this Parking Management Agreement and to carry out its obligations hereunder. The execution by the BLRA of and performance by it under this Parking Management Agreement will not violate or conflict with any instrument by which the BLRA is bound or its properties are subject. The BLRA has the full power and authority, and holds and will maintain valid and in good standing, all Approvals necessary to grant Redeveloper all of the rights and privileges conferred upon and granted to Redeveloper under this Parking Management Agreement;
- (3) By duly adopted resolution, the BLRA's Board of Directors has duly authorized the execution and delivery of this Parking Management Agreement and this Parking Management Agreement constitutes a legal, valid and binding obligation of the BLRA, enforceable against the BLRA in accordance with its terms;
- (4) The execution and delivery of this Parking Management Agreement by the BLRA does not, and the performance by the BLRA of its obligations under this Parking Management Agreement will not:
 - (a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the articles of incorporation, bylaws or other organizational documents of the BLRA;
 - (b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law;
 - (c) Result in a breach of, or default (or give rise to a right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which the BLRA may be bound, or which are necessary for Redeveloper to continue to enjoy the rights and privileges conferred upon and granted to Redeveloper under this Parking Management Agreement;
- (5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other Persons is required in connection with the execution, delivery and performance of this Parking Management Agreement by the BLRA or the rights and privileges which, by virtue of this Parking Management Agreement, shall be conferred upon and granted to Redeveloper;
- (6) There exists no requirement or obligation under Applicable Law to submit this Parking Management Agreement to public bid, auction or the like; and,
- (7) The BLRA covenants and warrants that it is vested with good and valid fee simple title to the Port and the Redevelopment Area (inclusive of the Parking Area), the Improvements thereon and any easements granted to Redeveloper, and has the full and complete authority to enter into

this Parking Management Agreement in accordance with its terms and shall defend such title and authority against the lawful claims of all Persons or parties.

Section 2.2 Representations by Redeveloper. Redeveloper represents to the BLRA that:

(1) Redeveloper is a duly organized and validly existing company in good standing under the laws of The Republic of Liberia and has all requisite power and authority for the ownership and operations of its properties, and for the carrying on of its business as now conducted and as now proposed to be conducted under the Transaction Documents. Redeveloper is duly qualified and is in good standing as a foreign company and is authorized to do business in all jurisdictions wherein the nature of the activities conducted by it makes such qualification or authorization necessary;

(2) Redeveloper has the corporate power to enter into, execute and deliver this Parking Management Agreement to undertake the transactions contemplated by this Parking Management Agreement and to carry out and perform its obligations hereunder, and the execution by Redeveloper of and performance by it under this Parking Management Agreement will not violate or conflict with any instrument by which Redeveloper is bound or its properties are subject, and this Parking Management Agreement constitutes a legal, valid and binding obligation of Redeveloper, enforceable against Redeveloper in accordance with its terms;

(3) Redeveloper has duly authorized the execution, delivery and performance of this Parking Management Agreement, and, assuming due authorization, execution and delivery of this Parking Management Agreement by the BLRA, this Parking Management Agreement will be a valid, binding and enforceable agreement of Redeveloper;

(4) The execution and delivery of this Parking Management Agreement by Redeveloper does not, and the performance by Redeveloper of its obligations under this Parking Management Agreement will not:

(a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the organizational documents of Redeveloper;

(b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law; or

(c) Result in a breach of, or default under (or give rise to right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which Redeveloper may be bound or which are necessary for the BLRA to enforce the terms of this Parking Management Agreement against Redeveloper; and

(5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other persons is required in connection with the execution, delivery and performance of this Parking Management Agreement by Redeveloper other than as set forth in the Transaction Documents.

ARTICLE 3

LICENSE

Section 3.1 License. The BLRA, for and in consideration of the Parking Services to be provided hereunder and the covenants contained in this Parking Management Agreement, and subject to the terms and conditions of this Parking Management Agreement, does hereby grant to Redeveloper an exclusive license to operate, maintain and manage any and all motor vehicle parking in the Redevelopment Area, including, without limitation, the Parking Premises.

Section 3.2 Nature of Rights Granted. The Parties acknowledge that (1) the rights granted to Redeveloper hereunder are in the nature of a license; (2) this Parking Management Agreement is not a lease; and (3) nothing in this Parking Management Agreement shall be construed as granting to Redeveloper any possessory interest or estate in the Redevelopment Area, Parking Premises or any other real property other than the license granted herein.

ARTICLE 4

PARKING PREMISES

Section 4.1 Parking Premises. The Parking Premises shall be initially as set forth in Exhibit B. The BLRA may, however, at any time during the Term (at the BLRA's sole option and expense), undertake the reconfiguration, reduction or relocation of the Parking Premises (each, an "Alteration") provided that: (1) as a condition precedent to the undertaking of any such Alteration, the Parking Requirements are satisfied and (2) the BLRA at all times continuously meets the Parking Requirements, including the Parking Area Location Requirement. The BLRA shall use reasonable efforts to meet the Parking Area Location Requirement. In the event that the BLRA is unable to satisfy the Parking Area Location Requirement, then the BLRA shall pay the Relocation Fee to the Redeveloper as an off-set against the BLRA's Net Parking Profit Share.

Section 4.2 Parking Management. Notwithstanding any Alteration, the Parking Manager shall continue to provide the Parking Services, within the Parking Premises only, in the same manner and in accordance with the terms and conditions of this Parking Management Agreement.

Section 4.3 Adjustment to Net Parking Profit. In the event that the BLRA constructs, or causes to be constructed, Additional Parking Improvements in accordance with Section 7.15 of the Redevelopment Agreement, whether such Additional Parking Improvements are constructed (1) by Redeveloper, or (2) by the BLRA or a designee other than Redeveloper, then the Parking Expenses shall include (a) the debt service incurred for borrowings undertaken to fund the construction cost of the Additional Parking Improvements and (b) an amount necessary to provide a reasonable market rate of return on invested capital, as reasonably determined by the BLRA, if the parking garage construction cost includes an equity component as a source of funding, thereby reducing the Net Parking Profit available for distribution to the BLRA and Redeveloper by such debt service and/or return on invested equity.

Section 4.4 Right to Develop Additional Parking Improvements. The BLRA hereby grants to the Redeveloper, subject only to the BLRA's initial and superior right to develop pursuant to Section 7.13.2 of the Redevelopment Agreement and the provisions of this Parking Management Agreement, a first priority right to develop the Additional Parking Improvements pursuant to Section 7.15 of the Redevelopment Agreement. The BLRA shall provide the BLRA's Availability Notice to the Redeveloper advising of the availability for development of the Additional Parking Improvements and Redeveloper shall have the Availability Acceptance Period to reply. If Redeveloper shall not accept the terms set forth in the BLRA's Availability Notice within the Availability Acceptance Period, the BLRA may consummate a *bona fide* transaction with a third party upon the same terms and conditions offered to Redeveloper, unless (1) the BLRA shall fail to consummate such transaction with a third party within 180 days following the expiration of the Availability Acceptance Period, or (2) the economic terms of such transaction, when considered collectively, are materially more beneficial to the third party than the economic terms set forth in the BLRA's Availability Notice, in which event Redeveloper's rights under this Section shall automatically be revived. In either such event, the BLRA shall be obligated to re-offer a development transaction to Redeveloper upon terms and conditions the BLRA would be willing to accept. If Redeveloper notifies the BLRA of its desire to accept the BLRA's offer within the applicable Availability Acceptance Period, then the offer and acceptance shall constitute a contract between the BLRA and Redeveloper and the Parties shall enter into a definitive agreement memorializing such transaction. In all cases, the Additional Parking Improvements shall be undertaken and Constructed in accordance with the Parking Requirements, inclusive of the Parking Area Location Requirement.

Section 4.5 Purchase and Sale. In the event the Additional Parking Improvements are constructed by Redeveloper in accordance with Section 4.4 and the relevant provisions of Article 7 of the Redevelopment Agreement, then pursuant to the terms and conditions of the Purchase and Sale Agreement, the BLRA shall purchase from Redeveloper and Redeveloper will sell to the BLRA the Additional Parking Improvements, in addition to all other Parking Improvements developed by Redeveloper, free and clear of any interest of Redeveloper, or any other Person, including but not limited to any uncanceled mechanics', laborers', contractors' or materialmen's liens respecting the part of the Parking Premises so delivered.

ARTICLE 5

PARKING MANAGER

Section 5.1 Selection of Parking Manager. At all times during the Term, Redeveloper or its Affiliate shall serve as the Parking Manager to provide the Parking Services, provided, however, that the Redeveloper may contract with an Approved Contractor to serve as the Parking Manager to fulfill all or a portion of the Parking Services under this Parking Management Agreement. In all cases, the license granted to Redeveloper pursuant to this Parking Management Agreement to manage the Parking Premises shall remain with the Redeveloper.

Section 5.2 Consent of the BLRA. In the event Redeveloper intends to contract with an Approved Contractor to serve as the Parking Manager during the Term, Redeveloper shall obtain the BLRA's prior written consent regarding the selection of such Approved Contractor as Parking Manager, and the proposed parking management contract therewith. For each such proposed Parking Manager and contract, Redeveloper shall provide the BLRA with information regarding the qualifications of the proposed Approved Contractor and a copy of the proposed contract not less than 45 days prior to the proposed commencement date of such contract.

(1) In the event the BLRA objects to the selection of the Parking Manager, Redeveloper shall, in good faith, attempt to contract with a different Parking Manager who the BLRA finds acceptable, or continue to provide the Parking Services. The Parties acknowledge and agree that the BLRA's consent to the selection of a Parking Manager shall not be deemed an assumption of any responsibility or liability whatsoever with respect to the operation, maintenance and management of the Parking Premises.

(2) In the event that the BLRA objects to the proposed contract terms, the BLRA shall set forth the reasons for objection to Redeveloper, and, if applicable, alternative contract terms and language that the BLRA would deem acceptable. Redeveloper shall, in good faith, attempt to modify the proposed contract terms, such that it is acceptable to the BLRA, or continue to provide the Parking Services.

ARTICLE 6

PARKING OPERATIONS

Section 6.1 Management. Parking Manager shall (1) operate, maintain, manage and monitor the Parking Premises in a first class manner, (2) direct and/or valet park (as Redeveloper, in its reasonable discretion, deems appropriate) all motorists and motor vehicles who desire to use the Parking Premises, (3) perform the duties set forth in Appendix A entitled "Certain General Duties and Obligations of Parking Manager," which shall be part of the Parking Services and (4) render such other services with respect to the Parking Premises as the Parties may agree.

Section 6.2 Permitted Activities. The Parking Manager shall not permit the Parking Premises to be used for any purpose other than accommodating motor vehicles of cruise passengers, Port employees and guests and such other activities as are commercially reasonable and customary in the operation of a parking facility such as the Parking Premises. The Parking Manager shall not permit the washing or repairing of motor vehicles on the Parking Premises. Any activity not specifically permitted in this Parking Management Agreement shall be prohibited.

Section 6.3 No Interference. The Parking Manager shall not interfere with the operations of the BLRA, Redeveloper or the Port Manager, or any other permitted user of the Port and the Peninsula.

Section 6.4 Parking for the BLRA and the Port Manager. The Parking Manager shall institute a commercially reasonable parking validation program at the Parking Premises for businesses conducting activities in the Port. In addition, the Parking Manager shall provide the BLRA, Port Manager and the Redeveloper with a limited number of unreserved monthly parking permits each month for use by the BLRA's and the Redeveloper's employees, agents or Invitees at a commercially reasonable discount from the then prevailing monthly parking charge at the Parking Premises.

Section 6.5 Compliance with Applicable Law and Permits. The Parking Manager shall operate, maintain and manage the Parking Premises in accordance with the requirements of Applicable Law, and shall not suffer any act to be done or any condition to exist within the Parking Premises or any portion thereof, or permit any article to be brought therein, which may be dangerous, unless safeguarded as required by Applicable Law. Parking Manager shall be solely responsible for obtaining and maintaining all Approvals necessary to operate the Parking Premises.

Section 6.6 Employment of Personnel. The Parking Manager shall employ a sufficient number of honest, competent and courteous personnel capable of managing, maintaining, and operating the Parking Premises in accordance with the terms and conditions hereof. Such personnel shall be screened by the Parking Manager before hiring and shall be employed, disciplined, discharged, promoted, and directed in the performance of their duties solely by the Parking Manager. All personnel shall wear neat and clean uniforms. The Parking Manager shall require that each Person who will be handling vehicles on or in the Parking Premises be required to maintain at all times a valid driver's license. All personnel shall in every instance be deemed employees of the Parking Manager and not the BLRA. The Parking Manager shall execute and timely file all forms, reports and returns required by Applicable Law relating to the employment of the personnel employed by the Parking Manager in connection with the Parking Premises.

Section 6.7 No Discrimination. Parking Manager shall not discriminate against or segregate any Person, or group of Persons, on account of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or sex in the sublicense, use, occupancy, tenure or enjoyment of the Parking Premises, nor shall Parking Manager establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, occupancy of

sublicensees, or vendees on the Parking Premises. Matters pertaining to employment in connection with the Parking Premises and the Parking Services shall be governed by Applicable Law which includes, without limitation, N.J.S.A. 40A:12A-22.2 of the Redevelopment Law. This Section shall be subject generally to all Applicable Law.

Section 6.8 Consultation and Recommendations. The Parking Manager shall consult with the BLRA from time to time as and when reasonably requested by the BLRA on matters related to the orderly and efficient operation of the Parking Premises, and make recommendations to the BLRA, as appropriate and necessary, on matters related to the safety and security of the Parking Premises as a whole, and of the Parking Premises users.

Section 6.9 Housekeeping and Security. The Parking Manager shall keep the Parking Premises and the adjacent areas in a clean, orderly, secure, and safe condition, free and clear of trash and rubbish, and be responsible for the security on, of, and to the Parking Premises. All employees, contractors, suppliers, or vendors of Parking Manager that enter the Parking Premises or any other property under the management or control of the BLRA, Redeveloper or the Port Manager must (1) comply with all Applicable Law, and (2) abide by all security requirements of the BLRA or the Port Manager.

Section 6.10 Signage. The Parking Manager shall design and place graphics, including directional signage, in and about the Parking Premises in consultation with, and after prior written approval of, the BLRA.

Section 6.11 Parking Improvements. The Parking Manager shall not be required to undertake the Construction of the Parking Improvements except as otherwise required in the Transaction Documents (and thus to the extent that the Parking Manager is the Redeveloper or its Affiliate) or where the required Construction of the Parking Improvements result from damage caused by RCCL Cruise Lines, the Parking Manager or their agents, employees, representatives, Invitees or licensees. Notwithstanding the foregoing, (1) the Parking Manager shall arrange for and monitor maintenance, servicing and repair of the Parking Premises, and operating equipment and systems supplied by the BLRA, the Redeveloper, and the Parking Manager including but not limited to re-striping of the parking spaces and directional lines of the Parking Premises and periodic degreasing of the Parking Area of the Parking Premises, and (2) the Parking Manager may, with the approval of the BLRA, enter into capital leases for equipment, provided that all rental and other costs associated with such leases are included as Parking Expenses.

Section 6.12 Parking Fees and Parking Expenses. The Parking Manager shall establish and collect all parking fees, whether hourly, daily, monthly or otherwise, together with all other sums included as Gross Parking Revenues due with regard to the operation of the Parking Premises and promptly deposit them, as collected, in the Parking Account. The Parking Manager shall incur and pay, or cause to be paid, from the Gross Parking Revenues, to the extent sufficient, the Parking Expenses. The Parking Manager shall pay all Parking Expenses on a timely basis so as to avoid the imposition of interest or penalties, and shall carefully control Parking Expenses in order to minimize costs. In the event that Gross Parking Revenues are insufficient to pay Parking Expenses in any month, the Parking Manager shall advance such amount as may be necessary to cover any such deficit. The Parking Manager shall be reimbursed for such advances (without interest) in subsequent months to the extent that Gross Parking Revenues exceed Parking Expenses for such subsequent months.

Section 6.13 Internal Controls, Accounting System. (1) The Parking Manager shall implement and maintain an accurate and efficient system of internal controls recording the receipt of Gross Parking Revenues and disbursement of Parking Expenses (such documentation hereinafter referred

to as the "Records"). Upon 10-days written Notice to the Parking Manager, the BLRA and any other Person or entity authorized to conduct an audit of the Records (the "BLRA Audit") shall have access to the Records during normal business hours at the office of the Parking Manager within the State or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the purpose of inspection, auditing and copying.

(2) All Records pertaining to the receipt of Gross Parking Revenues and payment of Parking Expenses, including, without limitation, monthly parking records, coupon and validation stamp sales and redemption records, cash register tapes, cashier reports, daily reports, bank statements with respect to the Parking Account, deposit slips invoices, and vendor invoices and cancelled checks shall be retained by the Parking Manager and made available to the BLRA for the purpose of the BLRA Audit for a period of 2 years. Such right to perform the BLRA Audit shall survive the termination and/or expiration of the Term for a period of 2 years.

(3) The Parking Manager, as part of its system of internal controls, shall perform the Manager's Audit and shall make the Manager's Audit available to the BLRA for inspection. The cost of performing the Manager's Audit shall be included in the Parking Expenses.

(4) The Parking Manager shall provide an itemized monthly and year to date statement to the BLRA, on or before the twentieth (20th) date of the succeeding month, stating the Gross Parking Revenues, the Parking Expenses and the beginning and ending cash balances of the Parking Account with respect to such month. Such monthly report shall be prepared in a manner that tracks Gross Parking Revenues and Parking Expenses to the Budget (as defined below).

Section 6.14 Parking Budget. On or before November 15 of each calendar year, the Parking Manager shall submit to the BLRA a proposed budget detailing the estimated Gross Parking Revenues and Parking Expenses of the Parking Premises for the following calendar year, which proposal shall include recommended parking rates for the following calendar year (the "Parking Budget"). On or before December 15 of each year, the BLRA will deliver to the Parking Manager either written approval of the Parking Budget or written Notice specifically identifying those line items of the Parking Budget that the BLRA disapproves, in which event the Parking Manager and the BLRA shall each, in good faith, agree upon a resolution of the disapproved line items, within 30 days from the date of the written Notice of disapproval. The Parking Manager shall use commercially reasonable efforts to abide by the approved Parking Budget. The Parking Budget (including the effective parking rates) may be revised or amended in the course of the calendar year if agreed to by both the Parking Manager and the BLRA.

Section 6.15 Notice of Personal Injury or Property Damage. The Parking Manager shall notify the BLRA and the Port Manager promptly after receipt of knowledge thereof of the occurrence of any personal injury or property damage on the Parking Premises.

ARTICLE 7

PARKING REVENUES, FEES AND SHARES

Section 7.1 Parking Management Fee. The Parking Manager (whether Redeveloper, its Affiliate or an Approved Contractor) shall be paid a fee for providing the Parking Services (the "Parking Management Fee"). The Parking Management Fee for the Redeveloper or its Affiliate shall be the Redeveloper's Net Parking Profit Share. The Parking Management Fee for an Approved Contractor shall be based on a commercially reasonable amount to be mutually agreed upon by the Redeveloper and the BLRA in connection with the contract between Redeveloper and proposed contractor. The Parking Management Fee for an Approved Contractor shall be considered a Parking Expense payable from the Gross Parking Revenues.

Section 7.2 BLRA's Net Parking Profit Share and Redeveloper's Net Parking Profit Share. (1) During the Term, the BLRA shall receive each calendar year the BLRA's Net Parking Profit Share.

(2) During the Term, the Redeveloper shall receive each calendar year the Redeveloper's Net Parking Profit Share.

Section 7.3 Annual Parking Statements. (1) Within 30 days after the end of each calendar year, and within 30 days after the expiration and/or termination of this Parking Management Agreement, the Parking Manager shall submit to the BLRA, Redeveloper and the Independent Accountant a statement certified by an authorized representative of the Parking Manager setting forth the annual Gross Parking Revenues, the annual Parking Expenses, and the annual Net Parking Profit (the "Annual Parking Statement"). The Parking Manager shall, simultaneously with delivery of the Annual Parking Statement, provide the Independent Accountant with a copy of the Records for such period or such portion of the Records that the Independent Accountant may request in its sole discretion.

(2) Within 90 days after receipt of the Annual Parking Statement, Redeveloper shall cause the Independent Accountant to submit to Redeveloper and the BLRA a certification certifying that the Annual Parking Statement accurately presents the Net Parking Profit in accordance with generally accepted accounting principles (the "Independent Accountant Certification"). Notwithstanding the above, the BLRA may in its sole discretion undertake an alternate method for such certification provided the cost shall not exceed the cost to obtain the Independent Accountant Certification. Any and all expenses of the Independent Accountant shall be included in the Parking Budget as Parking Expenses and paid from the Gross Parking Revenues.

Section 7.4 Payments. Within 10 days after the Independent Accountant Certification (or any alternative certification) is delivered to the Redeveloper, the Redeveloper shall (1) prepare and deliver to the BLRA a statement in writing certified by an authorized representative of Redeveloper, setting forth the Net Parking Profit, the BLRA's Net Parking Profit Share, the Relocation Fee, if any, and the Redeveloper's Net Parking Profit Share for the immediately preceding calendar year (the "Annual Profit Statement"), and (2) cause the Parking Manager to pay (a) the Redeveloper an amount equal to the Redeveloper's Net Parking Profit Share and the Relocation Fee, if any, and (b) the BLRA an amount equal to the BLRA's Net Parking Profit Share, if any.

Section 7.5 **BLRA Audit.** In the event that the BLRA Audit referenced in Section 6.13(1) discloses unreported or unrecognized Gross Parking Revenues, or failure to collect and deposit Gross Parking Revenues in the Parking Account, and/or Parking Expenses that are misstated or not permitted pursuant to this Parking Management Agreement or the Transaction Documents, and such unrecognized Gross Parking Revenues or unauthorized Parking Expenses would result in an increase in the BLRA's Net Parking Profit Share with respect to such calendar year, then the Parking Manager shall promptly pay over to the BLRA such increase together with interest thereon at the Default Interest Rate. Should the BLRA Audit result in an increase in the BLRA's Net Parking Profit Share of greater than 5%, then the Parking Manager shall reimburse the BLRA for the cost of the BLRA Audit and such reimbursement amount shall not be deemed a Parking Expense.

ARTICLE 8

INSURANCE

Section 8.1 Insurance Requirements of Parking Manager. (1) At all times during the Term of this Parking Agreement, Parking Manager shall carry and maintain, at its expense, policies written by underwriters with an "A-8" or better rating from AM Best, or as otherwise approved by the BLRA, covering:

(a) Commercial general liability insurance including insurance against assumed or contractual obligations under the Parking Agreement against any liability arising out of the use of the Parking Premises, the Parking Improvements and all areas appurtenant thereto, to afford provision with limits of not less than \$10,000,000 per occurrence/aggregate with respect to personal injury, bodily injury, death and property damage. Such liability shall be written on the ISO occurrence form CG 00 01, or a substitute form providing equivalent coverages and shall cover liability arising from Parking Improvements and Parking Premises operations, independent contractors, products-completed operations, broad form property damage, personal & advertising injury, cross liability coverage, liability assumed in a contract (including the tort liability of another assumed in a contract);

(b) If and to the extent required by Applicable Law, worker's compensation, employer's liability and disability benefits as required by the State. If employees will be working on, near or over navigable waters, US Longshoremen's and Harbor Workers' Compensation Act endorsement must be included, and any other coverage (if applicable) or similar insurance in form and amounts required by Applicable Law;

(c) Comprehensive business automobile liability insurance of not less than \$10,000,000 each accident. Such insurance shall cover liability arising out of any automobile including owned, leased, hired and non-owned automobiles including the transport or towing of vehicles of others;

(d) Garage keeper liability coverage or the equivalent thereof with a limit of \$2,500,000 at each location for comprehensive and collision coverage on a primary basis for damage to an automobile or automobile equipment in the Parking Manager's care, custody or control including the transport or towing of vehicles of others; and,

(e) Comprehensive crime insurance including holdup, robbery and other third party crime, employee theft, premises, transit and depositor's forgery coverage, with limits as to any given occurrence of \$1,000,000 and with a deductible in an amount to be agreed to by the Parties.

(2) Parking Manager shall cause to be included in each of its policies insuring against loss, damage or destruction by fire or other insured casualty a waiver of the insurer's right of subrogation against the BLRA, or, if such waiver is unobtainable (a) an express agreement that such policy shall not be invalidated if Parking Manager waives or has waived before the casualty, the right of recovery against the BLRA or (b) any other form of permission for the release of the BLRA.

(3) Upon 10 Business Days notice, copies of certificates evidencing the insurance required herein, and rating information, shall be furnished to the BLRA at no cost. Such policies shall be subject to the approval of the BLRA for adequacy and form of protection. The BLRA shall have the right upon 30 days written notice from time to time to cause the Parking Manager to increase liability limits or modify coverages.

(4) The Parking Manager shall deliver to the BLRA one certificate of insurance

evidencing each required insurance coverage upon the execution of this Parking Management Agreement.

(5) Not less than 30 days prior to the expiration date or renewal date, the Parking Manager shall supply the BLRA updated replacement certificates of insurance, and amendatory endorsements.

(6) The liability policies required herein shall be endorsed to include provisions that:

(a) require the insurer to provide 60 days prior written notice to all additional insureds, before the policy is canceled, terminated, changed or modified by the insurance company;

(b) confirm that the presence of the BLRA's personnel on the Parking Premises shall not invalidate its insurance policy; and

(c) confirm that a violation of any of the terms of any other policy issued by the insurer to Parking Manager shall not invalidate the policy.

(7) Upon request, the Parking Manager shall promptly furnish copies of the above endorsements to the BLRA. Acceptance of such copies by the BLRA does not and shall not be construed to relieve the Parking Manager of any obligations, responsibilities or liabilities under this Parking Management Agreement.

(8) Notwithstanding the foregoing provisions of this Section, an appropriate umbrella policy is acceptable in the event that the full limits of any of the foregoing coverages are not available on a primary basis.

(9) For purposes of this Parking Management Agreement, notice of an accident from the BLRA to the Redeveloper shall constitute notice to the applicable insurer.

Section 8.2 BLRA as Additional Insured. All insurance policies evidencing the foregoing insurance in Section 8.1 shall name the BLRA and/or its designee(s) as additional insured (except worker's compensation insurance), shall be primary and non-contributory with respect to the Parking Manager's undertaking of the Parking Services, excepting workers compensation. If Parking Manager shall fail to perform any of its obligations under this Article 8, the BLRA may perform the same and the cost of same shall be payable upon the BLRA's demand.

Section 8.3 BLRA's Liability. The BLRA shall not be responsible or liable to Parking Manager, or to those claiming by, through or under Parking Manager, for any loss or damage resulting to Parking Manager, or those claiming by, through or under Parking Manager, or its or their property, from the breaking, bursting, stoppage or leaking of electrical cable and wires, or water, gas, fuel oil, sewer or steam pipes so long as such loss or damage is not occasioned by the BLRA's intentional act or omission or the BLRA's gross negligence. To the maximum extent permitted by Applicable Law, Parking Manager agrees to use the Parking Premises, as Parking Manager is herein given the right to use, at Parking Manager's own risk.

Section 8.4 Restriction on Use. Parking Manager shall not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Parking Premises which will violate Parking Manager's policies of hazard or liability insurance or which will prevent Parking Manager from procuring such policies in companies acceptable to the BLRA.

Section 8.5 No Double Recovery. Neither the BLRA nor Parking Manager shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other Party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income or losses under worker's compensation laws and benefits even though such loss or damage might have been occasioned by the negligence of such Party, its agents or employees if, and to the extent, that any such loss or damage is covered by insurance benefiting the Party suffering such loss or damage or was required to be covered by insurance pursuant to this Parking Management Agreement.

Section 8.6 Insurance Requirements for Contractors of Parking Manager. Parking Manager shall require any contractor of Parking Manager performing work on the Parking Premises to carry and maintain, at no expense to the BLRA, policies written by underwriters with an "A-8" or better rating from AM Best or as otherwise approved by the BLRA:

(1) Commercial general liability insurance, including contractor's liability coverage, contractual liability coverage, products/completed operations coverage and broad form property damage endorsement, to afford protection, with coverage of not less than \$10,000,000 per occurrence/aggregate with respect to personal injury, bodily injury, death and property damage;

(2) Comprehensive automobile liability insurance with limits for each occurrence, combined single limit coverage, of not less than \$10,000,000 with respect to personal injury, death and property damage;

(3) Garage keeper liability coverage or the equivalent thereof with a limit of \$2,500,000 at each location for comprehensive and collision coverage on a primary basis for damage to an automobile or automobile equipment in the Parking Manager's care, custody or control including the transport or towing of vehicles of others; and,

(4) If and to the extent required by Applicable Law, worker's compensation coverage, employer's liability and disability benefits as required by the State. If employees will be working on, near or over navigable waters in connection with their work on or about the Parking Premises, US Longshoremen's and Harbor Workers' Compensation Act endorsement must be included, and any other coverage (if applicable) or similar insurance in form and amounts required by Applicable Law.

Section 8.6.1 BLRA as Additional Insured. All insurance policies of contractors of the Parking Manager evidencing the foregoing insurance shall name the BLRA and/or its designee(s) as additional insured (except worker's compensation insurance), shall be primary and non-contributory with respect to the Redeveloper's undertaking of the Parking Services, and shall also contain a provision by which the insurer agrees that such policy shall not be cancelled, materially changed or not renewed without at least 60 days' advance notice to the BLRA, or their designee(s). A certificate evidencing such insurance shall be deposited with the BLRA by Parking Manager promptly upon commencement of Parking Manager's contractor's obligation to procure the same. If Parking Manager shall fail to cause its contractors to perform any of the obligations under this Article 8, the BLRA may perform the same and the cost of same shall be payable upon the BLRA's demand.

ARTICLE 9

TERM, DEFAULT AND REMEDIES

Section 9.1 Term. (1) The Term of this Parking Agreement shall commence on the Effective Date and end on December 31, 2038, unless sooner terminated or extended pursuant to the provisions of this Parking Management Agreement.

(2) This Parking Management Agreement shall terminate upon the termination of the Redevelopment Agreement in accordance with its terms provided, however, that such termination shall not relieve the BLRA of its continuing obligations under Section 6.6 of the Usage Agreement and Section 8.1.3 of the Redevelopment Agreement.

Section 9.2 Events of Default by Redeveloper. With regard to Redeveloper, the following shall be "Events of Default" under this Parking Management Agreement:

(1) Failure by Redeveloper to observe or perform any material covenant, condition or agreement on its part to be observed or performed hereunder, which failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Redeveloper by the BLRA, unless the BLRA shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if effective corrective action is instituted by Redeveloper within such period and diligently pursued until such failure is corrected; and/or

(2) The commencement by Redeveloper of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or its consent to the entry of an order for relief in an involuntary case under any such law, or its consent to the appointment of or taking possession by a receiver, custodian, liquidator, assignee, trustee or sequestrator (or other similar official) of itself or of any substantial part of its property, or shall make a general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due; and/or

(3) A court having jurisdiction shall enter a decree or order for relief in respect of Redeveloper in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, custodian, liquidator, assignee, trustee, sequestrator (or other similar official) of Redeveloper or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of such decree or order unstayed and in effect for a period of 90 consecutive days; and/or

(4) The occurrence of an Event of Default by Redeveloper under any Transaction Document.

Section 9.3 The BLRA's Remedies. Whenever any Event of Default hereunder by Redeveloper shall have happened and be continuing without cure, the BLRA may terminate this Parking Management Agreement by providing written notice to Redeveloper, and (1) re-enter and take possession of the Parking Improvements to the extent they have been already sold to the BLRA or (2) re-enter, take possession and take title to the Parking Improvements to the extent they have not been sold to the BLRA and in each case Redeveloper shall vacate and surrender title (if applicable) and possession to the same, without the BLRA having any further obligation except as set forth in the Transaction Documents including, but not limited to, Section 6.6 of the Usage Agreement or Section 8.1.3 of the Redevelopment Agreement, or (3) utilize any available remedies at law or in equity to which BLRA may be entitled. The BLRA may pursue its rights and remedies under the Transaction Documents in whatever order, or

collectively, and shall not be required to exhaust any right or remedy or proceed in any order against Redeveloper.

Section 9.4 Events of Default by the BLRA. With regards to the BLRA, the following shall be "Events of Default" under this Parking Management Agreement:

(1) Failure by the BLRA to observe or perform any covenant, condition or agreement on its part to be observed or performed hereunder or under the Transaction Documents, and such failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the BLRA by Redeveloper, unless Redeveloper shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if corrective effective action is instituted by the BLRA within such period and diligently pursued until such failure is corrected; and/or

(2) The BLRA transfers a controlling interest in the Port to any other party for any reason and such successor does not completely and unconditionally assume the rights and obligations of the BLRA under this Parking Management Agreement; and/or

(3) The BLRA transfers a controlling interest in the Port to a nongovernmental entity, without Redeveloper's prior written consent, which shall not be unreasonably withheld; and/or

(4) The occurrence of an "Event of Default" by the BLRA under any Transaction Document.

Section 9.5 Redeveloper's Remedies. Whenever any Event of Default by the BLRA hereunder shall have happened and be continuing, any one or more of the following remedial steps may be taken by Redeveloper:

(1) Terminate this Parking Management Agreement by providing written notice to the BLRA;

(2) Suspend its performance under the Redevelopment Agreement in accordance with Section 20.11 of the Redevelopment Agreement; and/or

(3) Seek against the BLRA all remedies, in law or in equity, as Redeveloper may deem appropriate, including, without limitation, specific performance and injunctive relief.

Section 9.6 Force Majeure; Termination. Force Majeure shall be governed separately pursuant to the Article pertaining thereto and set forth herein. Either the BLRA or the Redeveloper may terminate this Parking Management Agreement upon the occurrence of an event of Force Majeure that prohibits use of the Parking Premises as contemplated herein for a period of more than 24 months.

Section 9.7 Cumulative Remedies; Delay or Omission – No Waiver. The remedies conferred upon or reserved to the BLRA or Redeveloper pursuant to this Parking Management Agreement, including, without limitation, those set forth in this Article 9, are demonstrative only, and are not exclusive of any other available remedy or remedies provided for at law or in equity, or under any Applicable Law now existing or hereinafter provided, but each and every remedy shall be cumulative and shall be in addition to every other remedy either given under this Parking Management Agreement or at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power

may be exercised from time to time and as often as it may be deemed expedient. In order to entitle the BLRA or Redeveloper to exercise any remedy reserved to it in this Article 9, it shall not be necessary to give any Notice, other than such Notice as may be herein expressly required.

Section 9.8 Specific Performance. If an Event of Default occurs, or a Party hereto threatens to take an action that will result in the occurrence of an Event of Default, the non-defaulting (or non-threatening) Party shall have the right and remedy, without posting bond or other security, to have the provisions of this Parking Management Agreement specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach may cause irreparable injury to the BLRA or Redeveloper and that money damages may not provide an adequate remedy for such inquiry.

Section 9.9 Continuance of Obligation. The occurrence of an Event of Default shall not relieve the defaulting Party of its obligations under this Parking Management Agreement or the other Transaction Documents. Such defaulting Party's obligations shall survive the termination of the Transaction Documents in accordance with the terms thereof.

Section 9.10 Mitigation. The Parties shall act reasonably to mitigate any damages incurred as the result of an Event of Default or, to the degree possible, in the event of a Force Majeure under this Parking Management Agreement.

Section 9.11 Survival of Termination. The provisions of this Article shall survive the termination of this Parking Management Agreement as a result of an Event of Default.

Section 9.12 No Consequential Damages. Notwithstanding anything to the contrary contained herein, each Party hereby waives and releases the other from any other claim of consequential or other type of damages, whether based on contract, warranty, negligence (including sole, joint, or comparative), strict liability or otherwise, and whether special, consequential, indirect, incidental, punitive damages of any kind of character, including but not limited to, loss of profits or revenues, loss of product, cost of capital, and the like arising directly or indirectly from or out of any wrongful act, negligence or willful misconduct on the part of the other Party or its Affiliates, agents, representatives, employees, contractors or Invitees, and any failure of the other Party or its Affiliates, officers, directors, employees, agents or representatives to comply with any Applicable Law or with the directive of any Governmental Body.

ARTICLE 10

FORCE MAJEURE

Section 10.1 Force Majeure. Performance by any Party under this Parking Management Agreement or the Transaction Documents shall not be deemed to be in default where delays or failure to perform are the result of the following Force Majeure acts, events or conditions or any combination thereof that has had or may be reasonably expected to have a direct, material, adverse effect on the rights or obligations of the Parties to this Parking Management Agreement; provided, however, that such act, event or condition shall be beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such Party under the terms of this Parking Management Agreement (collectively, "Force Majeure Events").

Section 10.2 Force Majeure Events. The follow shall constitute "Force Majeure Events":

(1) An act of God, lightning, blizzard, hurricane, tornado, earthquake, acts of a public enemy, war, terrorism, blockade, insurrection, riot or civil disturbance, sabotage or similar occurrence (such events being required to physically affect a Party's ability to fulfill its obligations hereunder; the consequential effect of such events (e.g., impact on market conditions) shall not be considered a Force Majeure Event); and/or

(2) A landslide, fire, explosion, flood or release or discovery in the Redevelopment Area of unexploded ordnance, nuclear, biological or radiological compounds not created or released by an act or omission of either Party hereto; and/or

(3) The order, judgment, action or inaction and/or determination of any court with jurisdiction or a Governmental Body (other than the BLRA when acting in conformance with this Parking Management Agreement) with jurisdiction over the BLRA or the Redevelopment Area, excepting decisions interpreting Federal, State and local tax laws generally applicable to all business taxpayers, adversely affecting the Construction of any Improvement or Redeveloper's performance under this Parking Management Agreement; provided, however, that such order, judgment, action and/or determination shall not be the result of the willful, intentional or negligent action or inaction of the Party to this Parking Management Agreement relying thereon and that neither the contesting of any such order, judgment, action and/or determination, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party; and/or

(4) The suspension, termination, interruption, denial, failure of, or delay in renewal or issuance of any Approval required pursuant to Applicable Law, provided, however, that such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance shall not be the result of the willful, intentional or negligent action or inaction of the Party relying thereon and that neither the contesting of any such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party. Delay in issuance of an Approval resulting from Redeveloper's failure to make an administratively complete submission for an Approval shall not be an event of Force Majeure; and/or

(5) Lawsuits or other legal actions taken by any Person challenging the transactions contemplated by this Parking Management Agreement, or any other regulatory or administrative delay, except that any lawsuit or other legal action initiated by Redeveloper, an Affiliate of Redeveloper, and any Person with an equity interest therein, an employee, agent, vendor or contractor of the aforementioned entities, shall not be an event of Force Majeure; and/or

(6) The failure or inability on the part of the BLRA to remediate any Pre-Existing Contamination or obtain the NFA/CNS to the extent such failure or inability entails a delay in the ability of the Redeveloper to undertake the Construction of any Improvements.

Section 10.3 Notice of Force Majeure. Notwithstanding the foregoing, unless the Party entitled to an extension under this Article gives written Notice to the other Party hereto of its claim to such extension within 10 days after such Party obtains actual knowledge of the event giving rise to such claim, there shall be excluded in computing the number of days by which the time for performance of the act in question shall be extended, the number of days which shall have elapsed between the occurrence of such event and the actual giving of such Notice, provided that failure to provide such Notice shall not prevent the Party claiming a Force Majeure Event from exercising its rights and enjoying the protections afforded under such claim and provided further that in the event the Party entitled to received such Notice has actual knowledge of such a Force Majeure Event, the penalty for failure to provide Notice pursuant hereto shall not apply.

Section 10.4 Procedure. The Parties acknowledge that the acts, events or conditions set forth in this Article are intended to be the only acts, events or conditions that may (upon satisfaction of the conditions specified herein) constitute Force Majeure Events. Notice by the Party claiming such extension due to Force Majeure shall be sent to the other Party within 30 calendar days of the commencement of the cause. During any Force Majeure Event that affects part of the Redevelopment Project or performance under this Parking Management Agreement, Redeveloper shall continue to perform its obligations for the remainder of the Term of the Redevelopment Project or the remainder of the Term of the Transaction Documents. The existence of a Force Majeure Event shall not prevent a Party from declaring the occurrence of an Event of Default by the Party relying on such Force Majeure Event provided that the event that is the basis of the Event of Default is not a result of the Force Majeure Event. Notwithstanding anything contained herein to the contrary, in the case of a Force Majeure Event described in this Article, the Party claiming such extension shall have an ongoing obligation to contest such lawsuit or other legal action, regulatory or administrative delay, to the extent applicable, and shall perform all acts necessary to terminate such Force Majeure Event.

ARTICLE 11

DISPUTE RESOLUTION

Any Dispute, controversy or claim of one Party against the other Party arising out of, relating to or in connection with this Parking Management Agreement, including any question regarding its existence, validity or termination, or regarding a breach thereof shall be resolved pursuant to the following procedures:

Section 11.1 Dispute Notice. Any Party wishing to initiate consideration of a Dispute hereunder shall give a Dispute Notice to the other Party of the existence of such Dispute and of the Party's desire to have the other Party consider the Dispute. Such notice shall set forth in reasonable detail the nature of the Dispute to be considered and shall be accompanied by a full disclosure of all factual evidence and a statement of the applicable legal basis of the Dispute; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 11.2 Negotiating Team. Upon giving and receipt of a Dispute Notice, each Party shall appoint a Negotiating Team consisting of not less than one and not more than three representatives.

Section 11.3 Negotiation Meetings. The Negotiating Teams shall commence meeting within 30 days of receipt of the Dispute Notice and shall, during and up to such 30 day period, meet and negotiate in good faith for a period of up to 30 days to attempt to resolve the Dispute. During such negotiation period, a Party asserting a claim for damages or equitable relief or any defense thereto against any other Party shall disclose to the other Party all previously undisclosed factual evidence and legal basis of such claim or defense; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or legal proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 11.4 Final Dispute Notice. If the Negotiating Teams fail to resolve the Dispute within the negotiation period set forth in Section 11.3 above, any Party may notify the other Party of such failure by delivery of a Final Dispute Notice.

Section 11.5 Arbitration. Upon the giving or receipt of a Final Dispute Notice, any disagreement within the scope of this Article 11 shall be determined by final and binding arbitration pursuant to the then current Commercial Arbitration Rules of the American Arbitration Association ("AAA"), in existence at the time of the execution of this Parking Management Agreement. The arbitration shall be conducted in Newark, New Jersey, USA. The arbitration shall be before a panel of three arbitrators. One arbitrator shall be selected by each of the Parties and the third arbitrator shall be selected by the two arbitrators designated by the Parties. Each Party shall bear its own costs and expenses in preparing for and participating in the arbitration hearing except that each Party shall pay one-half of the compensation payable to the arbitrators, one-half of any fees to the AAA and one-half of any other costs related to the hearing proceedings. The arbitration award may provide for either damages or other

equitable relief, including, but not limited to, injunctive relief, and shall be final and binding on the Parties, and judgment on the award may be entered in any court having jurisdiction, including resort to the relief granted in the Federal Arbitration Act or Applicable Law.

Section 11.6 Commencement of Arbitration. It is explicitly agreed by each of the Parties hereto that no such arbitration shall be commenced except in conformity with this Article 11.

Section 11.7 Prevailing Party Award of Attorneys' Fees. In the event either Party brings an arbitration proceeding against the other arising out of the terms or provisions of this Parking Management Agreement and the other Party employs an attorney in connection therewith, the prevailing Party (whether such prevailing Party has been awarded a money judgment or not) may be awarded by the arbitrators and entitled to receive from the other Party full reimbursement of such prevailing Party's reasonable attorneys' and para-professionals' fees (excluding in-house counsel and para-professional fees) and costs incurred therewith (including costs to enforce arbitration), whether such fees are incurred by the prevailing Party before, during, or after any arbitration, trial or administrative proceeding or on appeal.

Section 11.8 No Abrogation of Right to Seek Emergent Equitable Relief. Nothing in this Article 11 shall be construed to deprive any Party, or to abrogate any Party's right, to seek emergent, equitable relief, if necessary, in any court of competent jurisdiction and in accordance with Applicable Law, as any such court may adjudge, order or decree under the pertinent circumstances.

ARTICLE 12

INDEMNIFICATION

Section 12.1 Indemnification. Each Party covenants and agrees, at its sole expense, to pay and to indemnify, protect, defend and hold the BLRA Indemnified Parties or the Redeveloper Indemnified Parties, as the case may be, harmless from and against all liability, losses, damages, demands, costs, claims, actions, or expenses (including attorneys' fees, disbursements, and court costs) of every kind, character and nature arising out of, resulting from or in any way connected with this Parking Management Agreement, or the acquisition, condemnation, condition, use, possession, conduct, management, planning, design, construction, installation, financing, marketing, leasing or sale of the Redevelopment Area, including but not limited to, the death of any Person or any accident, injury, loss, and damage whatsoever caused to any Person or to the property of any Person that shall occur on the Redevelopment Area and that, with respect to any of the foregoing, are related to or resulting from any negligence or willful misconduct of Redeveloper or the BLRA, as the case may be, its agents, servants, employees, or contractors.

Section 12.2 Environmental Indemnification. For purposes of this Article 12 and this Parking Management Agreement, the Environmental Indemnification set forth in Article 15 of the Redevelopment Agreement shall govern and be applicable to the Parties.

Section 12.3 Interest in the Redevelopment Area. (1) With respect to any interest in the Redevelopment Area, inclusive of the Parking Premises, acquired or accessed by Redeveloper, Redeveloper shall defend, protect, indemnify and hold harmless the BLRA Indemnified Parties, from any claim, liability, injury and expense (including, without limiting the generality of the foregoing, the cost of any required investigation and remediation of any environmental conditions, and the cost of attorneys' fees) which may be sustained as the result of any environmental conditions on, in, under or migrating to or from the Redevelopment Area acquired or accessed by Redeveloper, to the extent any such liability attaches to the BLRA Indemnified Parties as a direct result of activities performed by Redeveloper or its contractors pursuant to this Parking Management Agreement, including without limitation claims against the BLRA Indemnified Parties by any third party.

(2) Except as set forth in Article 15 of the Redevelopment Agreement, neither Party has granted any release, indemnity and/or other forbearance in favor of the other with respect to any claim, liability, injury, damage, cost or action and/or expense relating to the environmental condition of the Peninsula (specifically including, without limitation, any Parcel(s) to be developed by Redeveloper), and no provision of this Parking Management Agreement shall in any manner be argued and/or construed to constitute a waiver or limitation of any right or claim that either Party may assert against the other under Applicable Law respecting such matters.

Section 12.4 Notification of Indemnification. In any situation in which the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, are entitled to receive and desire defense and/or indemnification pursuant to this Article 12, the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, shall give Notice of such situation to the Indemnifying Party within 30 days after the Indemnified Party has actual knowledge of any claim as to which indemnity may be sought hereunder. Failure to provide timely Notice to the Indemnifying Party shall not relieve the Indemnifying Party of any liability to indemnify the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, unless such failure to provide timely Notice materially impairs the Indemnifying Party's ability to defend. Upon receipt of such Notice, the Indemnifying Party shall

resist and defend any action or proceeding on behalf of the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, including the employment of counsel reasonably acceptable to the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, the payment of all expenses and the right to negotiate and consent to settlement. All of the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be shall have the right to employ separate counsel at the expense of the Indemnifying Party. The Indemnifying Party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Indemnified Party or if there is a final judgment against the Indemnified Party in any such action, the Indemnifying Party shall indemnify and hold harmless the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be from and against any loss or liability by reason of such settlement or judgment for which the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, are entitled to indemnification hereunder.

Section 12.5 Survival of Indemnity. The provisions of this Article 12 shall survive the termination of this Parking Management Agreement due to an Event of Default.

Section 12.6 Limitation of Damages. Notwithstanding anything else provided herein, in the event an Indemnified Party seeks an indemnity under this Article 12 from the Indemnifying Party, the only damages Indemnified Party may collect from the Indemnifying Party are the actual non-consequential, direct, damages suffered by the Indemnified Party.

ARTICLE 13

MISCELLANEOUS

Section 13.1 Provisions Not Merged. None of the provisions of this Parking Management Agreement are intended to or shall be merged by reason of any prior agreement, lease or other contract between the BLRA and Redeveloper.

Section 13.2 Non-Liability of Officials, Employees and Agents of the BLRA or the City. No member, official, employee or agent of the BLRA, its Affiliates or the City shall be personally liable to Redeveloper, or any successor in interest, in the event of any default or breach by the BLRA, or for any amount which may become due to Redeveloper or its successor, or on any obligation under the terms of this Parking Management Agreement.

Section 13.3 Non-Liability of Officials and Employees of Redeveloper. No member, officer, shareholder, director, partner or employee of Redeveloper shall be personally liable to the BLRA, or any successor in interest, in the event of any default or breach by Redeveloper or for any amount which may become due to the BLRA, or its successor, on any obligation under the terms of this Parking Management Agreement.

Section 13.4 No Brokerage Commissions. The BLRA and Redeveloper each represent one to the other that no broker initiated, assisted, negotiated or consummated this Parking Management Agreement as broker, agent, or otherwise acting on behalf of either the BLRA or Redeveloper, and the BLRA and Redeveloper shall indemnify each other with respect to any claims made by any Person, firm or organization claiming to have been so employed by the Indemnified Party.

Section 13.5 No Partnership; Relationship of the Parties. Neither party shall be deemed, in any way or for any purpose, to have become, by the execution of this Parking Management Agreement or any action taken under this Parking Management Agreement, a partner or agent of the other party in its business or otherwise, or a member of any joint enterprise nor to have any authority to bind the other party.

Section 13.6 Enforcement by the BLRA. It is intended and agreed that the BLRA and its successors and assigns shall be deemed beneficiaries of this Parking Management Agreement and covenants set forth herein, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit this Parking Management Agreement and the covenants set forth herein have been provided. This Parking Management Agreement and the covenants set forth herein shall run in favor of the BLRA for the entire period during which this Parking Management Agreement and covenants set forth herein shall be in force and effect. The BLRA shall have the right, in the event of any breach of this Parking Management Agreement or the covenants set forth herein, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which they and their successors and assigns may be entitled, provided, however, that at all times this Section shall be subject to the provisions of Articles 9 and 11 respectively.

Section 13.7 Enforcement by Redeveloper. It is intended and agreed that Redeveloper and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this Parking Management Agreement. Such agreements and covenants shall run in favor of Redeveloper for the entire period during which such agreements and covenants shall be in force and effect. Redeveloper shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to

enforce the curing of such breach of agreement or covenant, to which they and their successors and assigns may be entitled, provided, however, that at all times this Section shall be subject to the provisions of Articles 9 and 11 respectively.

Section 13.8 Notices. Any Notice, demand, election, payment, or other communication, which the BLRA or Redeveloper shall desire or be required to give pursuant to the provisions of this Parking Management Agreement (each a "Notice"), shall be sent by registered or certified mail, return receipt requested, and the giving of such Notice shall be deemed complete on the third (3rd) business day after the same is deposited in a United States Post Office with postage charges prepaid, enclosed in a securely sealed envelope addressed to the Person intended to be given such Notice at the respective addresses set forth below or to such other address as such Party may theretofore have designated by Notice pursuant to this Section 13.8:

BLRA: Bayonne Local Redevelopment Authority
51 Port Terminal Boulevard
Suite 21
Bayonne, New Jersey 07002
Attention: Nancy A. Kist, Executive Director

With copy to: John F. Coffey, II, Esq.
Bayonne Municipal Building
630 Avenue C
Bayonne, NJ 07002-3898

Joseph P. Baumann, Jr., Esq.
McManimon & Scotland, L.L.C.
One Riverfront Plaza, 4th Floor
Newark, NJ 07102

Redeveloper: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President, New
Business Development

With a copy to: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President and
General Counsel

All Notices to be given under this Parking Management Agreement shall be given in writing in conformance with this Section 13.8 and, unless a certain number of days is specified, within a reasonable time.

Section 13.9 Waivers; Amendments; Requirement of a Writing. All waivers of the provisions of this Parking Management Agreement must be in writing and signed by the appropriate representatives of the BLRA and Redeveloper, and all amendments hereto must be in writing and signed by the appropriate representatives of the BLRA and Redeveloper. The waiver by either Party of a default or of a breach of any provision of this Parking Management Agreement by the other Party shall not operate or be construed to operate as a waiver of any subsequent default or breach. The failure of the

BLRA or Redeveloper to insist in any one or more instances upon the strict performance of any of the covenants, agreements, terms, provisions or conditions of this Parking Management Agreement or to exercise any election contained in this Parking Management Agreement shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, election or option, but the same shall continue and remain in full force and effect. In the event that any contractual provisions that are required by Applicable Law have been omitted, then the BLRA and Redeveloper agree that this Parking Management Agreement shall be deemed amended to incorporate all such clauses by reference and such requirements shall become a part of this Parking Management Agreement. If such incorporation occurs and results in a change in the obligations or benefits of one of the Parties, the Parties agree to act in good faith to mitigate such changes in position.

Section 13.10 Conflict of Interest. No member, official or employee of the BLRA shall have any direct or indirect interest in this Parking Management Agreement, nor participate in any decision relating to this Parking Management Agreement which is prohibited by Applicable Law.

Section 13.11 No Consideration for Agreement. Redeveloper warrants it has not paid or given, and will not pay or give, any third Person any money or other consideration for obtaining this Parking Management Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. Redeveloper further warrants it has not paid or incurred any obligation to pay any officer or official of the BLRA or City, any money or other consideration for or in connection with this Parking Management Agreement.

Section 13.12 Approvals by the BLRA and Redeveloper. Wherever this Parking Management Agreement requires the approval of the BLRA or Redeveloper, or any officers, agents or employees of either the BLRA or Redeveloper, such approval or disapproval shall be given within the time set forth in this Parking Management Agreement, or, if no time is given, within a reasonable time. All approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld or delayed unless specifically stated otherwise.

Section 13.13 No Third Party Beneficiaries. The provisions of this Parking Management Agreement are for the exclusive benefit of the Parties and not for the benefit of any third Person, nor shall this Parking Management Agreement be deemed to have conferred any rights, express or implied, upon any third Person.

Section 13.14 Consents. Unless otherwise specifically provided herein, no consent or approval by the BLRA or Redeveloper permitted or required under the terms of this Parking Management Agreement shall be valid or be of any force whatsoever unless the same shall be in writing, and signed by an authorized representative of the Party by or on whose behalf such consent is given.

Section 13.15 Captions. The captions of the Articles, Sections, Subsections, the Table of Contents, and Schedule of Exhibits of this Parking Management Agreement are for convenient reference only and shall not be deemed to limit, construe, affect, modify or alter the meaning of the Articles, Sections, Exhibits or other provisions hereof.

Section 13.16 Governing Law. This Parking Management Agreement shall be governed by and construed in accordance with the laws of the State, without giving effect to choice of laws principles.

Section 13.17 Severability. If any Article, Section, Subsection, term or provision of this Parking Management Agreement or the application thereof to any Party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Parking Management Agreement or the application of same to Parties or circumstances other than those to which it is held invalid or

unenforceable shall not be affected thereby and each remaining Article, Section, Subsection, term or provision of this Parking Management Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law, provided that no such severance shall serve to deprive any Party of the enjoyment of its substantial benefits under this Parking Management Agreement.

Section 13.18 Assignment by Redeveloper. Redeveloper may, with the prior written consent of the BLRA (which shall be given in the BLRA's sole discretion) assign this Parking Management Agreement, or any portion thereof, to any Person. Redeveloper may, without the prior written consent of the BLRA, assign this Parking Management Agreement, or any portion thereof, to any Affiliate, provided that Redeveloper remains primarily obligated hereunder and guarantees such Affiliate's obligations hereunder.

Section 13.19 Successors and Assigns. This Parking Management Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto and their heirs, executors and administrators.

Section 13.20 Exhibits. All Exhibits referred to herein shall be considered a part of this Parking Management Agreement with the same force and effect as if such Exhibits had been included fully within the text of this Parking Management Agreement.

Section 13.21 Review by Counsel; Construction and Interpretation. The Parties acknowledge that this Parking Management Agreement has been extensively negotiated with the assistance of competent counsel for each Party and agree that no provision of this Parking Management Agreement shall be construed in favor of or against any Party by virtue of the fact that such Party or its counsel have provided an initial or any subsequent draft of this Parking Management Agreement or of any portion of this Parking Management Agreement. The Agreement shall be construed and enforced in accordance with the laws of the State and no presumption as to authorship shall be presumed.

Section 13.22 Expenses. Each Party hereto shall bear its own expenses, including legal fees and costs, in connection with the preparation and negotiation of this Parking Management Agreement and any additional documentation required to formalize the arrangement contemplated hereby, unless specifically provided elsewhere in the Transaction Documents to the contrary.

Section 13.23 Counting of Days; Saturday, Sunday or Holiday. If the final date of any period provided in this Parking Management Agreement for the performance of an obligation or for the taking of any action falls on a day other than a Business Day, then the time of such period shall be deemed extended to the next Business Day.

Section 13.24 Recording of Agreement. Upon written request of any Party, the Parties agree to execute an agreement, declaration or other document suitable for recording in the public records, setting forth the names of the Parties and the term thereof, identifying the Improvements and including such other clauses therein as either Party may reasonably request.

Section 13.25 Counterparts. This Parking Management Agreement may be executed in two or more counterparts (including by means of telecopied signature pages), each of which shall be deemed an original, but all of which together shall constitute one and the same fully executed Parking Management Agreement. Counterpart signatures need not be on the same page and shall be deemed effective upon receipt.

Section 13.26 Entire Agreement. The Transaction Documents constitute the entire agreement between the Parties and supersede all prior oral and written agreements between the Parties with respect to the subject matter thereof. The Transaction Documents supersede any prior understanding or written or oral agreements (express or implied) between the Parties.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Parking Management Agreement to be executed as of the day and year first above written.

BLRA:

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

By: _____


Nancy A. Kist,
Executive Director

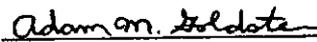
REDEVELOPER:

ROYAL CARIBBEAN CRUISES LTD.

By: _____

Name: _____

Title: _____


ADAM M. GOLDSTEIN
PRESIDENT, ROYAL CARIBBEAN INTERNATIONAL

APPENDIX A

CERTAIN GENERAL DUTIES AND OBLIGATIONS OF PARKING MANAGER

In addition and without limitation to those duties and obligations of the Parking Manager set forth elsewhere in the Agreement, the following is a compilation of duties and obligations of the Parking Manager to be undertaken in conjunction with the management, maintenance and operation of the Parking Premises. All duties and obligations of the Parking Manager set forth in this Appendix A and elsewhere in the Agreement must be performed for the benefit of the BLRA in accordance with the terms and conditions of this Parking Management Agreement. This Appendix is not intended to be, and shall not be deemed to be, an exhaustive statement of the Parking Manager's duties and obligations under this Parking Management Agreement:

1. **Cleaning and Sweeping**
2. **Trash and Debris Removal**
3. **Graffiti Removal**
4. **Maintenance of Lamps and Ballast (including bulb, lamp and ballast replacement)**
5. **Maintenance of Drainage Basins including regular cleaning**
6. **Paving of Potholes**
7. **Repairs of pedestrian paved areas**
8. **Removal of Oil and Gas Spills**
9. **Touch Up Pavement Markings, Striping, etc.**
10. **Implement and maintain Sign Package including aisle/area locators**
11. **Provide timely Accident and Security Violation Reports**
12. **Establish, provide copies to the BLRA (if requested), and implement procedures for: (a) Accounting (including without limitation the recording of Gross Parking Revenues, Accounts Receivables, Accounts Payable and Payroll), (b) monthly records/statements and Annual Budget, (c) Emergencies, and, (d) management reports (including without limitation ticket summary detailing all revenue by day, and category)**
13. **Establish, provide copies to the BLRA (if requested), and implement: (a) Parking Validation Programs, (b) Ticket Inventory Programs and Distribution Programs, (c) Employee Training Programs and, (d) Personnel Recruitment, Selection, Evaluation & Training Programs**
14. **Establish, provide copies to the BLRA (if requested) and implement a cleaning schedule and an operations schedule**
15. **Routine maintenance of equipment and/or securing contracts for routine maintenance of equipment**
16. **Maintain all operating equipment including, but not limited to, booths, gates, ticket equipment, revenue control equipment, signs and lighting fixtures**
17. **General maintenance of the Parking Premises and keeping the Parking Premises clean, safe and orderly**

18. Establish and enforce security measures to ensure the safety and security of the Parking Premises
19. Sweep any paved portions of the Parking Premises as needed for Cruise Operations to remove snow, dirt and debris and salt accumulation
20. Maintain the adjoining sidewalks and streets to the extent required by the law to which the property owner is subject, in a clean, neat, orderly and sanitary condition, reasonably free of dirt, garbage and rubbish and calcium chloride and other refuse and free of objectionable odors and in such manner as the BLRA may request
21. Install and maintain a system of internal controls to record income and expenses including without limitation for receipts. In accordance the Agreement, retain records pertaining to receipts, parking tickets and disbursement and make them available for examination and audit
22. Perform own audits and cooperate with the BLRA audits
23. Perform a final accounting
24. Maintain a supplies inventory control
25. Submit written report to the BLRA of each bodily injury and/or death claim or potential claim and each property damage claim arising from the operation of the Parking Premises within 24 hours
26. Routine Maintenance and Repairs
27. Secure and maintain Insurance coverage and bonds as set forth in the Agreement
28. Purchases, improvements, construction management, repairs, maintenance, and replacements as directed by the Redeveloper and the BLRA
29. Employment at the Parking Premises of a sufficient number of honest, competent and courteous personnel capable of managing, maintaining and operating the Parking Premises
30. Inform the BLRA immediately, in writing, upon the occurrence of any event at the Parking Premises, which involves a security, related matter
31. Inspection of the Parking Premises and its systems and reporting to the Redeveloper and BLRA conditions that need or may need repair or work
32. Valet Parking, if directed by the Redeveloper
33. Maintenance and repair of Guard Booths and Office without limitation glazing, and painting

In addition to and without, in any manner, limiting the duties and obligations set forth above, the Parking Manager shall utilize, keep and maintain the Parking Premises and all the equipment and elements situated at the Parking Premises in good and safe order and condition, including, but not limited to:

1. Benches
2. Bollards
3. Curbs, curb cuts and traffic islands (both concrete and rolled asphalt)
4. Drainage systems including piping, and catch basins
5. Emergency Call Boxes
6. Fences, gates (rolling and swing) and locks
7. Hydrants
8. Lighting
9. Pavement markings, striping and other symbols
10. Paving

11. Roadway signage
12. Sidewalks (concrete)
13. Trash Receptacles
14. Wheel stops
15. Traffic and Revenue Control Equipment

**SECOND AMENDMENT TO THE TERMINAL
OPERATING AGREEMENT**

By and Between

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

And

CAPE LIBERTY CRUISE PORT LLC

Dated as of January 1, 2014

THIS SECOND AMENDMENT TO THE TERMINAL OPERATING AGREEMENT by and between **The Port Authority of New York and New Jersey**, a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States of America and having its principal executive office at 225 Park Avenue South in the City of New York, New York County and State of New York (the "**PANYNJ**") and **Cape Liberty Cruise Port LLC**, a limited liability corporation organized and existing under the laws of the State of Delaware (the "**Port Manager**") having its offices at 1050 Caribbean Way, Miami, Florida 33132 (the PANYNJ and Port Manager each, a "**Party**" and, together, the "**Parties**"), is made as of this 1st day of January, 2014 (the "**Second Amendment to the Terminal Operating Agreement**" or this "**Amendment**"). This Second Amendment to the Terminal Operating Agreement amends that certain Terminal Operating Agreement dated September 1, 2005, as amended on December 1, 2006 (the "**Terminal Operating Agreement**"), by and between the Bayonne Local Redevelopment Agency (the "**BLRA**"), an instrumentality and agency of the City of Bayonne, County of Hudson, New Jersey (the "**City**") and the Port Manager. Capitalized terms used herein, and not otherwise defined herein, shall have the meanings prescribed to them in Exhibit A, as amended, to the Terminal Operating Agreement, as hereby amended.

WITNESSETH

WHEREAS, on September 1, 2005, the BLRA, Redeveloper and its affiliate, the Port Manager, entered into the Transaction Documents, including the Terminal Operating Agreement, in order to set forth the respective undertakings, rights and obligations of Redeveloper, Port Manager and the BLRA in connection with the redevelopment and use of the Port, all in accordance with Applicable Law; and

WHEREAS, on December 1, 2006, the BLRA and Port Manager entered into a First Amendment to the Terminal Operating Agreement (the "**First Amendment to the Terminal Operating Agreement**"); and

WHEREAS, on July 30, 2010, the PANYNJ and the BLRA entered into a Contract of Purchase and Sale (the "**Purchase Contract**") pursuant to which the PANYNJ purchased from the BLRA certain portions of the Peninsula, including the Redevelopment Area; and

WHEREAS, pursuant to the terms of the Purchase Contract, the BLRA agreed to assign and the PANYNJ agreed to assume all rights and obligations of the BLRA under the Transaction Documents; and

WHEREAS, the City by ordinance duly adopted on August 14, 2013 entitled "AN ORDINANCE OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY, DISSOLVING THE CITY OF BAYONNE REDEVELOPMENT AGENCY PURSUANT TO N.J.S.A. 40A:12A-24 and N.J.S.A. 40A:5A-20" (the "**Dissolution Ordinance**") has assumed all of BLRA's rights, title and interests in the Transaction Documents, subject to the express conditions set forth in the Dissolution Ordinance; and

WHEREAS, the City, the PANYNJ, the Redeveloper, the Port Manager and the Agent have entered into an Amendment and Assignment Agreement dated as of the date hereof (the "Assignment Agreement"), pursuant to which the City has, among other things, assigned and the PANYNJ has assumed all of the obligations of the City under all of the Transaction Documents; and

WHEREAS, since the execution of the Transaction Documents and the Assignment Agreement, it has been determined by the Parties that it is necessary to make certain changes to the Terminal Operating Agreement related to, among other things, the assignment of the Transaction Documents to the PANYNJ and the Construction and financing of the Phase IV(b) Improvements and the financing of a portion of the Phase II Improvements;

WHEREAS, Section 13.9 of the Terminal Operating agreement permits amendments thereto provided they are in writing and signed by the Parties; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and in the Terminal Operating Agreement as amended and supplemented by this Second Amendment to the Terminal Operating Agreement, and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

SECTION 1. Amendment to Exhibit A of the Terminal Operating Agreement; Reference to BLRA; Reference to Governmental Unit Deposit Protection Act.

(A) **Amendment to Exhibit A.** Exhibit A to the Terminal Operating Agreement is hereby amended as set forth on Exhibit A-1 attached hereto.

(B) **Reference to BLRA.** From and after the date hereof, except for the reference to the "BLRA" in the term "BLRA Financing Charge", all references to "BLRA" in the Terminal Operating Agreement shall be amended to read "PANYNJ" and all references to "Bayonne Local Redevelopment Authority" shall be amended to read "Port Authority of New York and New Jersey"

(C) **Reference to Governmental Unit Deposit Protection Act.** All references to the Governmental Unit Deposit Protection Act in the Terminal Operating Agreement, if any, including any requirement for compliance therewith, are hereby deleted.

SECTION 2. Amendment to Section 2.1(1) of the Terminal Operating Agreement.

(A) Section 2.1(1) of the Terminal Operating is hereby deleted in its entirety and amended to read as follows:

“(1) The PANYNJ is a body corporate and politic established by the Compact between the States of New York and New Jersey, with the consent of the Congress of the United States.”

(B) The PANYNJ reaffirms all of the representations set forth in Sections 2.1(2) through 2.1(7) of the Terminal Operating Agreement provided that the references therein to the “BLRA” shall be deemed to mean the “PANYNJ”.

SECTION 3. Amendment to Section 3.6 of the Terminal Operating Agreement. Section 3.6 of the Terminal Operating Agreement is hereby deleted in its entirety and amended to read as follow:

“**Section 3.6 Permitted Uses of Port.** The Port shall be used by the Port Manager for the management and operation of the Port for Cruise Operations and Permitted Uses. The Port may also be used for Incidental Uses in accordance with Section 3.11 hereof.”

SECTION 4. Addition of New Section 3.11 to the Terminal Operating Agreement. Article III of the Terminal Operating Agreement shall be amended to add a new Section 3.11, to read as follows:

“**SECTION 3.11. Incidental Uses of Port.**

3.11.1 Generally. The Port may be used by the Port Manager for Incidental Uses. The Port Manager may enter into sublicense agreements with third parties for the Incidental Uses of the Port. Within 15 days after entering into a sublicense agreement, the Port Manger shall notify the PANYNJ thereof.

3.11.2 Reporting Requirements. From and after the Relocation Date, the Port Manager shall provide to the PANYNJ on or before each Quarterly Reporting Date a statement certified by a responsible officer of the Port Manager showing (i) the Incidental Revenues for the immediately preceding calendar year quarter and (ii) the Incidental Revenues for the period from January 1 of such calendar year to and including the last day of the immediately preceding calendar year quarter.

3.11.3 PANYNJ Incidental Use Revenue Share. In addition to any other amounts payable to the PANYNJ hereunder or under any of the other Transaction Documents, the Port Manager shall pay, for the period commencing on the Relocation Date and ending on the last day of the Term, to the PANYNJ the PANYNJ Incidental Revenue Share on each Quarterly Reporting Date.”

SECTION 5. Amendments to Section 4.1 of the Terminal Operating Agreement.

(A) **Amendment to Section 4.1(2)**. Section 4.1(2) of the Terminal Operating Agreement shall be deleted in its entirety and amended to read as follows:

“(2) The term “Annual Operating Expense Budget” shall mean an expense budget that includes any and all costs, expenses and fees that the PANYNJ, the Port Manager and the Redeveloper, in good faith, reasonably estimate to be incurred in connection with the operation, maintenance, and management of the Port for the applicable calendar year, including, without limitation, (a) all expenses payable pursuant to the Terminal Operating Agreement, (b) assessments and other governmental charges, (c) the Priority Charges, (d) the BLRA Financing Charge, (e) the Redeveloper Loan Financing Charge, and (f) the Capital Reserve Charge (together, the “Annual Operating Expenses”).”

(B) **Amendment to Sections 4.1(3)(a) through (g)**. Sections 4.1(3)(a) through (g) of the Terminal Operating Agreement are hereby deleted in their entireties and amended to read as follows:

“(a) The “Annual Base Charge” for the use of the Redevelopment Area by the Redeveloper shall mean and be as follows:

- (i) For the period commencing on January 1, 2014 and ending on December 31, 2014: \$2.90 per square foot of the Redevelopment Area per annum; and
- (ii) For the period commencing on January 1, 2015 and ending on December 31, 2015, and each January 1 to December 31 thereafter until the last day of the Term: the prior calendar years’ per square foot per annum rate increased by the greater of (x) 3% or (y) the percentage change in the CPI over the prior calendar year.

Any and all Annual Base Charges shall be calculated on, and based upon, (i) for the period commencing on January 1, 2014 and ending on the day immediately preceding the Relocation Date, 1,013,688 square feet, and (ii) for the period commencing on the Relocation Date and ending on the last day of the Term, the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement (exclusive of land under water, the Terminal Improvements and the Overflow Parking Area (which Overflow Parking Area is not part of the Redevelopment Area)) and, upon the Completion Date of the Phase IV(b) Improvements, and measurement and determination of the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, any and all Annual Base Charges shall be retroactively adjusted accordingly, and promptly paid by the Redeveloper to the PANYNJ, or reimbursed by the PANYNJ to the Redeveloper, as applicable. In the event the Relocation Date occurs on a day other than the first day of any calendar year, the Annual Base Charge for such year shall be pro-rated accordingly.

No Annual Base Charge, or any other Priority Charges, shall be paid with respect to the Overflow Parking Area as long as the Overflow Parking Area is used for the purposes set forth in Section 10(A) of the First Amendment to the Parking Management Agreement.

(b) The “**Annual Construction Area Charge**” for use of the Construction Area by the Redeveloper shall mean and be, subject to the provisions of Section 5.8.1 of the Redevelopment Agreement, \$.50 per square foot per annum for each calendar year until the day immediately preceding the Relocation Date. After January 1, 2015, the Annual Construction Charge shall increase by the percentage change in the CPI over the prior calendar year.

(c) The “**Annual Terminal Improvements Charge**” shall mean and be as follows:

- (i) For the period commencing on January 1, 2014 and ending on the day immediately preceding the Relocation Date: \$2.85 per square foot of the Terminal Improvements per annum; for purposes hereof, the Terminal Improvements are deemed to contain 120,000 square feet;
- (ii) If the Relocation Date has not occurred prior to January 1, 2015, the Annual Terminal Improvements Charge will be increased on January 1, 2015 to the prior calendar year’s per square foot per annum rate increased by the greater of (x) 3% or (y) the percentage change in the CPI over the prior calendar year; and
- (iii) From and after the Relocation Date, there will be no Annual Terminal Improvements Charge.

(d) The “**Annual Port Authority Common Area Charge**” for so long as vehicular access to the Redevelopment Area is provided by means of access over the property owned by PANYNJ and/or street lighting for such access is provided by the PANYNJ for the Redeveloper, its guests, invitees, employees, vendors and subcontractors, shall mean and shall be as follows:

- (i) For the period commencing on January 1, 2014 and ending on December 31, 2014: \$92,966.30 per annum; and
- (ii) For the period commencing on January 1, 2015 and ending on December 31, 2015, and each January 1 to December 31 thereafter until the last day of the Term: the prior calendar years’ Annual Port Authority Common Area Charge increased by the percentage change in the CPI over the prior calendar year.

(e) The "Port Authority Supplemental Charge" shall mean and be as follows:

(i) For the Redevelopment Area (excluding land under water, the Terminal Improvements and the Overflow Parking Area (which Overflow Parking Area is not part of the Redevelopment Area)):

- (I) For the period commencing on the January 1, 2014 and ending on December 31, 2014: \$.124 per square foot of the Redevelopment Area (excluding land under water, the Terminal Improvements and the Overflow Parking Area (which Overflow Parking Area is not part of the Redevelopment Area)) per annum; and
- (II) For the period commencing on January 1, 2015 and ending on December 31, 2015, and each January 1 to December 31 thereafter until the last day of the Term: the prior year's per square foot rate increased by the percentage change in the CPI over the prior calendar year for the Redevelopment Area (excluding land under water, the Terminal Improvements and the Overflow Parking Area (which Overflow Parking Area is not part of the Redevelopment Area)).

The Port Authority Supplemental Charge shall be calculated on, and based upon, (i) for the period commencing on January 1, 2014 and ending on the day immediately preceding the Relocation Date, 1,013,688 square feet, and (ii) for the period commencing on the Relocation Date and ending on the last day of the Term, the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement (exclusive of land under water, the Terminal Improvements and the Overflow Parking Area (which Overflow Parking Area is not part of the Redevelopment Area)) and, upon the Completion Date of the Phase IV(b) Improvements, and measurement and determination of the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, any and all Port Authority Supplemental Charges shall be retroactively adjusted accordingly, and promptly paid by the Redeveloper to the PANYNJ, or reimbursed by the PANYNJ to the Redeveloper, as applicable. In the event the Relocation Date occurs on a day other than the first day of any

calendar year, the Port Authority Supplemental Charge for such year shall be pro-rated accordingly.

(ii) For Terminal Improvements:

(I) Prior to the Relocation Date:

(a) (i) For the period commencing on January 1, 2014 and ending on December 31, 2014: \$89,247.65 per annum (\$.744 per square foot per annum); for purposes hereof, the Terminal Improvements are deemed to contain 120,000 square feet; and

(ii) Thereafter, for the period commencing on January 1, 2015 and ending on December 31, 2015, and each January 1 to December 31 until the day immediately preceding the Relocation Date: the prior calendar years' per square foot per annum rate increased by the percentage change in the CPI over the prior calendar year;

plus

(b) (i) For the period commencing on January 1, 2014 and ending on December 31, 2014, \$119,060.58 per annum, which amount represents 2.4% of the Redeveloper's Cost of Construction for the Phase II Improvements as annually increased by the percentage change in the CPI over the prior calendar year; and

(ii) Thereafter, for the period commencing on January 1, 2015 and ending on the day immediately preceding the Relocation Date, such amount increased on January 1, 2015, and each January 1st thereafter, by the percentage change in the CPI over such prior year.

(II) After the Relocation Date until December 31, 2043

(i) For the period commencing on the Relocation Date and ending on December 31 of the year immediately succeeding the Relocation Date, the Port Authority Supplemental Charge for Terminal Improvements shall be 2.4% of the amount equal to (A) Redeveloper's Cost of Construction with respect to Phase IV(b) Improvements, (excluding Redeveloper's Cost of Construction with respect to those improvements referenced in clause (iii) of the definition of Phase IV(b) Improvements) less (B) any

portion of Redeveloper's Cost of Construction attributable to (x) foundation piles in excess of what would otherwise be attributable to spread footings foundation, and (y) Environmental Remediation; and

(ii) Thereafter, for the period commencing on the January 1 immediately succeeding the Relocation Date and ending on the last day of the Term, the amount described in clause (i) above increased on such January 1 and each January 1 thereafter, by the percentage change in the CPI over such prior year and, with respect to any Improvements other than those contemplated by the Transaction Documents, as amended, subject to further increases should such additional Improvements be undertaken and the Construction Cost thereof be in excess of \$250,000.

(f) The "PANYNJ Volume Charge" shall mean and be:

(i) For the period commencing on January 1, 2014 and ending on December 31, 2014 as follows: (x) \$1.24 for each passenger embarkation and debarkation in excess of 207,000 passengers but less than 250,001 passengers per annum; (y) \$1.86 for each passenger embarkation and debarkation in excess of 250,000 passengers but less than 300,001 passengers per annum; and (z) \$2.48 for each passenger embarkation and debarkation in excess of 300,000 passengers per annum; and

(ii) Beginning on January 1, 2015 and each January 1 thereafter through the Term, the PANYNJ Volume Charge set forth in clause (i) above shall increase by the percentage change in CPI over the prior calendar year; and

(iii) The Port Manager shall be required to provide the PANYNJ on each Quarterly Reporting Date throughout the Term a report detailing (x) the total number of cruise passengers embarking onto or disembarking from vessels berthing at the Terminal, and (y) with respect to the fourth quarter report, a cumulative year-to-date number of cruise passengers embarking or disembarking from vessels berthing at the Terminal for the immediately prior year.

(g) The "Port Authority Administrative Fee," shall be \$75,000 per year payable in equal monthly installments simultaneously with Priority Charges in each year throughout the Term. The PANYNJ reserves the right to

impose an additional administrative fee in connection with direct and indirect expenses and out-of-pocket expenses incurred if the PANYNJ serves as the Port Manager itself, or if the PANYNJ shall handle any administrative matters itself in lieu of the Port Manager under the terms of this Terminal Operating Agreement (such fee to comprise a portion of the "Port Authority Administrative Fee" as provided herein);"

(C) Deletion of Section 4.1(3)(h) BLRA Capital Charge; Etc.

(i) Paragraph (h) of Section 4.1(3) is hereby deleted in its entirety.

(ii) All references to the "BLRA Capital Charge" and to "Berth N-5" in the Transaction Documents are hereby deleted in their entirety. The parties acknowledge that Redeveloper shall have no past, present or future obligations with respect to Berth N-5, including, without limitation, any obligation to pay any past, present or future BLRA Capital Charges or any other fees, charges or other amounts with respect to Berth N-5.

(D) Addition of Clause (j) to Section 4.1(3). Section 4.1(3) of the Terminal Operating Agreement is amended to add the following new clause (j).

"(j) The "TCAP Fee" shall mean an amount equal to one percent (1%) of the actual cost of the Construction of the Phase IV(b) Improvements, which amount shall be due and payable to PANYNJ immediately preceding the issuance of a permanent Certificate of Occupancy with respect to the Phase IV(b) Improvements. The TCAP Fee may be paid from the Capital Reserve Fund."

(E) Amendment to Section 4.1(4) of the Terminal Operating Agreement. Section 4.1(4) of the Terminal Operating Agreement is hereby deleted in its entirety and amended to read as follows:

"(4) (i) The "BLRA Financing Charge" shall mean and be the amount required in the applicable year to pay debt service on the Bonds and any related expenses.

(ii) The "Redeveloper Loan Financing Charge" shall mean and be the amount required, in the aggregate, in the applicable calendar year to pay (x) debt service on the Terminal Improvements Portion of the Redeveloper Loan and (y) reasonable expenses incurred by the Redeveloper in connection with the Terminal Improvements Portion of the Redeveloper Loan; provided that, the Redeveloper Loan Financing Charge (including the expenses identified in clause (y) herein) shall not exceed in any given year \$4,920,000 per annum (excluding any prepayments of principal permitted by Section 6.4(4) of the Usage Agreement). "

(F) Amendment to Section 4.1(5) of the Terminal Operating Agreement. Section 4.1(5) is hereby deleted in its entirety and amended to read as follows:

“(5) The “Capital Reserve Charge” shall mean and be the lesser of: (i) 10% of the Annual Operating Expense Budget for the purposes of funding (a) future improvements to the Redevelopment Area, (b) Revenue Deficiencies, (c) the TCAP Fees, (d) costs of any Environmental Remediation obligations of the Redeveloper with respect to the Redevelopment Area, (e) any fees in an amount not to exceed \$600,000 in connection with the Redeveloper’s efforts to obtain financing with respect to a portion of the Phase II Improvements and the Phase IV(b) Improvements through the issuance of Bonds (“Bond Issuance Costs”), and/or (f) the cost of acquisition of the customs and border patrol equipment and infrastructure, the purchase orders for such equipment and infrastructure to be hereinafter provided to the PANYNJ (“BPEI Costs”), in an amount not to exceed \$2,000,000; provided, however, that (x) if and to the extent Redeveloper shall have title to any customs and border patrol equipment, (y) such title shall be assignable, and (z) such equipment shall not be obsolete, Redeveloper agrees that all such equipment shall become the property of the PANYNJ upon the expiration of the Term or upon earlier termination of this Agreement; or (ii) such amount that is required to increase the amount in the Capital Reserve Fund to fifty percent (50%) of the applicable Annual Operating Expense Budget.”

(G) No Priority Charges with Respect to the Overflow Parking Area.

Notwithstanding anything to the contrary contained in the Transaction Documents, including, without limitation, Section 4.1 of the Redevelopment Agreement, no Priority Changes shall be payable with respect to the Overflow Parking Area for so long as the Overflow Parking Area is used for the purposes set forth in Section 10(A) of the First Amendment to the Parking Management Agreement.

SECTION 6. Amendments to Section 5.3(3) and 5.4 of the Terminal Operating Agreement.

(A) The first sentence of Section 5.3(3) is hereby deleted in its entirety and amended to read as follows:

“(3) The Port Manager shall on or before the 15th day of each month, provide the PANYNJ with notice of the amount of Terminal Operating Expenses, Port Management Fees, Redeveloper Loan Financing Charge and Capital Reserve Charges. The PANYNJ shall direct the Agent to pay on the 25th day of each month the following amounts in the following order of priority: (a) the Agent’s Fees; (b) the Priority Charges to the PANYNJ; (c) the Terminal Operating Expenses to the Port Manager; (d) the Port Management Fee to the Port Manager; (e) the Redeveloper Loan Financing Charge to the Approved Lender or the Redeveloper, as applicable; (f) the Capital Reserve Charge for

deposit in the Cape Liberty Capital Reserve Fund (as applicable); and (g) to the extent there is a Revenue Surplus at the end of each calendar year, application of the same in accordance with Section 6.4(4) of the Usage Agreement.

- (B) Section 5.4 of the Terminal Operating Agreement is hereby deleted in its entirety and amended to read as follows:

Section 5.4 Establishment of Cape Liberty Capital Reserve Fund: Collection of Capital Reserve Charge and Funding Improvements, Working Capital Advances; Revenue Deficiencies and TCAP Fees. The PANYNJ shall direct the Agent to continue the Cape Liberty Capital Reserve Fund. The PANYNJ shall, in accordance with the Annual Operating Expense Budget, continue to direct the Agent to transfer the Capital Reserve Charge into the Cape Liberty Capital Reserve Fund from available funds in the priority order set forth in Section 5.3(3) above. Upon the Port Manager's written request (which Port Manager shall make if so requested by the Redeveloper), the PANYNJ shall direct the Agent to pay (i) the Redeveloper or the Port Manager from the Cape Liberty Capital Reserve Fund, to the extent sufficient and applicable, for the costs associated with future Improvements within the Redevelopment Area and, as applicable, Revenue Deficiencies and Working Capital Advances, (ii) the PANYNJ any TCAP Fees due and outstanding, (iii) Environmental Remediation costs of the Redeveloper, (iv) Bond Issuance Costs, or (v) BPEI Costs"

SECTION 7. Amendments to Section 8.1, 8.2 and 8.6 of, and addition of new Section 8.8 to, the Terminal Operating Agreement.

- (A) Section 8.1 of the Terminal Operating Agreement shall be amended as follows:

- (i) Delete the language "and stevedore liability, if applicable" and replace "\$10,000,000" with "\$25,000,000" in Section 8.1(1)(a).
- (ii) The limit for the insurance required by Section 8.1(1)(b) shall be in an amount of not less than \$1,000,000 to the extent required by Applicable Law.
- (iii) The coverage required in Section 8.1(1)(e) shall include coverage for earthquakes.
- (iv) New Sections 8.1(1)(f), (g) and (h) shall be added to read as follows:
 - "(f) Pollution liability insurance to afford protection of not less than \$1,000,000;
 - (g) Protection and indemnity insurance to afford protection of not less than \$10,000,000 per occurrence; and

(h) Comprehensive Boiler and Machinery equipment coverage, if applicable.”

(v) The last sentence of Section 8.1(3) shall be deleted in its entirety and amended to read as follows:

“The PANYNJ shall have the right upon 30 days written notice from time to time to cause the Port Manager to increase liability limits or modify coverages; provided, however, that the PANYNJ agrees that it shall not increase liability limits or modify coverages for a period of two (2) years beginning from the date of this Amendment in the absence of circumstances which would expose the PANYNJ to increased risk as determined by the PANYNJ.”

(B) The insurance, if required by Applicable Law, as set forth in Section 8.6(4) shall have coverage limits of not less than \$1,000,000.

(C) Sections 8.2 and 8.6.1 shall be amended so that the requirement that the “BLRA” be named as an additional insured shall be deemed to require instead that the “PANYNJ and its designated related entities” shall be named as additional insureds or loss payees, as applicable.

(D) A new Section 8.8 shall be added to read as follows:

“**Section 8.8 Immunity Endorsement.** Relating to the policies set forth in this Article 8, the certificates of insurance and policies must contain the following endorsement: “The insurer(s) shall not, without obtaining the express advance written permission from the General Counsel of the PANYNJ, raise any defense involving in any way the jurisdiction of the tribunal over the person of the PANYNJ, the immunity of the PANYNJ, its commissioners, officers, directors, agents or employees, the governmental nature of the PANYNJ, or the provision of any statutes respecting suits against the PANYNJ.”

SECTION 8. Amendment to Section 9.1(1) of the Terminal Operating Agreement. Section 9.1(1) of the Terminal Operating Agreement shall be deleted in its entirety and amended as follows:

“**Section 9.1 Term.** (1) The Term of this Terminal Operating Agreement shall commence on the Effective Date and end on December 31, 2043; provided however, that if the Redeveloper fails to receive a final Certificate of Occupancy for the Phase IV(b) Improvements by December 31, 2016 (as such date may be extended pursuant to extensions provided for under the Redevelopment Agreement, Force Majeure and the provisions of Article 21 of the Redevelopment Agreement) and such failure was caused by factors under the control of the Redeveloper, then the Term of this Terminal Operating Agreement shall end on December 31,

2038, unless, in either case, sooner terminated or extended pursuant to the terms of this Terminal Operating Agreement.”

SECTION 9. Amendment to Section 13.8 of the Terminal Operating Agreement. Section 13.8 of the Terminal Operating Agreement shall be deleted in its entirety and replaced with the following:

“Section 13.8 Notices. Any notice, demand, election, payment, or other communication, which the PANYNJ or Port Manager shall desire or be required to give pursuant to the provisions of this Terminal Operation Agreement (each a “Notice”), shall be sent by registered or certified mail, return receipt requested, and the giving of such Notice shall be deemed complete on the third (3rd) business day after the same is deposited in a United States Post Office with postage charges prepaid, enclosed in a securely sealed envelope addressed to the Person intended to be given such Notice at the respective addresses set forth below or to such other address as such Party may theretofore have designated by Notice pursuant to this Section 13.8:

PANYNJ:	Port Authority of New York and New Jersey 225 Park Avenue South New York, New York 10003 Attention: Port Commerce
With copy to:	Port Authority of New York and New Jersey 225 Park Avenue South New York, New York 1003 Attention: Legal Department
With copy to:	Craig A. Domalewski, Esq. Dughi, Hewit & Domalewski 349 North Avenue Cranford, New Jersey 07016
Port Manager:	Cape Liberty Cruise Port, LLC c/o Royal Caribbean Cruises, Ltd. 1050 Caribbean Way Miami, Florida 33132 Attention: Vice President, Commercial Development
With copy to:	Royal Caribbean Cruises, Ltd. 1050 Caribbean Way Miami, Florida 33132 Attention: General Counsel

All Notices to be given under this Terminal Operating Agreement shall be given in writing in conformance with this Section 13.8 and, unless a certain number of days is specified, within a reasonable time.”

SECTION 10. Return of Building 14. On the Relocation Date, the Port Manager shall return possession of Building 14 to the PANYNJ in its “as is, where is” condition on the Closing Date with respect to the Phase II Improvements (provided that, on such Closing Date, Building 14 satisfies the requirements of the Transaction Documents with respect to its condition on such Closing Date), reasonable wear and tear excepted. Port Manager hereby agrees to maintain, from such Closing Date through the Relocation Date, Building 14 in its condition on such Closing Date, reasonable wear and tear excepted. Nothing in this Section 9 shall relieve the Port Manager from, or modify any of its duties with respect to, its maintenance and repair obligations of the Port as set forth in the Terminal Operation Agreement; provided that, from and after the Relocation Date, notwithstanding anything to the contrary contained in the Transaction Documents, the Port Manager shall have no such duties, and no obligation to pay any fees, charges or other amounts with respect to, Building 14.

SECTION 11. No Duty to Provide Rail Service. The Parties hereto agree and acknowledge that the PANYNJ is not now, nor shall it throughout the Term, be responsible for providing rail services to and from the Redevelopment Area. The Parties acknowledge that no rail services are currently provided to the Redevelopment Area.

SECTION 12. [Intentionally Omitted]

SECTION 13. Additional Rights of Port Manager. Notwithstanding anything to the contrary contained in the Transaction Documents, the Parties hereto agree and acknowledge that (i) Port Manager is the sole and exclusive manager and operator of the Port and (ii) from and after the Relocation Date, if Berth N-2 is developed for use, or utilized, during the Term as a commercial cruise terminal, Port Manager shall have a first priority right to operate such commercial cruise terminal, in accordance with standard terms and conditions for cruise terminal operators to be agreed upon by the parties. The PANYNJ shall notify the Port Manager, within 10 days after entering into any agreement with respect thereto, if Berth N-2 is to be developed for use, or utilized, during the Term as a commercial cruise terminal. Thereafter, the Port Manager shall have 30 days to accept the management and operation rights with respect to Berth N-2, and, if the Port Manager accepts the same, the PANYNJ shall not enter into any negotiations with any third parties with respect to the management and operation rights of Berth N-2 and the Parties shall enter into a written agreement with respect thereto, which agreement shall contain standard terms and conditions for cruise terminal operators.

SECTION 14. Reaffirmation of Terminal Operating Agreement. Except as amended by this Second Amendment to the Terminal Operating Agreement, the Terminal Operating Agreement, and as applicable the Transaction Documents, as previously amended or supplemented, are hereby reaffirmed and ratified. All references in the Transaction Documents to the “Terminal Operating Agreement” shall hereafter be deemed to refer to the Terminal Operating Agreement, as amended by the First Amendment to the Terminal Operating Agreement and this Second Amendment to the Terminal Operating Agreement.

SECTION 15. No Broker. Each Party herein covenants, warrants and represents to the other party that it has had no dealings, conversations or negotiations with any broker concerning the execution and delivery of this Second Amendment to the Terminal Operating Agreement.

SECTION 16. Authority To Enter Into Second Amendment to Terminal Operating Agreement. The Parties hereto represent and warrant to each other that each has full right and authority to enter into this Second Amendment to the Terminal Operating Agreement and that the person signing this Second Amendment to the Terminal Operating Agreement on behalf of PANYNJ or Port Manager, respectively, has the requisite authority for such act.

SECTION 17. Non-Liability Of Individuals. No Commissioner, director, officer, agent or employee of PANYNJ or the Port Manager, shall be charged personally or held contractually liable by or to any party under any term or provision of this Second Amendment to the Terminal Operating Agreement, or of any other previous agreement, document or instrument executed in connection therewith, or of any supplement, modification or amendment to this Second Amendment to the Terminal Operating Agreement or to such other agreement, document or instrument, or because of any breach or alleged breach thereof, or because of its or their execution or attempted execution.

SECTION 18. OFAC Compliance.

(a) *Port Manager's Representation and Warranty.* The Port Manager hereby represents and warrants to the PANYNJ that the Port Manager is not a person or entity with whom the PANYNJ is restricted from doing business under the regulations of the Office of Foreign Assets Control ("OFAC") of the United States Department of the Treasury (including, without limitation, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order or other regulation relating to national security or foreign policy (including, without limitation, Executive Order 13224 of September 23, 2001, *Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism*), or other governmental action related to national security, the violation of which would also constitute a violation of law, such persons being referred to herein as "Blocked Persons" and such regulations, statutes, executive orders and governmental actions being referred to herein as "Blocked Persons Laws") and is not engaging in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. The Port Manager acknowledges that the PANYNJ is entering into this Second Amendment to the Terminal Operating Agreement in reliance on the foregoing representations and warranties and that such representations and warranties are a material element of the consideration inducing the PANYNJ to enter into and execute this Second Amendment to the Terminal Operating Agreement.

(b) *Port Manager's Covenant.* Port Manager covenants that during the term of this Second Amendment to the Terminal Operating Agreement it shall not become a Blocked Person, and shall not engage in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. In the event of any breach of the aforesaid covenant, the same shall constitute an event of default and, accordingly, a basis for termination of this Second

Amendment to the Terminal Operating Agreement, in addition to any and all other remedies provided under this Second Amendment to the Terminal Operating Agreement or at law or in equity, which does not constitute an acknowledgement by the PANYNJ that such breach is capable of being cured.

(c) *Port Manager's Indemnification Obligation.* The Port Manager shall indemnify and hold harmless the PANYNJ and its Commissioners, officers, employees, agents and representatives from and against any and all claims, damages, losses, risks, liabilities and expenses (including, without limitation, attorney's fees and disbursements) arising out of, relating to, or in connection with the Port Manager's breach of any of its representations and warranties made hereunder. Upon the request of the PANYNJ, the Port Manager shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent) and in handling such it shall not, without obtaining express advance permission from the General Counsel of the PANYNJ, raise any defense involving in any way the jurisdiction of the tribunal over the person of the PANYNJ, the immunity of the PANYNJ, its Commissioners, officers, agents or employees, the governmental nature of the PANYNJ, or the provision of any statutes respecting suits against the PANYNJ.

(d) *Survival.* The provisions of this Section shall survive the expiration or earlier termination of the Second Amendment to the Terminal Operating Agreement.

SECTION 19. No Third Party Beneficiaries. The provisions of this Second Amendment to the Terminal Operating Agreement are for the exclusive benefit of the Parties and their Affiliates and not for the benefit of any third Person, nor shall this Second Amendment to the Terminal Operating Agreement be deemed to have conferred any rights, express or implied, upon any third Person, with the exception of the Redeveloper and Parking Manager, which are deemed to be express third party beneficiaries of this Second Amendment to the Terminal Operating Agreement.

SECTION 20. Severability. If any term or provision of this Second Amendment to the Terminal Operating Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Second Amendment to the Terminal Operating Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Second Amendment to the Terminal Operating Agreement shall be valid and enforced to the fullest extent permitted by Law.

SECTION 21. Counterparts. This Second Amendment to the Terminal Operating Agreement may be executed and delivered in any number of counterparts, and such counterparts taken together shall constitute one and the same instrument.

SECTION 22. Governing Law. This Second Amendment to the Terminal Operating Agreement shall be construed in accordance with, and governed by, the Applicable Law of the State of New Jersey, without consideration given to choice of law principles.

IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to the Terminal Operating Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

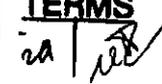
By: 
Name: _____
Title: _____

Richard M. Larrabee

Director, Port Commerce Dept.

CAPE LIBERTY CRUISE PORT LLC

By: _____
Name: _____
Title: _____

APPROVED:	
FORM	TERMS
	

IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to the Terminal Operating Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____
Name:
Title:

CAPE LIBERTY CRUISE PORT LLC

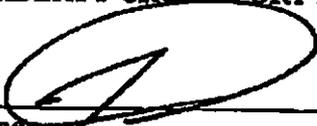
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Name:
Title:



EXHIBIT A-1
AMENDMENTS TO EXHIBIT A - DEFINITIONS

EXHIBIT A-1 - DEFINITIONS

Exhibit A to the Redevelopment Agreement is hereby amended as follows:

(A) The following definitions are hereby deleted in their entirety from Exhibit A:

“BLRA’s Incidental Profit Share”
“BLRA’s Net Parking Profit Share”
“Incidental Concession Fee”
“Incidental Improvements”
“Incidental Profit”
“Incidental Usage Agreement”
“Incidental Use(s)”

(B) The following definitions are hereby added to Exhibit A:

“Agent Fees” shall have the meaning set forth in Section 1 of the Revenue Collection and Disbursement Agreement.

“Amendment Effective Date” means January 1, 2014.

“Annual Overflow Parking Statement” shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

“Annual Overflow Profit Statement” shall have the meaning set forth in Section 7.9 of the Parking Management Agreement.

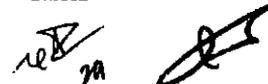
“Assignment Agreement” means the Amendment and Assignment Agreement dated as of January 1, 2014 by and between the City, the PANYNJ, the Redeveloper, the Port Manager and the Agent.

“Bond Issuance Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“BPEI Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“Dissolution Ordinance” shall have the meaning as set forth in the Recitals to each of the Transaction Documents.

“Elevation Acknowledgement” shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.



"Elevation Exemption" shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.

"Employee Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"First Amendment to the Parking Management Agreement" means that certain First Amendment to the Parking Management Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Purchase and Sale Agreement" means that certain First Amendment to the Purchase and Sale Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Redevelopment Agreement" means that certain First Amendment to Redevelopment Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Revenue Collection and Disbursement Agreement" means that certain First Amendment to the Revenue Collection and Disbursement Agreement, dated as of January 1, 2014, by and between the PANYNJ, the Redeveloper, the Port Manager and the Agent.

"Gross Overflow Parking Revenues" means the amount equal to the sum of all revenues of any nature paid to or received by the Parking Manager from the provision of Parking Services on the Overflow Parking Area during a calendar year.

"Independent Overflow Accountant Certification" shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

"Net Overflow Parking Profit" means the amount equal to Gross Overflow Parking Revenues less Overflow Parking Expenses.

"Outside C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Overflow Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"Overflow Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Overflow Parking Area for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering Parking Services for the Overflow Parking Area.

"PANYNJ" means the Port Authority of New York and New Jersey, a body corporate and politic created by Compact between the State of New Jersey and the State of New York, with the consent of the Congress of the United States.

"PANYNJ Audit" shall have the meaning set forth in Section 6.14 of the Parking Management Agreement.

"PANYNJ's Incidental Revenue Share" means, with respect to any calendar year quarter, an amount equal to (i) for the period commencing on the Amendment Effective Date to and including December 31, 2017, ten percent (10%) of the Incidental Revenues for such quarter and (ii) for the period commencing on January 1, 2018 and ending on the last day of the Term, fifteen percent (15%) of Incidental Revenues for such quarter.

"PANYNJ's Net Parking Profit Share" means, (1) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area only, assuming for purposes of this clause (1) that the square footage of the Parking Area is 255,711 square feet and (2) for the period commencing on Relocation Date and ending on the last day of the Term, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area, assuming for purposes of this clause (2) that the square footage of the Parking Area is 88,140; provided that, upon the Completion Date of the Phase IV(b) Improvements and measurement and determination of the square footage of the Parking Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, the PANYNJ's Net Parking Profit Share shall be retroactively adjusted accordingly based on the as-built measurement of the Parking Area, and promptly paid by, or reimbursed by the PANYNJ to, Port Manager.

"Parking Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements which consist of Parking Improvements and shall be in an amount equal to \$15,000,000.

"Parking Garage Site" means the portion of the Parking Area to be used by the Redeveloper for the construction of a structured parking garage, substantially as shown on Exhibit C-1 to the First Amendment to the Redevelopment Agreement.

"Permanent C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Purchase Contract" means that Contract for Purchase and Sale between the BLRA and the PANYNJ dated as of July 30, 2010 pursuant to which the PANYNJ purchased certain real property in the City, including the Redevelopment Area, from the BLRA.

"Quarterly Reporting Date" means the 15th day of April, July, October and January of each calendar year during the Term.

"Redeveloper Loan Financing Charge" shall have the meaning set forth in Section 4.1(4)(ii) of the Terminal Operating Agreement.

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"Relocation Date" means the date of issuance of the last Certificate of Occupancy required with respect to the Phase (IV)(b) Improvements.

"Second Amendment to the Terminal Operating Agreement" means that certain Second Amendment to the Terminal Operating Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Port Manager.

"Second Amendment to the Usage Agreement" means that certain Second Amendment to the Usage Agreement, dated as of January 1, 2014 by and between the PANYNJ and the Redeveloper.

"Staging Delivery Date" means the date on which the PANYNJ delivers physical possession of the Staging Site to the Redeveloper in accordance with the provisions of the Redevelopment Agreement.

"Staging Outside Delivery Date" means March 15, 2014.

"Staging Site" means that portion of the Terminal Area and Employee Parking Area to be used by the Redeveloper as a construction staging site in accordance with Section 5.8.1 of the Redevelopment Agreement and as shown on Exhibit E to the First Amendment to the Redevelopment Agreement.

"TCAP Fee" shall have the meaning set forth in Section 4.1(3)(j) of the Terminal Operating Agreement.

"TCAP Manual" shall have the meaning set forth in Section 6.9 of the Redevelopment Agreement.

"Terminal Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements and a portion of the Phase II Improvements which consist of Terminal Improvements and shall be in an amount equal to \$50,000,000.

(C) The definition of each of the following terms is deleted from Exhibit A in its entirety and replaced as follows:

"Actual Operating Expenses" means any and all costs, expenses and fees that the PANYNJ, the Port Manager and the Redeveloper, incurred in connection with the operation, maintenance and management of the Port for the applicable calendar year, including without limitation (1) all expenses payable pursuant to the Terminal Operating Agreement, (2) assessments and other governmental charges, (3) the Priority Charges, (4) the BLRA Financing Charge, (5) the Redeveloper Loan Financing Charge, and (6) the Capital Reserve Charge. Actual Operating Expenses shall not include Parking Expenses, Overflow Parking Expenses or Incidental Expenses.

"Actual Operating Revenues" means the sum of all revenues generated by the Port including, but not limited to, Berthing Tariffs and Wharfage Fees received during the applicable calendar year. Actual Operating Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Incidental Revenues.

"Base Parking Profit" means, for the period commencing on January 1, 2014 and ending on the last day of the Term: an amount equal to the greater of (a) 50% of the amount of the Net Parking Profit for the applicable calendar year and (b) that portion of the Annual Base Charge attributable to the Parking Area during such year payable under Article 4 of the Terminal Operating Agreement; provided that (i) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Parking Area as set forth in Section 5.8.3(1) of the Redevelopment Agreement and (ii) for the period commencing on the Relocation Date and ending on the last day of the Term, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement as adjusted pursuant to the terms of Section 10B(iv) of the First Amendment to the Parking Management Agreement, and, upon the Completion Date of the Phase (IV)(b) Improvements, and measurement and determination of the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, any and all amounts payable on the basis of Base Parking Profit shall be retroactively adjusted accordingly, and promptly paid by, and reimbursed to, the party entitled thereto based on such adjustment. Notwithstanding anything herein to the contrary, so long as the Overflow Parking Area is used for Overflow Parking, in no event shall any Overflow Parking Area be deemed to constitute Parking Area or Employee Parking Area, except as may be otherwise agreed to in writing by the PANYNJ and the Redeveloper.

"BLRA Financing Charge" shall have the meaning set forth in Section 4.1(4)(i) of the Terminal Operating Agreement.

"Consumer Price Index" or **"CPI"** means the Consumer Price Index for all Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York, Northeastern New Jersey Area (1982-1984=100) or any successor index thereto, appropriately adjusted; provided that if there shall be no successor index, a substitute index will be determined in the reasonable discretion of the PANYNJ after consultation and an opportunity to comment by the Redeveloper. In determining the CPI for any calendar year, the CPI for such year shall be the CPI reported for October of the year immediately preceding the calendar year for which the increase is applicable.

"Gross Parking Revenues" means the amount equal to the sum of all revenues of any nature paid to or received by Parking Manager from the provision of Parking Services on the Parking Premises during a calendar year but not including Gross Overflow Parking Revenues.

"Incidental Revenues" means the amount equal to the sum of all revenues, amounts, monies, income and receipts of any nature generated by (and otherwise paid or payable to) the

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Port Manager in connection with all Incidental Uses of the Port during the applicable period. Incidental Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Actual Operating Revenues.

"Incidental Uses" means (i) the retail sales of goods and services at the Redevelopment Area not in connection with Cruise Operations; (2) the operation of a marina to provide for mooring and services for a nautical craft; (3) the operation of a ferry landing; (4) the production of trade shows for the display of commercial goods and services not in connection with Cruise Operations; and (5) the holding of group or special events provided that those activities are approved by the prior written consent of the PANYNJ, which consent shall not be unreasonably withheld, conditioned or delayed.

"Parking Account" means an account in a federally insured financial institution that meets the requirements of the Governmental Unit Deposit Protection Act, N.J.S.A. 17:9-41 et seq. and is reasonably acceptable to the PANYNJ for the deposit of the Gross Parking Revenues and Gross Overflow Parking Revenues.

"Parking Area" means that portion of the Redevelopment Area available for use by cruise passengers, Port employees, Invitees and guests for the parking of motor vehicles (including circulation within such area) upon which is Constructed the Parking Improvements and which is subject to the Parking Management Agreement. The Parking Areas prior to, and from and after, the Relocation Date are shown on Exhibits B-1 and C-1 to the First Amendment to the Redevelopment Agreement and Exhibits B and C to the Parking Management Agreement.

"Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Parking Premises for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering the Parking Services as set forth in the Parking Management Agreement but excluding any Overflow Parking Expenses. Parking Expenses shall include payments of principal and interest (and any permitted prepayments of principal) on, and any reasonable related expenses incurred by the Redeveloper in connection with, the Parking Improvements Portion of the Redeveloper Loan as required by Section 4.3 of the Parking Management Agreement

"Parking Management Agreement" means that certain Parking Management Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

"Parking Management Fee" shall have the meaning set forth in Section 7.1 and Section 7.6 of the Parking Management Agreement.

"Parking Requirements" means the requirement that any Parking Improvement; (1) provide space for the parking of approximately 690 motor vehicles prior to Substantial Completion of the Phase IV(b) Improvements and space for approximately 900 motor vehicles on and after Substantial Completion of the Phase IV(b) Improvements, or such other number of spaces as the Parties may agree upon in the event that the Terminal Area and Terminal

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“Term” means the term of each respective Transaction Document, running from the Effective Date through to and including December 31, 2043; provided however, that if the Redeveloper fails to receive a final Certificate of Occupancy for the Phase IV(b) Improvements by December 31, 2016 (as such date may be extended pursuant to extensions provided for under the Redevelopment Agreement, Force Majeure and the provisions of Article 21 of the Redevelopment Agreement) and such failure was caused by factors under the control of the Redeveloper, then the Term of each respective Transaction Document shall end on December 31, 2038, unless, in either case, sooner terminated or extended as provided in the Transaction Documents.

“Terminal Operating Agreement” means that certain Terminal Operating Agreement, dated as of September 1, 2005, by and between the BLRA and the Port Manager, together with any and all amendments thereto.

“Usage Agreement” means that certain Usage Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

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**FIRST AMENDMENT TO THE
TERMINAL OPERATING AGREEMENT**

By and Between

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

And

CAPE LIBERTY CRUISE PORT LLC

BAYONNE, NEW JERSEY

Dated as of December 1, 2006

FIRST AMENDMENT TO TERMINAL OPERATING AGREEMENT

THIS FIRST AMENDMENT TO THE TERMINAL OPERATING AGREEMENT dated September 1, 2005 by and between the Bayonne Local Redevelopment Authority, an instrumentality and agency of the City of Bayonne, in the County of Hudson, New Jersey (the "BLRA"), having its offices at 51 Port Terminal Boulevard, Suite 21, Bayonne, NJ 07002, and Cape Liberty Cruise Port LLC, a limited liability corporation organized and existing under the laws of the State of Delaware (the "Port Manager") having its offices at 1050 Caribbean Way, Miami, Florida 33132 (The BLRA and Port Manager each, a "Party" and, together, the "Parties"), is made as of this first day of December, 2006 (the "First Amendment to the Terminal Operating Agreement"). Capitalized terms used herein, and not otherwise defined herein, shall have the meanings prescribed to them in Exhibit A to the Terminal Operating Agreement, as amended below.

WITNESSETH

WHEREAS, on September 1, 2005, the BLRA, Redeveloper and its affiliate, the Port Manager, entered into the Transaction Documents, including the Usage Agreement and the Terminal Operating Agreement, in order to set forth the respective undertakings, rights and obligations of Redeveloper, Port Manager and the BLRA in connection with the redevelopment and use of the Cape Liberty Cruise Port ("Port"), all in accordance with Applicable Law; and

WHEREAS, since the execution of the Transaction Documents, it has been determined by the Parties that it is necessary to make certain technical changes to the Usage Agreement and the Terminal Operating Agreement (collectively, the "Agreements"), and further, to enter into the Revenue Collection and Disbursement Agreement in order to make certain changes related to the disbursement of certain funds and payment of certain expenses; and

WHEREAS, Section 13.9 of the Terminal Operating Agreement permits amendments thereto provided they are in writing and signed by the Parties; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and in the Terminal Operating Agreement as amended and supplemented by this First Amendment to the Terminal Operating Agreement, and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

Section 1. Amendment to Exhibit A of the Terminal Operating Agreement. Exhibit A to the Transaction Documents is hereby amended to include the following definitions:

"Agent" means the Bank of New York, a state banking corporation organized and existing under the laws of the State of New York, or any successor Agent appointed pursuant to the terms and conditions of the Revenue Collection and Disbursement Agreement.

"Bond Resolution" means the resolution of the BLRA, duly adopted on September 22, 2005 and amended on February 16, 2006, entitled, "Resolution Authorizing the Issuance of Revenue Bonds (Royal Caribbean Project) of the City of Bayonne Redevelopment Agency", as supplemented, including by a resolution of the BLRA duly adopted on September 22, 2005 and amended on February 16, 2006 entitled "Supplemental Resolution Authorizing the Issuance of Not To Exceed \$16,500,000 Revenue Bonds, Series 2006 (Royal Caribbean Project) of the City of Bayonne Redevelopment Agency and Determining

Various Other Matters in Connection Therewith” and by a certificate of the Executive Director of the BLRA dated as of March 16, 2006.

“Bond Trustee” means the Bank of New York, West Paterson, New Jersey, and its successors and assigns, as trustee with respect to the Bonds.

“Cape Liberty Capital Reserve Fund” shall mean the cape liberty capital reserve fund, a fund established pursuant to Section 3 of the Revenue Collection and Disbursement Agreement, which fund shall be established in a federally insured financial institution which complies with the Governmental Unit Deposit Protection Act, N.J.S.A 17:9-41 et seq. and is reasonably satisfactory to the BLRA

“Cape Liberty Revenue Fund” shall mean the cape liberty revenue fund, established pursuant to Section 3 of the Revenue Collection and Disbursement Agreement, which fund shall be established in a federally insured financial institution which complies with the Governmental Unit Deposit Protection Act, N.J.S.A 17:9-41 et seq. and is reasonably satisfactory to the BLRA

“Revenue Collection and Disbursement Agreement” shall mean the Revenue Collection and Disbursement Agreement dated as of December 1, 2006 entered into by the BLRA, the Redeveloper, the Port Manager and the Agent.

“Terminal Operating Expenses” means Actual Operating Expenses (other than Agent Fees, Priority Charges, the BLRA Financing Charge, Port Management Fee and the Capital Reserve Charge).

Exhibit A to the Transaction Documents is further amended to delete the definitions of Capital Reserve Fund and Revenue Fund. All references to “Capital Reserve Fund” in the Transaction Documents shall be amended to read “Cape Liberty Capital Reserve Fund” and all references to the “Revenue Fund” in the Transaction Documents shall be amended to read “Cape Liberty Revenue Fund.”

Section 2. Amendment to Section 5.1(1), (3) and (4) of the Terminal Operating Agreement. Section 5.1(1), (3) and (4) of the Terminal Operating Agreement are hereby deleted in their entirety and amended to read as follows:

“(1) the establishment and invoicing of the Berthing Tariffs and Wharfage Fees in accordance with Section 5.2, 5.3 and 5.14 of this Terminal Operating Agreement.”

“(3) the provision of notice to the BLRA of the Terminal Operating Expenses, Port Management Fees and Capital Reserve Charge in accordance with Section 5.3.”

“(4) the payment of Terminal Operating Expenses in accordance with Section 5.3.”

Section 3. Amendment to Section 5.3 of the Terminal Operating Agreement. Section 5.3 of the Terminal Operating Agreement is hereby deleted in its entirety and amended to read as follows:

“Section 5.3 Collection of Revenues and Payment of Actual Operating Expenses. (1) The BLRA shall direct the Agent to establish the Cape Liberty Revenue Fund. On a monthly basis, the Port Manager, on behalf of the BLRA, shall invoice RCCL Cruise lines and Other Cruise Lines for the applicable Berthing Tariffs and Wharfage Fees incurred, based on their respective actual Number of Passengers and actual Aggregate Tonnage, for the immediately preceding month. In the event that RCCL Cruise Lines misses a call without cause, the amount of the Port Manager’s invoice shall be based upon one-hundred percent (100%) occupancy for each missed call, less any mitigation income.

(2) The Port Manager shall indicate on each invoice prepared in accordance with Section 5.3(1) (a) the amount of the Berthing Tariffs and Wharfage Fees that shall be remitted to the Bond Trustee for payment toward the BLRA Financing Charge, and (b) that the balance of the Berthing Tariffs and Wharfage Fees due thereunder shall be remitted to the Agent. All amounts shall be payable within 30 calendar days of the receipt of such invoices. To the extent that Berthing Tariffs and Wharfage Fees are remitted to the Agent by wire transfer, such wire transfers shall be made in accordance with the Agent's wire instructions.

(3) The Port Manager shall, on or before the 15th day of each month, provide the BLRA with notice of the amount of Terminal Operating Expenses, Port Management Fees and Capital Reserve Charges. The BLRA shall direct the Agent to pay on the 25th of each month the following amounts in the following order of priority: (a) the Agent's fees; (b) the Priority Charges to the BLRA; (c) the Terminal Operating Expenses to the Port Manager; (d) the Port Management Fee to the Port Manager; (e) the Capital Reserve Charge for deposit in the Cape Liberty Capital Reserve Fund (as applicable); and (f) to the extent there is a Revenue Surplus at the end of each calendar year, application of same in accordance with Section 6.4(4) of the Usage Agreement. In the event the Actual Operating Revenues are insufficient to pay the Actual Operating Expenses in any month(s) after application of any monies in the Cape Liberty Capital Reserve Fund, the BLRA, or as applicable, the Bond Trustee or the Agent, shall demand, and upon receipt use, a Working Capital Advance or an amount equal to any Revenue Deficiency from the Redeveloper under the Usage Agreement to cover any such deficit(s).

(4) The Redeveloper or the Port Manager may, at any time and in their sole discretion with notice to the BLRA, (a) make a Working Capital Advance or pay an amount equal to any Revenue Deficiency to the Agent and/or the Bond Trustee; (b) direct the Agent to defer any repayment due from a Revenue Surplus on account of any Working Capital Advance or any amount equal to a Revenue Deficiency; and, (c) make advance payment of any Terminal Operating Expenses and provide notice to the BLRA for reimbursement by Agent of same in accordance with Section 5.3(3) above. To the extent that there are not sufficient funds to reimburse the Redeveloper or the Port Manager, as the case may be, for advance payments of any Terminal Operating Expenses as aforesaid, then such advance payments shall be treated as a Working Capital Advance. To the extent that any Working Capital Advance, any amount equal to a Revenue Deficiency are remitted to the Agent by wire transfer, such wire transfers shall be made in accordance with the Agent's wire instructions.

(5) The Port Manager shall, to the extent that the Agent provides sufficient funds, pay all Terminal Operating Expenses as and when due, and may, in its discretion, make advance payments pursuant to Section 5.3(4) above. In no event shall the BLRA be responsible for any Terminal Operating Expenses."

Section 4. Amendment to Section 5.4 of the Terminal Operating Agreement. Section 5.4 of the Terminal Operating Agreement is hereby deleted in its entirety and amended to read as follows:

"Section 5.4 Establishment of Cape Liberty Capital Reserve Fund; Collection of Capital Reserve Charge and Funding Improvements, Working Capital Advances and Revenue Deficiencies. The BLRA shall direct the Agent to establish the Cape Liberty Capital Reserve Fund. The BLRA shall, in accordance with the Annual Operating Expense Budget, direct the Agent to transfer the Capital Reserve Charge into the Cape Liberty Capital Reserve Fund from available funds in the priority order set forth in Section 5.3(3) above. Upon the Port Manager's written request, the BLRA shall direct the Agent to pay the Redeveloper or the Port Manager from the Cape Liberty Capital Reserve Fund, to the extent sufficient and applicable, for the costs associated with future Improvements within the Redevelopment Area and, as applicable, Revenue Deficiencies and Working Capital Advances."

Section 5. Amendment to Sections 5.7(2) and (3) of the Terminal Operating Agreement. Sections 5.7(2) and (3) of the Terminal Operating Agreement are hereby deleted in their entirety and amended to read as follows:

“(2) The maintenance of accurate books and records of accounts as to (a) amounts invoiced to RCCL Cruise Lines and the Other Cruise Lines, amounts paid to the Agent and the Bond Trustee by RCCL Cruise Lines, Other Cruise Lines and the Redeveloper, amounts disbursed for Terminal Operating Expenses by the Port Manager and amounts paid to and disbursed by the Agent and the Bond Trustee, including all source documents necessary to support such books and records of accounts, (b) Vessel calls and passenger manifests for each Vessel, (c) Port incidents, and (d) other reports and records as required by this Terminal Operating Agreement (such documentation hereinafter referred to as the “Records”), and submission of such Records to the BLRA quarterly and in connection with any BLRA Audit; and

(3) The issuance of invoices for all Actual Operating Revenues and processing of the payment of all Terminal Operating Expenses.”

Section 6. Amendment to Sections 5.12(1), (2) and (4) of the Terminal Operating Agreement. Sections 5.12(1), (2) and (4) of the Terminal Operating Agreement are hereby deleted in their entirety and amended to read as follows:

“(1) The Port Manager shall implement and maintain an accurate and efficient system of internal controls recording invoices, the receipt of funds and disbursement of Terminal Operating Expenses. Upon 10 days written notice to Port Manager, the BLRA and any other Governmental Body or entity authorized by Applicable Law may conduct an audit of the Records (the “BLRA Audit”) during normal business hours at the office of the Port Manager, or, if no such office is available, at a mutually agreeable venue within the State.”

“(2) All Records pertaining to the receipt of Actual Operating Revenues by the Agent and payment of Terminal Operating Expenses by the Port Manager, including, without limitation, monthly Berthing Tariffs and Wharfage Fee records, daily reports, bank statements, deposit slips invoices, and invoices and cancelled checks shall be retained, to the extent applicable, by the Port Manager, and made available to the BLRA for the purpose of the BLRA Audit for a period of 2 years. Such right to perform the BLRA Audit shall survive the expiration of the Term for a period of 2 years.”

“(4) The Port Manager, in coordination with the Redeveloper, shall provide an itemized quarterly and year to date statement to the BLRA, on or before the 15th day of each January, April, July and October, stating the Actual Operating Revenues, the Actual Operating Expenses, the Terminal Operating Expenses and the beginning and ending cash balances as reported by the Port Manager, the Agent and the Bond Trustee with respect to such three month period ending on the last day of the month immediately preceding such date. Such monthly report shall be prepared in a manner that tracks Actual Operating Expenses to the Annual Operating Expense Budget.”

Section 7. Reaffirmation of Terminal Operating Agreement. Except as amended by this First Amendment to the Terminal Operating Agreement, the Terminal Operating Agreement, and as applicable the Transaction Documents, as previously amended or supplemented, are hereby reaffirmed and ratified.

Section 8. Counterparts. This First Amendment to the Terminal Operating Agreement may be executed and delivered in any number of counterparts, and such counterparts taken together shall constitute one and the same instrument.

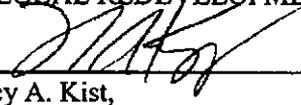
Section 9. Governing Law. This First Amendment to the Terminal Operating Agreement shall be construed in accordance with, and governed by, the Applicable Law of the State of New Jersey, without consideration given to choice of law principles.

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IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Terminal Operating Agreement to be executed as of the day and year first above written.

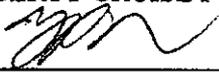
THE BLRA:

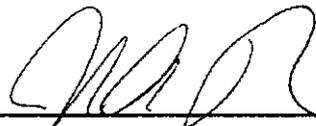
BAYONNE LOCAL REDEVELOPMENT AUTHORITY

By: 
Nancy A. Kist,
Executive Director

PORT MANAGER:

CAPE LIBERTY CRUISE PORT LLC

By: 
Name: Tom Martin
Title: Manager

By: 
Name: John Tercek
Title: Manager



TERMINAL OPERATING AGREEMENT

By and Between

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

And

CAPE LIBERTY CRUISE PORT LLC

BAYONNE, NEW JERSEY

Dated as of September 1, 2005

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TERMINAL OPERATING AGREEMENT

THIS TERMINAL OPERATING AGREEMENT is made as of this 1st day of September, 2005, but effective as of the Effective Date, by and between Bayonne Local Redevelopment Authority, a New Jersey statutory municipal entity (the "BLRA") and Cape Liberty Cruise Port LLC, a Delaware limited liability company (the "Port Manager") (the BLRA and Port Manager each, a "Party" and, collectively, the "Parties"). Capitalized terms used herein and not expressly defined in context shall have the meanings prescribed to them in Exhibit A.

WITNESSETH

WHEREAS, the Redevelopment Law provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, the BLRA was established by ordinance number 0-98-26, adopted on June 10, 1998 by the City Council of the City, in the County and State as an instrumentality and agency of the City, pursuant to the provisions of the Redevelopment Law, with responsibility for implementing redevelopment plans and carrying out redevelopment projects within the City; and

WHEREAS, pursuant to a decision by the United States of America to decommission the Peninsula, the Peninsula was transferred to the BLRA pursuant to the Quitclaim Deeds; and

WHEREAS, in accordance with the criteria set forth in the Redevelopment Law, the City identified and designated the Peninsula as an area in need of redevelopment by resolution numbered 99-11-23-078, adopted on November 23, 1999 by the City Council pursuant to the Redevelopment Law; and

WHEREAS, by ordinance numbered 04-11-10-005, adopted on December 16, 2004 by the City Council, the City approved the Redevelopment Plan for the Peninsula; and

WHEREAS, the Redevelopment Law authorizes the BLRA to arrange or contract for the planning, construction or undertaking of any development project or redevelopment work in an area designated as an area in need of redevelopment pursuant to N.J.S.A. 40A:12A-8; and

WHEREAS, the BLRA is the owner of the Redevelopment Area; and

WHEREAS, by resolution numbered 062305-07, adopted on June 24, 2005 by the BLRA, the BLRA designated the Redeveloper and Port Manager, as applicable, as the "redeveloper" of the Redevelopment Area as permitted by the Redevelopment Law and agreed to enter the Transaction Documents, including this Terminal Operating Agreement between BLRA and Port Manager, in order to set forth the respective undertakings, rights and obligations of Redeveloper and the BLRA in connection with the redevelopment and use of the Redevelopment Area, all in accordance with Applicable Law.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

ARTICLE 1

DEFINITIONS, INTERPRETATION AND CONSTRUCTION

Section 1.1 Definitions. The capitalized terms used herein shall have the meanings prescribed to them in Exhibit A.

Section 1.2 Interpretation and Construction. In this Terminal Operating Agreement, unless the context expressly otherwise requires:

(1) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Terminal Operating Agreement, refer to this Terminal Operating Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Terminal Operating Agreement.

(2) All references to Articles, Sections, Schedules or Exhibits shall, unless otherwise indicated, refer to the Articles, Sections, Schedules or Exhibits in this Terminal Operating Agreement.

(3) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(4) All notices to be given hereunder and responses thereto shall be given within a reasonable time, unless a certain number of days is specified.

(5) Unless otherwise indicated, any "fees and expenses" shall be required to be customary and reasonable.

(6) Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld, delayed or conditioned.

(7) The time periods set forth herein are to be strictly complied with, provided, however, that notwithstanding the foregoing, the time periods set forth herein for performance by Port Manager may, in the sole discretion of the BLRA, be extended at the written request of Port Manager. All references to days shall mean calendar days unless the context specifies otherwise.

ARTICLE 2

REPRESENTATIONS

Section 2.1 Representations by the BLRA. The BLRA represents to Port Manager that:

(1) The BLRA is a duly organized and validly existing municipal entity under the Applicable Laws of the State;

(2) Under the laws of the State, the BLRA is duly authorized to enter into, execute and deliver this Terminal Operating Agreement, to undertake the obligations contemplated by this Terminal Operating Agreement and to carry out its obligations hereunder. The execution by the BLRA of and performance by it under this Terminal Operating Agreement will not violate or conflict with any instrument by which the BLRA is bound or its properties are subject. The BLRA has the full power and authority, and holds and will maintain valid and in good standing, all Approvals necessary to grant Port Manager all of the rights and privileges conferred upon and granted to Port Manager under this Terminal Operating Agreement;

(3) By duly adopted resolution, the BLRA's BLRA of Directors has duly authorized the execution and delivery of this Terminal Operating Agreement and this Terminal Operating Agreement constitutes a legal, valid and binding obligation of the BLRA, enforceable against the BLRA in accordance with its terms;

(4) The execution and delivery of this Terminal Operating Agreement by the BLRA does not, and the performance by the BLRA of its obligations under this Terminal Operating Agreement will not:

(a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the articles of incorporation, bylaws or other organizational documents of the BLRA;

(b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law;

(c) Result in a breach of, or default (or give rise to a right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which the BLRA may be bound, or which are necessary for Port Manager to continue to enjoy the rights and privileges conferred upon and granted to Port Manager under this Terminal Operating Agreement;

(5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other persons is required in connection with the execution, delivery and performance of this Terminal Operating Agreement by the BLRA or the rights and privileges which, by virtue of this Terminal Operating Agreement, shall be conferred upon and granted to Port Manager;

(6) There exists no requirement or obligation under Applicable Law to submit this Terminal Operating Agreement to public bid, auction or the like; and,

(7) The BLRA covenants and warrants that it is vested with good, valid, marketable and insurable title to the Redevelopment Area, inclusive of the Port which is the subject of this Terminal Operating Agreement, the Improvements and any easements granted to Redeveloper or Port Manager (as

the case may be under the Transaction Documents), and has the full and complete authority to enter into this Terminal Operating Agreement in accordance with its terms.

Section 2.2 Representations by Port Manager. Port Manager represents to the BLRA that:

(1) Port Manager is a duly organized and validly limited liability company in good standing under the laws of Delaware and has all requisite power and authority for the ownership and operations of its properties, and for the carrying on of its business as now conducted and as now proposed to be conducted under the Transaction Documents. Port Manager is duly qualified and is in good standing as a limited liability company and is authorized to do business in all jurisdictions wherein the nature of the activities conducted by it makes such qualification or authorization necessary;

(2) Port Manager has the corporate power to enter into, execute and deliver this Terminal Operating Agreement to undertake the transactions contemplated by this Terminal Operating Agreement and to carry out and perform its obligations hereunder, and the execution by Port Manager of and performance by it under this Terminal Operating Agreement will not violate or conflict with any instrument by which Port Manager is bound or its properties are subject, and this Terminal Operating Agreement constitutes a legal, valid and binding obligation of Port Manager, enforceable against Port Manager in accordance with its terms;

(3) Port Manager has duly authorized the execution, delivery and performance of this Terminal Operating Agreement, and, assuming due authorization, execution and delivery of this Terminal Operating Agreement by the BLRA, this Terminal Operating Agreement will be a valid, binding and enforceable agreement of Port Manager;

(4) The execution and delivery of this Terminal Operating Agreement by Port Manager does not, and the performance by Port Manager of its obligations under this Terminal Operating Agreement will not:

(a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the organizational documents of Port Manager;

(b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law; or

(c) Result in a breach of, or default under (or give rise to right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which Port Manager may be bound or which are necessary for the BLRA to enforce the terms of this Terminal Operating Agreement against Port Manager; and

(5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other Persons is required in connection with the execution, delivery and performance of this Terminal Operating Agreement by Port Manager other than as set forth in the Transaction Documents.

ARTICLE 3

DESIGNATION OF PORT MANAGER; USE OF PORT

Section 3.1 Designation of Port Manager. Subject to the provisions of this Terminal Operating Agreement, the BLRA hereby designates Port Manager as the sole and exclusive manager and operator of the Port. The BLRA shall not revoke, cancel, terminate or otherwise change Port Manager's designation under this Section 3.1, except in accordance with the terms of the Transaction Documents.

Section 3.2 Covenants. The Port Manager agrees to the following covenants (hereinafter "Port Manager's Covenants".)

Section 3.2.1 Compliance. Port Manager shall carry out or perform the Terminal Services in accordance with the provisions of the Transaction Documents and Applicable Law. Port Manager shall use reasonable efforts to ensure that all consultants, professionals, employees, agents, contractors engaged by the Port Manager or any of the Port Manager's sublicensees are in and compliance with the terms and conditions of the Transaction Documents and Applicable Law. The Port Manager further covenants that its undertakings pursuant to the Transaction Documents shall be for the purpose of the repair, operation, maintenance and management of the Port.

Section 3.2.2 Performance. Port Manager shall undertake or perform the Terminal Services in accordance with the provisions of the Transaction Documents. All Terminal Services performed by the Port Manager under the Transaction Documents shall be performed in accordance with the level of skill and care ordinarily exercised by managers of first class facilities of the same type and nature as the Port. Except as specifically provided for in the Transaction Documents, the Port Manager shall undertake or perform the Terminal Services as Actual Operating Expenses of the Port, which shall be paid with Actual Operating Revenues.

Section 3.2.3 Suspension of Performance. The Port Manager shall not suspend or discontinue the performance of its obligations under the Transaction Documents (other than in the manner provided for therein).

Section 3.2.4 Non-Discrimination. The Port Manager shall not discriminate against or segregate any Person, or group of Persons, on account of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or sex in the sublicense, use, occupancy, tenure or enjoyment of the Port, nor shall the Port Manager establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, occupancy of sublicensees, or vendees on the Port. Matters pertaining to employment in connection with the Port and the Terminal Services shall be governed by Applicable Law which includes, without limitation, N.J.S.A. 40A:12A-22.2 of the Redevelopment Law. This Section shall be subject generally to all Applicable Law.

Section 3.3 Declaration of Covenants. Port Manager shall execute and record one or more declarations of covenants and restrictions, approved by the BLRA and Port Manager (each such document, a "Declaration") imposing the Port Manager's Covenants, and those other matters indicated in this Terminal Operating Agreement, if any, which are to be included in the Declaration. The Port Manager's Covenants shall run with the land as required by Applicable Law (N.J.S.A. 40A:12A-9).

Section 3.4 Effect and Duration of Covenants. It is intended and agreed, and the Declaration shall so expressly provide, that the Port Manager's Covenants set forth in this Article 3 and

those elsewhere in this Terminal Operating Agreement designated for inclusion in the Declaration, if any, shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Transaction Documents, be binding to the fullest extent permitted at law and equity, for the benefit and in favor of, and enforceable by, the BLRA, its successors and assigns, and any successor in interest to the Port or any part thereof, against Port Manager, its success and assigns and every successor in interest therein and any Party in possession or occupancy of the Port or any part thereof. It is further intended and agreed that the Port Manager's Covenants in Section 3.2 shall remain in effect without limitation as to time. However, such Port Manager's Covenants shall be binding on Port Manager, itself, each successor in interest to Port Manager only for such period as Port Manager or such successor or Party shall be in possession or occupancy of the Port, the Improvements thereon or any part thereof.

Section 3.5 Enforcement by BLRA. In amplification, and not in restriction, of the provisions of this Article, it is intended and agreed that the BLRA and its successors and assigns shall be deemed beneficiaries of the Port Manager's Covenants set forth in this Terminal Operating Agreement, both for and in their own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such Port Manager's Covenants have been provided. Such Port Manager's Covenants shall (and the Declaration shall so state) run in favor of the BLRA for the entire period during which such Port Manager's Covenants shall be in force and effect, without regard to whether the BLRA has at any time been, remains, or is an owner of any land or interest therein. The BLRA shall have the right, in the event of any material breach of any such Port Manager's Covenants, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of Port Manager's Covenants, to which it or any other beneficiaries of such Port Manager's Covenants may be entitled.

Section 3.6 Permitted Uses of Port. The Port shall be used by the Port Manager for the management and operation of the Port for Cruise Operations and Permitted Uses. Port Manager also shall have the right, with the prior written consent and approval of the BLRA, to enter into sublicense agreements for the Incidental Uses of the Port, pursuant to an Incidental Usage Agreement to be subsequently executed by the Parties.

Section 3.7 Prohibited Uses of the Port. Port Manager shall not use or permit the Port, or any part thereof, to be used for any purpose contrary to the Transaction Documents or Applicable Law.

Section 3.7.1 Uses Prohibited by Insurance Policies. Port Manager shall not use the Port in any manner that will result in the cancellation of any insurance that the BLRA may have on the Port. Port Manager shall not keep, use or sell on the Port, or permit to be kept, used, or sold thereon, anything prohibited by any applicable BLRA fire insurance policy.

Section 3.7.2 Advertising and Signage. Port Manager shall not erect or display, or permit to be erected or displayed, on the Port or the Improvements thereon, any exterior advertising matter of any kind, including signs, without first obtaining the written consent of the BLRA, excepting only directional signage.

Section 3.7.3 Tents and Temporary Facilities. Port Manager shall not erect tent(s) or analogous, non-permanent structure(s) except if, in the reasonable discretion of the Port Manager, the passenger manifest of a scheduled Vessel exceeds the capacity of the Terminal Improvements, or that multiple Vessels at berth simultaneously require additional terminal service space. In such event, the Port Manager may procure and utilize tent(s) or analogous, non-permanent structure(s), for such purposes, provided that any continuous use thereof for more than 30 consecutive days shall require the advance written approval of BLRA. Prior to the installation of any tent(s) or analogous, non-permanent

structure(s), Port Manager shall obtain all Approvals in accordance with the requirements of Applicable Law.

Section 3.7.4 Hazardous Material. Port Manager may not handle, use, store, transport, transfer, receive or dispose of on the Port (hereinafter sometimes collectively referred to as "Handle"), any substance classified as Hazardous Material in such quantities as would require the reporting of such activity to any Governmental Body having jurisdiction thereof without first receiving written permission of the BLRA. If Port Manager has handled material on the Port classified by Applicable Law as Hazardous Material (Port Manager's attention is particularly called to the Resource Conservation and Recovery Act of 1967 ("RCRA"), 42 U.S.C. Sec. 6901 *et seq.*; the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), 42 U.S.C. Sec 9601, *et seq.*; the Clean Water Act, 33 U.S.C. Sec 1251 *et seq.*; the Clean Air Act, 42 U.S.C. Sec 7901 *et seq.*; and any amendments to these provisions or successor provisions) and such material has contaminated or threatens to contaminate the Port including Improvements, harbor waters, soil or groundwater, Port Manager, to the extent obligated by Applicable Law, shall at its own expense perform soil and groundwater tests to determine the extent of such Environmental Contamination, and shall immediately remediate any such material from the Port. If in the reasonable determination of the BLRA such Hazardous Material cannot be remediated on site to the reasonable satisfaction of BLRA, Port Manager shall remove and properly dispose of all contaminated soil, material or groundwater and replace such soil or material with clean soil or material suitable to BLRA.

If during Port Manager's occupancy Hazardous Materials brought or permitted to be brought onto the Port by Port Manager contaminate the Port or threaten to contaminate the Port including Improvements, harbor waters, soil or groundwater, Port Manager shall promptly notify the BLRA, and Port Manager, at its sole expense, shall perform such soil and groundwater testing as required by Applicable Law and take immediate steps to remediate the Port to the reasonable satisfaction of BLRA.

If Port Manager disposes of any soil, material or groundwater contaminated with Hazardous Material, Port Manager shall provide the BLRA copies of all material records, including a copy of each uniform hazardous waste manifest indicating the quantity and type of material being disposed of, the method of transportation of the material to the disposal site and the location of the disposal site. The name of the City shall not appear on any manifest document as a generator of such material.

Any tests required of Port Manager by this Section shall be performed by a State certified testing laboratory reasonably satisfactory to the BLRA. By signing this Terminal Operating Agreement, Port Manager hereby irrevocably directs any such laboratory to provide the BLRA, upon written request from the BLRA, copies of all of its reports, test results, and data gathered.

Upon 60 days' prior written notice by the BLRA to Port Manager, Port Manager shall submit to the BLRA the names and amounts of all Hazardous Materials, or any combination thereof, which were stored, used or disposed of on the Port during the previous year, or which Port Manager intends to store, use or dispose of on the Port in the future.

Specifically excepted from coverage under this Section is Pre-Existing Contamination as defined and set forth in Article 15 of the Redevelopment Agreement, which shall be handled pursuant thereto, provided that no act or omission on the part of the Port Manager has contributed to the disturbance of such Pre-Existing Contamination in which case remediation thereof would be the Port Manager's responsibility hereunder. The Port Manager's obligations to perform environmental testing shall be strictly limited to the requirements of Applicable Law.

Section 3.8 Inspection of Port. BLRA and its duly authorized representatives shall have the right to enter upon the Port at any and all reasonable times during the term of this Terminal Operating Agreement for any reasonable purpose incidental to the rights of the BLRA, provided, however, that the BLRA does not unreasonably interfere with Port operations. The right of inspection reserved hereunder shall impose no obligation upon the BLRA to make inspections to ascertain the condition of the Port, and shall impose no liability upon the BLRA for failure to make such inspections. By reserving the right of inspection, the BLRA assumes no responsibility or liability for loss or damage to the property of Port Manager or property under the control of Port Manager, whether caused by fire, water or other causes, except to the extent caused by the BLRA. Nor does the BLRA assume responsibility for any shortages of cargo handled by Port Manager at the Port.

Section 3.9 Rights-of-Way. This Terminal Operating Agreement and the Port shall be at all times subject to the following:

(1) Rights-of-way for sewers, pipelines, conduits and for telephone, telegraph, light, heat and power lines as may from time to time be determined to be necessary by the BLRA, including the right to enter upon, above, below or through the surface of the or Port to construct, maintain, replace, repair, enlarge or otherwise utilize the Port for such purpose, without compensation, provided the applicable area of the Port shall be substantially restored following any disturbance; and

(2) Rights-of-way for streets, other highways, railroads and other means of transportation which are necessary to the operation of the Port or which shall have been duly established or which are reserved herein.

Section 3.10 Inspection; No Warranty. Port Manager has inspected the Port in contemplation of undertaking the Terminal Services and Permitted Uses and agrees that the Port, including the Existing Improvements, is suitable for its intended uses. No officer or employee of BLRA has made any representation or warranty with respect to the Port, including the Existing Improvements.

ARTICLE 4

ANNUAL OPERATING EXPENSE BUDGET

Section 4.1 Annual Operating Expense Budget. (1) Between July 1 and September 30 of each calendar year, the Port Manager, in consultation with Redeveloper and the BLRA, shall collaborate in good faith to prepare the Annual Operating Expense Budget for the following calendar year. Not later than October 1, 2005, the Port Manager shall provide the BLRA and the Redeveloper with the final Annual Operating Expense Budget for the 2006 calendar year.

(2) The term "Annual Operating Expense Budget" shall mean an expense budget that includes any and all costs, expenses and fees that the BLRA, the Port Manager and the Redeveloper, in good faith, reasonably estimate to be incurred in connection with the operation, maintenance and management of the Port for the applicable calendar year, including, without limitation, (a) all expenses payable pursuant to the Terminal Operating Agreement, (b) assessments and other governmental charges, (c) the Priority Charges, (d) the BLRA Financing Charge, and (e) the Capital Reserve Charge (together the "Annual Operating Expenses").

(3) The term "Priority Charges" shall mean those amounts payable to the BLRA including:

(a) The "Annual Base Charge" for the use of the Redevelopment Area by the Redeveloper shall mean and be as follows:

- (i) January 1, 2005 to December 31, 2005: \$566,500 (the "2005 Base Charge");
- (ii) January 1, 2006 to December 31, 2006: the 2005 Base Charge increased by the greater of 3% or the percentage change in the CPI over the prior calendar year (the "2006 Base Charge");
- (iii) January 1, 2007 to December 31, 2007: the 2006 Base Fee increased by the greater of 3% or the percentage change in the CPI over the prior calendar year (the "2007 Base Charge");
- (iv) January 1, 2008 to December 31, 2008: the 2007 Base Charge increased by the greater of 3% or the percentage change in the CPI over the prior calendar year;
- (v) January 1, 2009 to December 31, 2009: \$1.50 psf of the Redevelopment Area;
- (vi) January 1, 2010 to December 31, 2010: \$1.75 psf of the Redevelopment Area;
- (vii) January 1, 2011 to December 31, 2011: \$2.00 psf of the Redevelopment Area;
- (viii) January 1, 2012 to December 31, 2012: \$2.25 psf of the Redevelopment Area;
- (ix) January 1, 2013 to December 31, 2013: \$2.65 psf of the Redevelopment Area;
- (x) January 1, 2014 to December 31, 2014: \$2.90 psf of the Redevelopment Area;
- (xi) January 1, 2015 to December 31, 2015 and each January 1 to December 31, thereafter until December 31, 2038: the prior year's psf rate (increased by the greater of 3% or the percentage change in the CPI over the prior calendar year) of the Redevelopment Area; and,

- (xii) Should the BLRA provide a Phase II Commencement Notice pursuant to Section 6.2.1 of the Redevelopment Agreement such that Redeveloper is obligated to and does construct the Phase II Improvements in Configuration "B", then Redeveloper shall receive a credit against the payment of the Annual Base Charge equal to 50% of the BLRA Financing Charge associated with the amount by which Redeveloper's Cost of Construction for the Phase II Improvements in Configuration "B" exceeds that which would have been reasonably payable as Redeveloper's Cost of Construction for the Phase II Improvements in Configuration "A";

(b) The "Annual Construction Area Charge" for the use of the Construction Area by the Redeveloper shall mean and be \$.50 psf in each calendar year during the Term;

(c) The "Annual Terminal Improvements Charge," for the use of Building 14 by the Redeveloper shall mean and be as follows:

- (i) January 1, 2005 to December 31, 2008: \$0.00;
- (ii) January 1, 2009 to December 31, 2009 and each January 1 to December 31 thereafter until December 31, 2014: \$2.85 psf of the Terminal Improvements (which is initially stipulated to be 120,000 square feet); and
- (iii) January 1, 2015 to December 31, 2015 and each January 1 to December 31 thereafter until December 31, 2038: the prior calendar year's psf rate (increased by the greater of 3% or the percentage change in the CPI over the prior calendar year) of the Terminal Improvements;

(d) The "Annual BLRA Common Area Charge" for so long as vehicular access to the Redevelopment Area is provided by means of access over property owned by the BLRA and/or street lighting for such access is provided by the BLRA for the Redeveloper, its guests, invitees, employees, vendors and subcontractors, shall mean and shall be as follows:

- (i) January 1, 2005 to December 31, 2005: \$75,000; and
- (ii) January 1, 2006 to December 31, 2006 and each January 1 to December 31 thereafter until December 31, 2038: the prior year's Annual BLRA Common Area Charge increased by the percentage change in the CPI over the prior calendar year;

(e) The "BLRA Supplemental Charge" shall mean and be as follows:

- (i) For the Redevelopment Area (excluding land under water):
 - (I) January 1, 2005 to December 31, 2005: \$.10 psf of the Redevelopment Area (excluding land under water); and
 - (II) January 1, 2006 to December 31, 2006 and each January 1 to December 31 thereafter until December 31, 2038: the prior year's psf rate increased by the percentage change in the CPI over the prior calendar year for the Redevelopment Area, (excluding land underwater);
- (ii) For the Terminal Improvements:

- (I) \$0.60 psf for 120,000 sf from January 1, 2005 to December 31, 2005;
- (II) until the date upon which Building 14 is no longer in use as the Terminal Improvement and has not been subject to Improvements, the Redeveloper's Cost of Construction for which is in excess of \$250,000, the applicable BLRA Supplemental Charge for the Terminal Improvements for each calendar year shall be the prior calendar year's BLRA Supplemental Charge for the Terminal Improvements increased by the percentage change in the CPI over such prior calendar year;
- (III) for so long as Building 14 is still in use as the Terminal Improvement and Improvements have been completed, the Redeveloper's Cost of Construction for which is in excess of \$250,000, the prior calendar year's BLRA Supplemental Charge for the Terminal Improvements increased by the percentage change in the CPI over such prior calendar year, plus 2.4% of said Redeveloper's Cost of Construction, with such increase as a result of Improvements together with the then-current BLRA Supplemental Charge for the Terminal Improvements forming the new base for the BLRA Supplemental Charge for the Terminal Improvements and subject to subsequent annual increases by the CPI over such prior calendar year;
- (IV) for replacement Terminal Improvements completed as Phase IV(a) Improvements or Phase IV(b) Improvements, 2.4% of the Redeveloper's Cost of Construction for such Improvements less any portion thereof attributable to (a) foundation piles in excess of what would otherwise be attributable to a spread footings foundation and (b) Environmental Remediation, such BLRA Supplemental Charge for the Terminal Improvements increasing each year thereafter by the percentage change in the CPI over such prior year and subject to further increases should additional Improvements be undertaken the Construction Cost for which is in excess of \$250,000 (in which case such further increases shall be calculated in the manner described in Section 3(e)(ii)(III) above); and,
- (V) Notwithstanding the above, Redeveloper shall continue to pay full real estate taxes through December 31, 2005 in lieu of the payments required by Section 4.1(e)(I) through (IV);

(f) The "BLRA Volume Charge" shall mean and be as follows: (i) \$1 (as such amount is increased by the percentage change in the CPI from January 1, 2005 to December 31 immediately prior to the applicable calendar year) for each passenger embarkation and debarkation in excess of 207,000 passengers but less than 250,001 per annum, and (ii) \$1.50 (as such amount is increased by the percentage change in the CPI from January 1, 2005 to December 31 immediately prior to the applicable calendar year) for each passenger embarkation and debarkation in excess of 250,000 passengers but less than

300,001 passenger per annum; and (iii) \$2.00 (as such amount is increased by the percentage change in the CPI from January 1, 2005 to December 31 immediately prior to the applicable calendar year) for each passenger embarkation and debarkation in excess of 300,000 passengers per annum, provided however that no BLRA Volume Charge shall be payable for passenger volume occurring in any calendar year prior to 2009;

(g) The "BLRA Administrative Fee," shall initially be \$0 provided, however, that the BLRA reserves the right to impose an administrative fee in connection with direct and indirect expenses and out-of-pocket expenses incurred if the BLRA serves as the Port Manager itself, or if the BLRA shall handle any administrative matters itself in lieu of the Port Manager under the terms of this Terminal Operating Agreement (such fee to be known as the "BLRA Administrative Fee" as provided herein);

(h) The "BLRA Capital Charge" shall mean and be as follows: (i) in the event Redeveloper constructed the Phase III Improvements, \$0 or (ii) in the event Redeveloper did not construct the Phase III Improvements as of January 1, 2019, commencing on January 1, 2019, an amount required to fully amortize, over the remaining Term at 5 percent interest (I) BLRA Share #1 in the event that the Berth N-5 is being used as a Berth for an average of 15 or more Vessel calls per year for the 3 years prior to January 1, 2019; or (II) BLRA Share #2 in the event that the Berth N-5 is being used as a Berth for less than an average of 15 Vessel calls per year for the 3 years prior to January 1, 2019; provided, however, that in the event that surface parking had been replaced with a parking structure before January 1, 2019, then the alternate BLRA Capital Charge(s) referenced in (ii) above will commence on January 1, 2024 and the payment shall equal the amount required to fully amortize the respective sums over the remaining Term. "BLRA Share #1" shall mean and equal \$4,000,000 plus interest accrued and compounded annually at an annual rate of 5.0% from the date of the of substantial completion of the BLRA Bulkhead Improvements to (i) December 31, 2018, or, (ii) in the event surface parking had been replaced with a parking structure before January 1, 2019, December 31, 2023. "BLRA Share #2" shall mean and equal \$2,000,000 plus interest accrued and compounded annual at an annual rate of 5.0% from the date of the of substantial completion of the BLRA Bulkhead Improvements to (i) December 31, 2018, or (ii) in the event surface parking had been replaced with a parking structure before January 1, 2019, December 31, 2023; and,

(i) The BLRA's cost of insurance with respect to Redevelopment Area.

(4) The "BLRA Financing Charge" shall mean and be the amount required in the applicable calendar year to pay the debt service on the Bonds, Redeveloper Loan or Loan (as the case may be) and all related expenses.

(5) The "Capital Reserve Charge" shall mean and be the lesser of (i) 10% of the Annual Operating Expense Budget for purposes of funding (a) future Improvements to the Redevelopment Area and/or (b) Revenue Deficiencies or (ii) such amount that is required to increase the amount in the Capital Reserve Fund to fifty percent (50%) of the applicable Annual Operating Expense Budget.

(6) The Port Manager shall keep the Redeveloper and the BLRA continually informed of its progress during the Budget Process. The Port Manager shall submit the proposed Annual Operating Expense Budget to Redeveloper for its review within 15 days prior to the approval of the Annual Operating Expense Budget. During the Budget Process, the BLRA and the Port Manager shall give due consideration to alternative service providers recommended by Redeveloper.

ARTICLE 5

TERMINAL SERVICES

Section 5.1 Terminal Services Generally. The Port Manager shall operate, maintain, manage and repair the Port as a public facility for Cruise Operations and Permitted Uses and shall provide, or contract with vendors to provide, all of the services as set forth in this Article 5 (hereinafter, "Terminal Services"). Such Terminal Services shall include generally the following:

- (1) the establishment, assessment, collection and publication of the Berthing Tariffs and Wharfage Fees in accordance with Section 5.2 and 5.14 of this Terminal Operating Agreement;
- (2) participation in the development of the Annual Operating Expense Budget in accordance with Article 4 of this Terminal Operating Agreement;
- (3) the collection of Revenues and the maintenance and operation of the Revenue Fund and the payment of any and all Actual Operating Expenses from the Revenue Fund in accordance with Section 5.3 of this Terminal Operating Agreement;
- (4) the maintenance and application of the Capital Reserve Fund in accordance with Section 5.4 of this Terminal Operating Agreement;
- (5) the scheduling of Vessels and Berths in accordance with Section 5.5 of this Terminal Operating Agreement;
- (6) the provision of all security at the Port as needed to ensure the safety of the passengers, visitors, Invitees, employees and vendors in accordance with plans and procedures adopted by the Port Manager (and as required by Homeland Security) with the cooperation of the Redeveloper and/or the BLRA all as provided in Section 5.6 of this Terminal Operating Agreement;
- (7) the maintenance of the Port in good, clean and satisfactory repair and operating condition consistent with a first class passenger cruise port and in accordance with all Applicable Law, including but not limited to: the Improvements including the Terminal Improvements and the Bulkhead Improvements, building structural and non-structural elements, building mechanical, electrical, HVAC and plumbing systems, building sprinkler systems, Building fire alarm systems, building roofing systems, terminal security alarm systems, internal and external public announcement systems, exterior lighting systems, maritime structures including bulkheads, relieving platforms, bollards and fendering systems, maintenance dredging of berths and approaches to berths to the extent such dredging services are not performed by the Army Corps of Engineers or other Governmental Body, fence/cargo systems, door systems, outdoor fencing, paving and landscaping, interior and exterior telecommunication systems, Redeveloper's Trade Fixtures, equipment employed in the operation of the Port, and emergency generator systems;
- (8) the provision of contract services including but not limited to: exterrinator services, snow removal services to the extent the Port is in service when it snows, janitorial services, paving services, painting and striping services, for the Terminal Area, transportation services (parking shuttle, taxis, internal bus services, etc.) and solid waste disposal services;
- (9) the maintenance of an adequate surety bond, if required by Applicable Law, and insurance in accordance with this Terminal Operating Agreement;

(10) the securing, to the extent made available by the local utility companies, of all utilities required for the operation of the Port, including but not limited to electricity (as of the Direct Service Date), water, communications and sewer;

(11) the coordination of the various Cruise Operations and Permitted Uses at the Port in order to ensure a smooth, efficient and integrated operation of the Port;

(12) the provision of passenger and cargo services to the extent not provided by operators of the Vessels;

(13) the recruitment, employment and supervision of a sufficient number of personnel to provide all of the foregoing Terminal Services in a professional manner and at a standard to be expected from a first-class passenger cruise line; and,

(14) the establishment of rules and regulations to be approved by the BLRA governing the use of the Port including a requirement that the operators of all Vessels maintain insurance that is customary for such operators.

Section 5.2 Establishment of Berthing Tariffs and Wharfage Fees. (1) The BLRA and the Port Manager shall collaborate, in good faith, to establish the Berthing Tariffs and the Wharfage Fees.

(2) Not later than October 1 of each calendar year, the Port Manager shall provide the BLRA with (a) a forecast of the estimated number of passengers that will embark at the Port during the following calendar year (the "Estimated Number of Passengers") (b) a forecast of the estimated aggregate tonnage of visiting cruise ships to the Port (the "Estimated Aggregate Tonnage"); (c) the maximum Berthing Tariff per passenger, as determined by the Port Manager, that can be charged to each cruise passenger based upon market conditions (the "Maximum Market Tariff"); and, (d) the Wharfage Fee that can be assessed against each Vessel as determined by the Port Manager based upon market conditions (the "Maximum Market Wharfage Fee").

(3) Each calendar year, within 5 days following the Port Manager's submission of the Annual Operating Expense Budget and the Estimated Number of Passengers, the Port Manager shall calculate the Breakeven Tariff and the Berthing Tariff and notify the BLRA and Redeveloper of same. In the event the Breakeven Tariff is greater than the Berthing Tariff as defined in this Section, there shall be a "Berthing Tariff Deficiency".

(4) In the event there is a Berthing Tariff Deficiency, the Port Manager shall calculate the Wharfage Fee, which Wharfage Fee shall not exceed a Maximum Market Wharfage Fee.

Section 5.3 Establishment of Revenue Fund; Collection of Revenues and Payment of Actual Operating Expenses. The Port Manager shall establish a Revenue Fund. On a monthly basis, Port Manager shall invoice RCCL Cruise Lines and Other Cruise Lines for the applicable Berthing Tariffs and Wharfage Fees incurred, based on their respective actual Number of Passengers and actual Aggregate Tonnage, for the immediately preceding month, and require payment within 30 calendar days after receipt of such invoices. Port Manager shall collect all Berthing Tariffs and Wharfage Fees and promptly deposit them, as collected, into the Revenue Fund. Port Manager shall incur and pay, or cause to be paid, from the Revenue Fund, to the extent sufficient, the Actual Operating Expenses, including, without limitation, the Priority Charges and Port Management Fees. The Priority Charges shall be payable to the BLRA monthly in advance (each monthly payment equal to one-twelfth of the annual budgeted amount) and prorated for any partial year, except that (1) the BLRA Volume Charge shall be payable on January 15 of the next calendar year, and (2) the BLRA Financing Charge shall be payable in accordance with the

applicable bond or debt service payment schedule. Port Manager shall use its best efforts to pay all Actual Operating Expenses on a timely basis so as to avoid the imposition of interest or penalties. In the event the Actual Operating Revenues are insufficient to pay the Actual Operating Expenses in any month(s), Port Manager shall demand, and upon receipt use, a Working Capital Advance from Redeveloper under the Usage Agreement to cover any such deficit(s).

Section 5.4 Establishment of Capital Reserve Fund; Collection of Capital Reserve Charge and Funding of Future Improvements and Revenue Deficiencies. The Port Manager shall establish a Capital Reserve Fund. Upon the completion of the Annual Operating Expense Budget, the Port Manager shall receive, as an Annual Operating Expense, the Capital Reserve Charge and shall immediately deposit the Capital Reserve Charge into the Capital Reserve Fund. Port Manager shall incur and pay, or cause to be paid, from the Capital Reserve Fund, to the extent sufficient and applicable, the costs associated with future Improvements within the Redevelopment Area and, as applicable, Revenue Deficiencies. Port Manager shall use its best efforts to pay any and all Revenue Deficiencies on a timely basis so as to avoid the imposition of interest or penalties.

Section 5.5 Vessel and Berth Scheduling. Port Manager shall coordinate, develop and update quarterly a comprehensive schedule of Vessel and Cruise Operations at the Port, and shall:

- (1) Coordinate Cruise Operations of Vessels, coordinate berthing assignments of Other Cruise Lines with the berthing priority rights of RCCL Cruise Lines set forth in the Agreed Berthing Schedule;
- (2) Develop and maintain a quarterly updated schedule of Vessel arrivals and berthing assignments;
- (3) Ensure the availability of at least 2 functioning passenger gangways for the Primary and Secondary Berths then in use for Cruise Operations at all times;
- (4) Attend all Vessel dockings and undockings at the Berths and, upon Vessel departures, conduct reasonable Berth inspections, as practicable, prepare written reports of any evidence of damage to Bulkhead Improvements, and give immediate notification of such damage to BLRA;
- (5) Coordinate with appropriate Governmental Bodies to maximize rapid, convenient and efficient movement of passengers and handling of baggage;
- (6) Coordinate with the Parking Manager to maximize safe and efficient flow of traffic into and out of the Port;
- (7) Coordinate and cooperate with the U.S. Coast Guard and all Governmental Bodies to provide and ensure safe transit operations, working conditions and emergency services for the protection of all passengers, dockworkers, terminal employees, invitees and visitors on the Port; and
- (8) Coordinate and cooperate with stevedore companies engaged by RCCL Cruise Lines and Other Cruise Lines.

Section 5.6 Port Security. Port Manager shall provide a United States Coast Guard-examined security plan in compliance with Applicable Law (the "Port Security Plan"), and shall:

- (1) Designate a security officer for the Port and an alternate in compliance with Applicable Law ("Port Security Officer"), provide and implement a security officer training program in

compliance with Applicable Law, provide a manager to train and supervise security personnel (the "Port Security Manager") and provide a sufficient number of trained security officers to assure security for Cruise Operations at one time;

(2) Provide 2 trained, competent and efficient security guards on the Port on a 24-hour basis, one of whom shall be stationed at the Port entry gate and the other shall patrol the Port. Port Manager shall not be responsible to provide security immediately adjacent to any Vessel at berth, but may, upon request of the RCCL Cruise Lines and Other Cruise Lines, provide such additional Vessel security under separate arrangement with RCCL Cruise Lines and Other Cruise Lines at their expense;

(3) Provide and enforce the wearing of identification badges for all of Port Manager's employees on the Port;

(4) Provide sufficient functioning security screening equipment (e.g., x-rays, magnetometers, explosive detectors) to screen 100% of passengers, crews, visitors, Invitees, baggage and stores for Cruise Operations at one time;

(5) Provide sufficient and effective security communications equipment to facilitate security operations for Cruise Operations, in compliance with Applicable Law; and

(6) Provide additional safety and security procedures and equipment as may from time to time be further required by BLRA or Governmental Bodies with jurisdiction over the Port.

Section 5.7 Administrative Services. Port Manager shall provide passenger terminal staff, and related office and other equipment and supplies necessary to facilitate and accomplish all Terminal Services of a management and supervisory nature, to fulfill recording and reporting obligations (including maintenance of the Records), and all other Terminal Services required by this Terminal Operating Agreement, including but not limited to the following:

(1) Maintain coordination and liaison with the BLRA, reporting promptly all pertinent information affecting the functioning of the Port and preparing and providing to BLRA a quarterly, written report on the progress and status of Port business and operations, including all significant events during the reporting period;

(2) Maintain accurate books and records of accounts, including all source documents necessary to support the Records, detailing all information on Actual Operating Revenues, Actual Operating Expenses, Revenue Surpluses and Revenue Deficiencies, Vessel calls and passenger manifests for each Vessel, Port incidents, and other reports and records as required by this Terminal Operating Agreement, and submission of such records and reports to the BLRA quarterly and make the foregoing available to BLRA for the BLRA Audit; and

(3) Collect Actual Operating Revenues and remit the Priority Charges to the BLRA in accordance with this Terminal Operating Agreement, maintain and submit to BLRA accurate Records thereof, and provide to BLRA a written quarterly report showing the status of all billings, collections, accounts receivable and accounts payable.

Section 5.8 Promotion of Cape Liberty Cruise Port. Port Manager shall use commercially reasonable efforts to promote the use of the Port.

Section 5.9 Notice of Personal Injury or Property Damage. Port Manager shall notify the BLRA promptly after receipt of knowledge thereof of the occurrence of any personal injury or property

damage on the Port, provided the failure to give such Notice shall not be deemed a default under this Terminal Operating Agreement unless the BLRA suffers prejudice as a result of the failure to give such Notice.

Section 5.10 Consultation and Recommendations. Port Manager shall consult with Redeveloper and/or the BLRA from time to time as and when reasonably requested by the BLRA and/or the Redeveloper on matters related to the orderly and efficient operation of the Port, and make recommendations to the BLRA and/or the Redeveloper, as appropriate and necessary, on matters related to the safety and security of the Port as a whole, and of users of the Port.

Section 5.11 Supervision of Business Practices. The nature and manner of Port Manager's conducting of the Terminal Services on the Port shall be subject to reasonable regulation by BLRA. In the event such business is not conducted in a reasonable manner as reasonably determined by BLRA, it may direct that corrective action be taken by Port Manager to remedy such practices. Failure to comply therewith within 30 days of Port Manager receiving such written Notice shall constitute an Event of Default, which, if not cured in accordance with Article 9 herein, shall permit the BLRA to terminate this Terminal Operating Agreement or otherwise exercise any remedies available to it under Article 9.

Section 5.12 Internal Controls, Accounting System. (1) Port Manager shall implement and maintain an accurate and efficient system of internal controls recording the receipt of Actual Operating Revenues and disbursement of Actual Operating Expenses (such documentation hereinafter referred to as the "Records"). Upon 10 days written Notice to Port Manager, the BLRA and any other Person or entity authorized to conduct an audit of the Records (the "BLRA Audit") shall have access to the Records during normal business hours at the office of the Port Manager or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the purpose of inspection and the BLRA Audit.

(2) All Records pertaining to the receipt of Actual Operating Revenues and payment of Actual Operating Expenses, including, without limitation, monthly Berthing Tariffs and Wharfage Fee records, daily reports, bank statements, deposit slips invoices, and invoices and cancelled checks shall be retained by the Port Manager and made available to the BLRA for the purpose of the BLRA Audit for a period of 2 years. Such right to perform the BLRA Audit shall survive the expiration of the Term for a period of 2 years.

(3) The Port Manager, as part of its system of internal controls, shall perform periodic random audits of transactions (the "Port Manager's Audit"), and shall make the Port Manager's Audit available to the BLRA for inspection.

(4) The Port Manager shall provide an itemized quarterly and year to date statement to the BLRA, on or before the 15th day of each January, April, July and October, stating the Actual Operating Revenues, the Actual Operating Expenses and the beginning and ending cash balances with respect to such three month period ending on the last day of the month immediately preceding such date. Such monthly report shall be prepared in a manner that tracks Actual Operating Expenses to the Annual Operating Expense Budget.

Section 5.13 Public Records Act. Records provided to BLRA by Port Manager pursuant to this Terminal Operating Agreement are generally considered public records and are subject to disclosure upon request for such records. If BLRA receives a request for disclosure of such records in accordance with Applicable Law, BLRA shall promptly notify Port Manager of such request. In the event that the BLRA may request Port Manager to provide records and information deemed by Port Manager to be confidential or proprietary, Port Manager shall clearly mark such documents confidential, and advise BLRA of the

basis for such claim on confidentiality. BLRA shall handle such records in confidence to the extent permitted by Applicable Law.

Section 5.14 Discount for Increased Passenger Volumes. In order to provide the RCCL Cruise Lines and Other Cruise Lines an incentive to increase their annual passenger volumes to the Port, the BLRA and the Port Manager, considering information provided to the Port Manager by the Redeveloper on behalf of RCCL Cruise Lines, may from time to time establish certain formulas to create different categories of applicable Berthing Tariffs based on minimum annual passenger volumes (the "Discounting Formulas"). Any such Discounting Formulas established from time to time will be published as part of the public berthing tariffs of the Port, provided that the Discounting Formulas shall have no effect on the determination of the BLRA Volume Charge.

ARTICLE 6

MAINTENANCE AND REPAIR SERVICES

Section 6.1 Maintenance and Repair Services. The Port Manager shall maintain and/or repair the Port as and when necessary in accordance with generally acceptable industry standards, in order to ensure smooth and efficient operation of the Port. Without limiting the specific performance requirements of the Terminal Services, the Port Manager is responsible for all repair and maintenance services not performed by Redeveloper pursuant to the Redevelopment Agreement. If the BLRA inspects any work performed by Port Manager and finds it unsatisfactory in accordance with acceptable industry standards, Port Manager shall be obligated to correct the work to the BLRA's reasonable satisfaction. The Port Manager shall not be responsible for the design and/or construction of any Improvements.

Section 6.2 Maintenance and Repair.

Section 6.2.1 Maintenance and Repair Costs. The costs of all maintenance and repairs required to be performed hereunder shall be an Actual Operating Expense.

Section 6.2.2 Port Manager's Responsibility for Damage. Notwithstanding the foregoing, if damage to the Port or Improvements thereon is caused by the acts or failure to act of Port Manager, its officers, agents, employees or its Invitees, Port Manager shall be responsible for all reasonable costs, direct or indirect, associated with repairing the damage (which costs and expenses shall not be a Actual Operating Expense) and the BLRA shall have the option of requiring Port Manager to make the repairs or itself make the repairs. If the BLRA makes the repairs, Port Manager agrees to reimburse the BLRA for the BLRA's cost of repair.

Pursuant to the Agreed Upon Berthing Schedule, damage occurring at a Vessel's assigned Berth during its use of such Berth is presumed to be the responsibility of such Vessel. Otherwise, Port Manager shall be responsible for repairing all damage to the Port or Improvements thereon using Actual Operating Revenues unless Port Manager can demonstrate to the reasonable satisfaction of the BLRA that someone other than Port Manager's officers, agents, employees, or Invitees caused the damage.

Section 6.3 Inspection of Port and Port Manager Repairs. Port Manager shall be responsible for inspecting the Port and the Improvements thereon and at all times maintaining the Port in a safe condition. The BLRA shall have the right to enter upon the Port at all reasonable times for the purpose of determining compliance with the terms and conditions of this Terminal Operating Agreement or for any other purpose incidental to the rights of the BLRA. This right of inspection imposes no obligation upon the BLRA to make inspections nor liability for failure to make such inspections. By reserving the right of inspection, the BLRA assumes no responsibility or liability for loss or damages to the property of Port Manager or property under the control of Port Manager, whether caused by fire, water or other casualty except to the extent such losses or damages are caused by the BLRA. If the BLRA requests drawings and/or specifications showing the location and nature of repairs to be made or previously made by Port Manager, Port Manager agrees to provide to the BLRA the material requested in writing with 10 calendar days of request by the BLRA.

Section 6.4 BLRA's Option to Perform Repair or Maintenance. If Port Manager fails to repair, maintain and keep the Port and Improvements thereon as required hereunder, the BLRA may give 30 days' written Notice to Port Manager to correct such default, except that no Notice shall be required where, in the opinion of the BLRA, the failure creates a hazard to Persons or property. If Port Manager fails to cure such default within the time specified in such Notice, or if the BLRA reasonably determines that a hazard to Persons or property exists due to such failure, the BLRA may, but is not required to, enter

upon the Port and cause such repair or maintenance to be made. During all such times, the duty shall be on Port Manager to assure the Port is safe and Port Manager shall erect barricades and warning signs to assure workers and the public are protected from any unsafe condition. None of the BLRA's remedies described above shall preclude the BLRA from terminating this Terminal Operating Agreement or otherwise exercising any legal or equitable remedy due to an Event of Default pursuant to Article 9.

Section 6.5 BLRA's Access to Maintain and Repair Port. If the BLRA deems it necessary to maintain or repair the Port, Port Manager shall cooperate fully with the BLRA to assure that the work can be performed timely, during the BLRA's normal working hours and that appropriate access is provided to the Port and Improvements thereon.

Section 6.6 Emergency Work. The Port Manager may immediately undertake repair work without any prior approval, if in the reasonable opinion of the Port Manager such work is required immediately to ensure the health or safety of any Person or Vessel on the Port. Notwithstanding anything herein to the contrary, Port Manager shall inform Redeveloper and/or the BLRA of such emergency work as soon as reasonably possible upon notice of the need for same.

ARTICLE 7

PORT MANAGEMENT FEE

In consideration for the Terminal Services provided by Port Manager under this Terminal Operating Agreement, Port Manager shall be paid the Port Management Fee. The Port Management Fee shall be paid from the Revenue Fund on the first day of each month in twelve equal monthly installments beginning on the Effective Date and pro-rated for any partial calendar year.

ARTICLE 8

INSURANCE

Section 8.1 Insurance Requirements for Port Manager. (1) At all times during the Term of this Terminal Operating Agreement, the Port Manager shall carry and maintain, at its expense, policies written by underwriters with an "A-8" or better rating from AM Best or as otherwise approved by the BLRA covering:

(a) Commercial general liability insurance in the form of a terminal and marine operator's policy including wharfingers liability (or the equivalent thereof) and stevedores liability, if applicable, and including insurance against assumed or contractual obligations under the Terminal Operating Agreement against any liability arising out of the use of the Port, the Improvements thereon and all areas appurtenant thereto, to afford provision with limits of not less than \$10,000,000 per occurrence/aggregate with respect to personal injury, bodily injury, death and property damage. Such liability shall be written on the ISO occurrence form CG 00 01, or a substitute form providing equivalent coverages and shall cover liability arising from Port operations, independent contractors, products-completed operations, broad form property damage, personal & advertising injury, cross liability coverage, liability assumed in a contract (including the tort liability of another assumed in a contract);

(b) If and to the extent required by Applicable Law, worker's compensation, employer's liability and disability benefits as required by the State. If employees will be working on, near or over navigable waters, US Longshoremen's and Harbor Workers' Compensation Act endorsement must be included, and any other coverage (if applicable) or similar insurance in form and amounts required by Applicable Law;

(c) Comprehensive business automobile liability insurance of not less than \$10,000,000 for each accident. Such insurance shall cover liability arising out of any automobile including owned, leased, hired and non-owned automobiles including the transport or towing of vehicles of others;

(d) Legal Liability insurance insuring against damage to property in the care of Port Manager; and,

(e) All-risk property insurance, including builder's risk, theft and flood coverage (if available), written at replacement cost value and with replacement cost endorsement, covering the Improvements on the Port until such time as such Improvements are sold to the BLRA.

(2) Port Manager shall cause to be included in each of its policies insuring against loss, damage or destruction by fire or other insured casualty a waiver of the insurer's right of subrogation against the BLRA, or, if such waiver is unobtainable (a) an express agreement that such policy shall not be invalidated if Port Manager waives or has waived before the casualty, the right of recovery against the BLRA or (b) any other form of permission for the release of the BLRA.

(3) Upon 10 Business Days notice, copies of certificates evidencing the insurance required herein, and rating information, shall be furnished to the BLRA at no cost. Such policies shall be subject to the approval of the BLRA for adequacy and form of protection. The BLRA shall have the right upon 30 days written notice from time to time to cause the Port Manager to increase liability limits or modify coverages.

(4) The Port Manager shall deliver to the BLRA one certificate of insurance evidencing each required insurance coverage upon the execution of this Terminal Operating Agreement.

(5) Not less than 30 days prior to the expiration date or renewal date, the Port Manager shall supply the BLRA updated replacement certificates of insurance, and amendatory endorsements.

(6) The liability policies required herein shall be endorsed to include provisions that:

(a) require the insurer to provide 60 days prior written notice to all additional insureds, before the policy is canceled, terminated, changed or modified by the insurance company;

(b) confirm that the presence of the BLRA's personnel at the Port shall not invalidate its insurance policy; and

(c) confirm that a violation of any of the terms of any other policy issued by the insurer to Port Manager shall not invalidate the policy.

(7) Upon request, the Port Manager shall promptly furnish copies of the above endorsements to the BLRA. Acceptance of such copies by the BLRA does not and shall not be construed to relieve the Port Manager of any obligations, responsibilities or liabilities under this Terminal Operating Agreement.

(8) Notwithstanding the foregoing provisions of this Section, an appropriate umbrella policy is acceptable in the event that the full limits of any of the foregoing coverages are not available on a primary basis.

(9) For purposes of this Terminal Operating Agreement, notice of an accident from the BLRA to the Port Manager shall constitute notice to the applicable insurer.

Section 8.2 BLRA as Additional Insured. All insurance policies evidencing the foregoing insurance in Section 8.1 shall name the BLRA and/or its designee(s) as additional insured (except worker's compensation insurance), shall be primary and non-contributory with respect to the Port Manager's undertaking of the Terminal Services, excepting workers compensation. If Port Manager shall fail to perform any of its obligations under this Article 8, the BLRA may perform the same and the cost of same shall be payable upon the BLRA's demand.

Section 8.3 BLRA's Liability. The BLRA shall not be responsible or liable to Port Manager, or to those claiming by, through or under Port Manager, for any loss or damage resulting to Port Manager, or those claiming by, through or under Port Manager, or its or their property, from the breaking, bursting, stoppage or leaking of electrical cable and wires, or water, gas, fuel oil, sewer or steam pipes so long as such loss or damage is not occasioned by the BLRA's intentional act or omission or the BLRA's gross negligence. To the maximum extent permitted by Applicable Law, Port Manager agrees to use the Port, as Port Manager is herein given the right to use, at Port Manager's own risk.

Section 8.4 Restriction on Use. Port Manager shall not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Port which will violate Port Manager's policies of hazard or liability insurance or which will prevent Port Manager from procuring such policies in companies acceptable to the BLRA.

Section 8.5 No Double Recovery. Neither the BLRA nor Port Manager shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income or losses under worker's compensation laws and benefits even though such loss or damage might have been occasioned by the negligence of such Party, its agents or employees if, and to the extent, that any such loss or damage is covered by insurance benefiting the Party suffering such loss or damage or was required to be covered by insurance pursuant to this Terminal Operating Agreement.

Section 8.6 Insurance Requirements for Contractors of Port Manager. Port Manager shall require any contractor of Port Manager performing work on the Port to carry and maintain, at no expense to the BLRA policies written by underwriters with an A or better rating from AM Best or as otherwise approved by the BLRA:

(1) Commercial general liability insurance, including contractor's liability coverage, contractual liability coverage, products/completed operations coverage and broad form property damage endorsement, to afford protection of not less than \$2,000,000 per occurrence/aggregate with respect to personal injury, bodily injury, death and property damage;

(2) Comprehensive automobile liability insurance with limits for each occurrence, combined single limit coverage, of not less than \$2,000,000 with respect to personal injury, death and property damage;

(3) Stevedore's liability insurance with limits of not less than \$2,000,000 per occurrence/aggregate; and,

(4) If and to the extent required by Applicable Law, worker's compensation coverage, employers liability and disability benefits as required by the State. If employees will be working on, near or over navigable waters in connection with their work on or about the Port, US Longshoremen's and Harbor Workers' Compensation Act endorsement must be included, and any other coverage (if applicable) or similar insurance in form and amounts required by Applicable Law.

Section 8.6.1 BLRA as Additional Insured. All insurance policies of contractors of the Port Manager evidencing the foregoing insurance shall name the BLRA and/or its designee(s) as additional insured (except worker's compensation insurance), shall be primary and non-contributory with respect to the Port Manager's undertaking of the Terminal Services, and shall also contain a provision by which the insurer agrees that such policy shall not be cancelled, materially changed or not renewed without at least 60 days' advance notice to the BLRA, or their designee(s). A certificate evidencing such insurance shall be deposited with the BLRA by Port Manager promptly upon commencement of Port Manager's contractor's obligation to procure the same. If Port Manager shall fail to cause its contractors to perform any of the obligations under this Article 8, the BLRA may perform the same and the cost of same shall be payable upon the BLRA's demand.

Section 8.7 Insurance Requirements of the BLRA. The BLRA covenants that it will maintain property insurance coverage on the Port and Improvements thereon against loss or damage by fire, hurricane and windstorm, and all other risk with "all risks" endorsement or its equivalent and such other additional insurance coverage on the BLRA's operations as may be reasonably required. The insurance must be paid for by the BLRA or the Port Manager and must be in amounts not less than the replacement cost for the Improvements owned by the BLRA.. Premiums for such insurance shall be provided for as a Priority Charge in the Annual Operating Expense Budget.

ARTICLE 9

TERM, DEFAULT AND REMEDIES

Section 9.1 Term. (1) The Term of this Terminal Operating Agreement shall commence on the Effective Date and end on December 31, 2038, unless sooner terminated or extended pursuant to the provisions of this Terminal Operating Agreement.

(2) This Terminal Operating Agreement shall terminate upon the termination of the Redevelopment Agreement in accordance with its terms provided, however, that such termination shall not relieve the BLRA of its continuing obligations under Section 6.6 of the Usage Agreement and Section 8.1.3 of the Redevelopment Agreement.

Section 9.2 Events of Default by Port Manager. With regard to Port Manager, the following shall be "Events of Default" under this Terminal Operating Agreement:

(1) Failure by Port Manager to observe or perform any material covenant, condition or agreement on its part to be observed or performed hereunder, which failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Port Manager by the BLRA, unless the BLRA shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if effective corrective action is instituted by Port Manager within such period and diligently pursued until such failure is corrected; and/or

(2) The commencement by Port Manager of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or its consent to the entry of an order for relief in an involuntary case under any such law, or its consent to the appointment of or taking possession by a receiver, custodian, liquidator, assignee, trustee or sequestrator (or other similar official) of itself or of any substantial part of its property, or shall make a general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due; and/or

(3) A court having jurisdiction shall enter a decree or order for relief in respect of Port Manager in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, custodian, liquidator, assignee, trustee, sequestrator (or other similar official) of Port Manager or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of such decree or order unstayed and in effect for a period of 90 consecutive days; and/or

(4) The occurrence of an Event of Default by Port Manager under any Transaction Document.

Section 9.3 The BLRA's Remedies. Whenever any Event of Default hereunder by Port Manager shall have happened and be continuing without cure, the BLRA may terminate this Terminal Operating Agreement by providing written notice to Port Manager, and (1) re-enter and take possession of the Port and the Improvements thereon to the extent they have been already sold to the BLRA or (2) re-enter, take possession and take title to the Port and the Improvements thereon to the extent they have not been sold to the BLRA and in each case the Redeveloper shall vacate and surrender title (if applicable) and possession to the same, without the BLRA having any further obligation except as set forth in the Transaction Documents including, but not limited to, Section 6.6 of the Usage Agreement or Section 8.1.3 of the Redevelopment Agreement, or (3) utilize any available remedies at law or in equity to which BLRA may be entitled. The BLRA may pursue its rights and remedies under the Transaction Documents

in whatever order, or collectively, and shall not be required to exhaust any right or remedy or proceed in any order against Redeveloper.

Section 9.4 Events of Default by the BLRA. With regards to the BLRA, the following shall be "Events of Default" under this Terminal Operating Agreement:

(1) Failure by the BLRA to observe or perform any covenant, condition or agreement on its part to be observed or performed hereunder or under the Transaction Documents, and such failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the BLRA by Port Manager, unless Port Manager shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if corrective effective action is instituted by the BLRA within such period and diligently pursued until such failure is corrected; and/or

(2) The occurrence of an Event of Default by the BLRA under any Transaction Document.

(3) The BLRA transfers a controlling interest in the Port to any other party for any reason and such successor does not completely and unconditionally assume the rights and obligations of the BLRA under this Terminal Operating Agreement; and/or

(4) The BLRA transfers a controlling interest in the Port to a nongovernmental entity, without Redeveloper's prior written consent, which shall not be unreasonably withheld.

Section 9.5 Port Manager's Remedies. Whenever any Event of Default by the BLRA hereunder shall have happened and be continuing, any one or more of the following remedial steps may be taken by Port Manager:

(1) Terminate this Terminal Operating Agreement by providing written notice to the BLRA; and/or

(2) Seek against the BLRA all remedies, in law or in equity, as Redeveloper may deem appropriate, including, without limitation, specific performance and injunctive relief.

Section 9.6 Force Majeure; Termination. Force Majeure shall be governed separately pursuant to the Article pertaining thereto and set forth herein. Either the BLRA or the Port Manager may terminate this Terminal Operating Agreement upon the occurrence of an event of Force Majeure that prohibits use of the Port and Improvements thereon as contemplated herein for a period of more than 24 months.

Section 9.7 Cumulative Remedies; Delay or Omission – No Waiver. The remedies conferred upon or reserved to the BLRA or Port Manager pursuant to this Terminal Operating Agreement, including, without limitation, those set forth in this Article 9, are demonstrative only, and are not exclusive of any other available remedy or remedies provided for at law or in equity, or under any Applicable Law now existing or hereinafter provided, but each and every remedy shall be cumulative and shall be in addition to every other remedy either given under this Terminal Operating Agreement or at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as it may be deemed expedient. In order to entitle the BLRA or

Port Manager to exercise any remedy reserved to it in this Article 9, it shall not be necessary to give any Notice, other than such Notice as may be herein expressly required.

Section 9.8 Specific Performance. If an Event of Default occurs, or a Party hereto threatens to take an action that will result in the occurrence of an Event of Default, the non-defaulting (or non-threatening) Party shall have the right and remedy, without posting bond or other security, to have the provisions of this Terminal Operating Agreement specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach may cause irreparable injury to the BLRA or Port Manager and that money damages may not provide an adequate remedy for such injury.

Section 9.9 Continuance of Obligation. The occurrence of an Event of Default shall not relieve the defaulting Party of its obligations under this Terminal Operating Agreement or the Transaction Documents. Such defaulting Party's obligations shall survive the termination of the other Transaction Documents in accordance with the terms thereof.

Section 9.10 Mitigation. The Parties shall act reasonably to mitigate any damages incurred as the result of an Event of Default or, to the degree possible, in the event of a Force Majeure under this Terminal Operating Agreement.

Section 9.11 Survival of Termination. The provisions of this Article shall survive the termination of this Terminal Operating Agreement as a result of an Event of Default.

Section 9.12 No Consequential Damages. Notwithstanding anything to the contrary contained herein, each Party hereby waives and releases the other from any other claim of consequential or other type of damages, whether based on contract, warranty, negligence (including sole, joint, or comparative), strict liability or otherwise, and whether special, consequential, indirect, incidental, punitive damages of any kind of character, including but not limited to, loss of profits or revenues, loss of product, cost of capital, and the like arising directly or indirectly from or out of any wrongful act, negligence or willful misconduct on the part of the other Party or its Affiliates, agents, representatives, employees, contractors or Invitees, and any failure of the other Party or its Affiliates, officers, directors, employees, agents or representatives to comply with any Applicable Law or with the directive of any Governmental Body.

ARTICLE 10

FORCE MAJEURE

Section 10.1 Force Majeure. Performance by any Party under this Terminal Operating Agreement or the Transaction Documents shall not be deemed to be in default where delays or failure to perform are the result of the following Force Majeure acts, events or conditions or any combination thereof that has had or may be reasonably expected to have a direct, material, adverse effect on the rights or obligations of the Parties to this Terminal Operating Agreement; provided, however, that such act, event or condition shall be beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such Party under the terms of this Terminal Operating Agreement (collectively, "Force Majeure Events").

Section 10.2 Force Majeure Events. The following shall constitute "Force Majeure Events":

(1) An act of God, lightning, blizzard, hurricane, tornado, earthquake, acts of a public enemy, war, terrorism, blockade, insurrection, riot or civil disturbance, sabotage or similar occurrence (such events being required to physically affect a Party's ability to fulfill its obligations hereunder; the consequential effect of such events (e.g., impact on market conditions) shall not be considered a Force Majeure Event); and/or

(2) A landslide, fire, explosion, flood or release or discovery in the Redevelopment Area of unexploded ordnance, nuclear, biological or radiological compounds not created or released by an act or omission of either Party hereto; and/or

(3) The order, judgment, action or inaction and/or determination of any court jurisdiction or a Governmental Body (other than the BLRA when acting in conformance with this Terminal Operating Agreement) with jurisdiction over the BLRA or the Redevelopment Area, excepting decisions interpreting Federal, State and local tax laws generally applicable to all business taxpayers, adversely affecting the Construction of any Improvement or Port Manager's performance under this Terminal Operating Agreement; provided, however, that such order, judgment, action and/or determination shall not be the result of the willful, intentional or negligent action or inaction of the Party to this Terminal Operating Agreement relying thereon and that neither the contesting of any such order, judgment, action and/or determination, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party; and/or

(4) The suspension, termination, interruption, denial, failure of, or delay in renewal or issuance of any Approval required pursuant to Applicable Law, provided, however, that such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance shall not be the result of the willful, intentional or negligent action or inaction of the Party relying thereon and that neither the contesting of any such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party. Delay in issuance of an Approval resulting from Port Manager's failure to make an administratively complete submission for an Approval shall not be an event of Force Majeure; and/or

(5) Lawsuits or other legal actions taken by any Person challenging the transactions contemplated by this Terminal Operating Agreement, or any other regulatory or administrative delay, except that any lawsuit or other legal action initiated by Redeveloper, an Affiliate of Redeveloper, and any Person with an equity interest therein, an employee, agent, vendor or contractor of the aforementioned entities, shall not be an event of Force Majeure; and/or

(6) The failure or inability on the part of the BLRA to remediate any Pre-Existing Contamination or obtain the NFA/CNS to the extent such failure or inability entails a delay in the ability of the Redeveloper to undertake the Construction of any Improvements.

Section 10.3 Notice of Force Majeure. Notwithstanding the foregoing, unless the Party entitled to an extension under this Article gives written Notice to the other Party hereto of its claim to such extension within 10 days after such Party obtains actual knowledge of the event giving rise to such claim, there shall be excluded in computing the number of days by which the time for performance of the act in question shall be extended, the number of days which shall have elapsed between the occurrence of such event and the actual giving of such Notice, provided that failure to provide such Notice shall not prevent the Party claiming a Force Majeure Event from exercising its rights and enjoying the protections afforded under such claim and provided further that in the event the Party entitled to receive such Notice has actual knowledge of such a Force Majeure Event, the penalty for failure to provide Notice pursuant hereto shall not apply.

Section 10.4 Procedure. The Parties acknowledge that the acts, events or conditions set forth in this Article are intended to be the only acts, events or conditions that may (upon satisfaction of the conditions specified herein) constitute a Force Majeure Event. Notice by the Party claiming such extension due to Force Majeure shall be sent to the other Party within 30 calendar days of the commencement of the cause. During any Force Majeure Event that affects part of the Redevelopment Project or performance under this Terminal Operating Agreement, Redeveloper and/or Port Manager shall continue to perform its obligations for the remainder of the Term of the Redevelopment Project or the remainder of the term of the Transaction Documents. The existence of a Force Majeure Event shall not prevent a Party from declaring the occurrence of an Event of Default Event by the Party relying on such Force Majeure Event provided that the event that is the basis of the Event of Default is not a result of the Force Majeure Event. Notwithstanding anything contained herein to the contrary, in the case of a Force Majeure Event described in this Article, the Party claiming such extension shall have an ongoing obligation to contest such lawsuit or other legal action, regulatory or administrative delay, to the extent applicable, and shall perform all acts necessary to terminate such Force Majeure Event.

ARTICLE 11

DISPUTE RESOLUTION

Any Dispute, controversy or claim of one Party against the other Party arising out of, relating to or in connection with this Terminal Operating Agreement, including any question regarding its existence, validity or termination, or regarding a breach thereof shall be resolved pursuant to the following procedures:

Section 11.1 Dispute Notice. Any Party wishing to initiate consideration of a Dispute hereunder shall give a Dispute Notice to the other Party of the existence of such Dispute and of the Party's desire to have the other Party consider the Dispute. Such notice shall set forth in reasonable detail the nature of the Dispute to be considered and shall be accompanied by a full disclosure of all factual evidence and a statement of the applicable legal basis of the Dispute; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 11.2 Negotiating Team. Upon giving and receipt of a Dispute Notice, each Party shall appoint a Negotiating Team consisting of not less than one and not more than three representatives.

Section 11.3 Negotiation Meetings. The Negotiating Teams shall commence meeting within 30 days of receipt of the Dispute Notice and shall, during and up to such 30 day period, meet and negotiate in good faith for a period of up to 30 days to attempt to resolve the Dispute. During such negotiation period, a Party asserting a claim for damages or equitable relief or any defense thereto against any other Party shall disclose to the other Party all previously undisclosed factual evidence and legal basis of such claim or defense; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or legal proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 11.4 Final Dispute Notice. If the Negotiating Teams fail to resolve the Dispute within the negotiation period set forth in Section 11.3 above, any Party may notify the other Party of such failure by delivery of a Final Dispute Notice.

Section 11.5 Arbitration. Upon the giving or receipt of a Final Dispute Notice, any disagreement within the scope of this Article 11 shall be determined by final and binding arbitration pursuant to the then current Commercial Arbitration Rules of the American Arbitration Association ("AAA"), in existence at the time of the execution of this Terminal Operating Agreement. The arbitration shall be conducted in Newark, New Jersey, USA. The arbitration shall be before a panel of three arbitrators. One arbitrator shall be selected by each of the Parties and the third arbitrator shall be selected by the two arbitrators designated by the Parties. Each Party shall bear its own costs and expenses in preparing for and participating in the arbitration hearing except that each Party shall pay one-half of the compensation payable to the arbitrators, one-half of any fees to the AAA and one-half of any other costs related to the hearing proceedings. The arbitration award may provide for either damages or other

equitable relief, including, but not limited to, injunctive relief, and shall be final and binding on the Parties, and judgment on the award may be entered in any court having jurisdiction, including resort to the relief granted in the Federal Arbitration Act or Applicable Law.

Section 11.6 Commencement of Arbitration. It is explicitly agreed by each of the Parties hereto that no such arbitration shall be commenced except in conformity with this Article 11.

Section 11.7 Prevailing Party Award of Attorneys' Fees. In the event either Party brings an arbitration proceeding against the other arising out of the terms or provisions of this Terminal Operating Agreement and the other Party employs an attorney in connection therewith, the prevailing Party (whether such prevailing Party has been awarded a money judgment or not) may be awarded by the arbitrators and entitled to receive from the other Party full reimbursement of such prevailing Party's reasonable attorneys' and para-professionals' fees (excluding in-house counsel and para-professional fees) and costs incurred therewith (including costs to enforce arbitration), whether such fees are incurred by the prevailing Party before, during, or after any arbitration, trial or administrative proceeding or on appeal.

Section 11.8 No Abrogation of Right to Seek Emergent Equitable Relief. Nothing in this Article 11 shall be construed to deprive any Party, or to abrogate any Party's right, to seek emergent, equitable relief, if necessary, in any court of competent jurisdiction and in accordance with Applicable Law, as any such court may adjudge, order or decree under the pertinent circumstances.

ARTICLE 12

INDEMNIFICATION

Section 12.1 Indemnification. Each Party covenants and agrees, at its sole expense, to pay and to indemnify, protect, defend and hold the BLRA Indemnified Parties or the Port Manager Indemnified Parties, as the case may be, harmless from and against all liability, losses, damages, demands, costs, claims, actions, or expenses (including attorneys' fees, disbursements, and court costs) of every kind, character and nature arising out of, resulting from or in any way connected with this Terminal Operating Agreement, or the acquisition, condemnation, condition, use, possession, conduct, management, planning, design, construction, installation, financing, marketing, leasing or sale of the Redevelopment Area, including but not limited to, the death of any Person or any accident, injury, loss, and damage whatsoever caused to any Person or to the property of any Person that shall occur on the Redevelopment Area and that, with respect to any of the foregoing, are related to or resulting from any negligence or willful misconduct of Port Manager or the BLRA, as the case may be, its agents, servants, employees, or contractors.

Section 12.2 Environmental Indemnification. For purposes of this Article 12 and this Terminal Operating Agreement, the Environmental Indemnification set forth in Article 15 of the Redevelopment Agreement shall govern and be applicable to the Parties.

Section 12.3 Interest in the Redevelopment Area, Including Port. (1) With respect to any interest in the Redevelopment Area, inclusive of the Port, acquired or accessed by Port Manager, Port Manager shall defend, protect, indemnify and hold harmless the BLRA Indemnified Parties, from any claim, liability, injury and expense (including, without limiting the generality of the foregoing, the cost of any required investigation and remediation of any environmental conditions, and the cost of attorneys' fees) which may be sustained as the result of any environmental conditions on, in, under or migrating to or from the Redevelopment Area acquired or accessed by Port Manager, to the extent any such liability attaches to the BLRA Indemnified Parties as a direct result of activities performed by Redeveloper, Port Manager or its contractors pursuant to this Terminal Operating Agreement, including without limitation claims against the BLRA Indemnified Parties by any third party.

(2) Except as set forth in Article 15 of the Redevelopment Agreement, neither Party has granted any release, indemnity and/or other forbearance in favor of the other with respect to any claim, liability, injury, damage, cost or action and/or expense relating to the environmental condition of the Peninsula (specifically including, without limitation, any Parcel(s) to be developed by Redeveloper), and no provision of this Terminal Operating Agreement shall in any manner be argued and/or construed to constitute a waiver or limitation of any right or claim that either Party may assert against the other under Applicable Law respecting such matters.

Section 12.4 Notification of Indemnification. In any situation in which the BLRA Indemnified Parties or Port Manager Indemnified Parties, as the case may be, are entitled to receive and desire defense and/or indemnification pursuant to this Article 12, the BLRA Indemnified Parties or Port Manager Indemnified Parties, as the case may be, shall give Notice of such situation to the Indemnifying Party within 30 days after the Indemnified Party has actual knowledge of any claim as to which indemnity may be sought hereunder. Failure to provide timely Notice to the Indemnifying Party shall not relieve the Indemnifying Party of any liability to indemnify the BLRA Indemnified Parties or Port Manager Indemnified Parties, as the case may be, unless such failure to provide timely Notice materially impairs the Indemnifying Party's ability to defend. Upon receipt of such Notice, the Indemnifying Party shall resist and defend any action or proceeding on behalf of the BLRA Indemnified Parties or Port Manager Indemnified Parties, as the case may be, including the employment of counsel reasonably acceptable to

the BLRA Indemnified Parties or Port Manager Indemnified Parties, as the case may be, the payment of all expenses and the right to negotiate and consent to settlement. All of the BLRA Indemnified Parties or Port Manager Indemnified Parties, as the case may be shall have the right to employ separate counsel at the expense of the Indemnifying Party. The Indemnifying Party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Indemnified Party or if there is a final judgment against the Indemnified Party in any such action, the Indemnifying Party shall indemnify and hold harmless the BLRA Indemnified Parties or Port Manager Indemnified Parties, as the case may be from and against any loss or liability by reason of such settlement or judgment for which the BLRA Indemnified Parties or Port Manager Indemnified Parties, as the case may be, are entitled to indemnification hereunder.

Section 12.5 Survival of Indemnity. The provisions of this Article 12 shall survive the termination of this Terminal Operating Agreement due to an Event of Default.

Section 12.6 Limitation of Damages. Notwithstanding anything else provided herein, in the event an Indemnified Party seeks an indemnity under this Article 12 from the Indemnifying Party, the only damages Indemnified Party may collect from the Indemnifying Party are the actual non-consequential, direct, damages suffered by the Indemnified Party.

ARTICLE 13

MISCELLANEOUS

Section 13.1 Provisions Not Merged. None of the provisions of this Terminal Operating Agreement are intended to or shall be merged by reason of any prior agreement, lease or other contract between the BLRA and Port Manager.

Section 13.2 Non-Liability of Officials, Employees and Agents of the BLRA or the City. No member, official, employee or agent of the BLRA, its Affiliates or the City shall be personally liable to Port Manager, or any successor in interest, in the event of any default or breach by the BLRA, or for any amount which may become due to Port Manager or its successor, or on any obligation under the terms of this Terminal Operating Agreement.

Section 13.3 Non-Liability of Officials and Employees of Port Manager. No member, officer, shareholder, director, partner or employee of Port Manager shall be personally liable to the BLRA, or any successor in interest, in the event of any default or breach by Port Manager or for any amount which may become due to the BLRA, or its successor, on any obligation under the terms of this Terminal Operating Agreement.

Section 13.4 No Brokerage Commissions. The BLRA and Port Manager each represent one to the other that no broker initiated, assisted, negotiated or consummated this Terminal Operating Agreement as broker, agent, or otherwise acting on behalf of either the BLRA or Port Manager, and the BLRA and Port Manager shall indemnify each other with respect to any claims made by any Person, firm or organization claiming to have been so employed by the Indemnified Party.

Section 13.5 No Partnership; Relationship of the Parties. Neither party shall be deemed, in any way or for any purpose, to have become, by the execution of this Terminal Operating Agreement or any action taken under this Terminal Operating Agreement, a partner or agent of the other party in its business or otherwise, or a member of any joint enterprise nor to have any authority to bind the other party.

Section 13.6 Enforcement by the BLRA. It is intended and agreed that the BLRA and its successors and assigns shall be deemed beneficiaries of this Terminal Operating Agreement and covenants set forth herein, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit this Terminal Operating Agreement and the covenants set forth herein have been provided. This Terminal Operating Agreement and the covenants set forth herein shall run in favor of the BLRA for the entire period during which this Terminal Operating Agreement and covenants set forth herein shall be in force and effect. The BLRA shall have the right, in the event of any breach of this Terminal Operating Agreement or the covenants set forth herein, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which they and their successors and assigns may be entitled, provided, however, that at all times this Section shall be subject to the provisions of Articles 9 and 11 respectively.

Section 13.7 Enforcement by Port Manager. It is intended and agreed that Port Manager and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this Terminal Operating Agreement. Such agreements and covenants shall run in favor of Port Manager for the entire period during which such agreements and covenants shall be in force and effect. Port Manager shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to

enforce the curing of such breach of agreement or covenant, to which they and their successors and assigns may be entitled, provided, however, that at all times this Section shall be subject to the provisions of Articles 9 and 11 respectively.

Section 13.8 Notices. Any notice, demand, election, payment, or other communication, which the BLRA or Port Manager shall desire or be required to give pursuant to the provisions of this Terminal Operating Agreement (each a "Notice"), shall be sent by registered or certified mail, return receipt requested, and the giving of such Notice shall be deemed complete on the third (3rd) business day after the same is deposited in a United States Post Office with postage charges prepaid, enclosed in a securely sealed envelope addressed to the Person intended to be given such Notice at the respective addresses set forth below or to such other address as such Party may theretofore have designated by Notice pursuant to this Section 13.8:

BLRA: Bayonne Local Redevelopment Authority
51 Port Terminal Boulevard
Suite 21
Bayonne, New Jersey 07002
Attention: Nancy A. Kist, BLRA

With copy to: John F. Coffey, II, Esq.
Bayonne Municipal Building
630 Avenue C
Bayonne, NJ 07002-3898

Joseph P. Baumann, Jr., Esq.
McManimon & Scotland, L.L.C.
One Riverfront Plaza, 4th Floor
Newark, NJ 07102

Port Manager: Cape Liberty Cruise Port, L.L.C., c/o
Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President, New
Business Development

With a copy to: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President and
General Counsel

All Notices to be given under this Terminal Operating Agreement shall be given in writing in conformance with this Section 13.8 and, unless a certain number of days is specified, within a reasonable time.

Section 13.9 Waivers; Amendments; Requirement of a Writing. All waivers of the provisions of this Terminal Operating Agreement must be in writing and signed by the appropriate representatives of the BLRA and Port Manager, and all amendments hereto must be in writing and signed by the appropriate representatives of the BLRA and Port Manager. The waiver by either Party of a default or of a breach of any provision of this Terminal Operating Agreement by the other Party shall not

operate or be construed to operate as a waiver of any subsequent default or breach. The failure of the BLRA or Port Manager to insist in any one or more instances upon the strict performance of any of the covenants, agreements, terms, provisions or conditions of this Terminal Operating Agreement or to exercise any election contained in this Terminal Operating Agreement shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, election or option, but the same shall continue and remain in full force and effect. In the event that any contractual provisions that are required by Applicable Law have been omitted, then the BLRA and Port Manager agree that this Terminal Operating Agreement shall be deemed amended to incorporate all such clauses by reference and such requirements shall become a part of this Terminal Operating Agreement. If such incorporation occurs and results in a change in the obligations or benefits of one of the Parties, the Parties agree to act in good faith to mitigate such changes in position.

Section 13.10 Conflict of Interest. No member, official or employee of the BLRA shall have any direct or indirect interest in this Terminal Operating Agreement, nor participate in any decision relating to this Terminal Operating Agreement which is prohibited by Applicable Law.

Section 13.11 No Consideration for Agreement. Port Manager warrants it has not paid or given, and will not pay or give, any third Person any money or other consideration for obtaining this Terminal Operating Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. Port Manager further warrants it has not paid or incurred any obligation to pay any officer or official of the BLRA or City, any money or other consideration for or in connection with this Terminal Operating Agreement.

Section 13.12 Approvals by the BLRA and Port Manager. Wherever this Terminal Operating Agreement requires the approval of the BLRA or Port Manager, or any officers, agents or employees of either the BLRA or Port Manager, such approval or disapproval shall be given within the time set forth in this Terminal Operating Agreement, or, if no time is given, within a reasonable time. All approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld or delayed unless specifically stated otherwise.

Section 13.13 No Third Party Beneficiaries. The provisions of this Terminal Operating Agreement are for the exclusive benefit of the Parties and not for the benefit of any third Person, nor shall this Terminal Operating Agreement be deemed to have conferred any rights, express or implied, upon any third Person, other than the Redeveloper.

Section 13.14 Consents. Unless otherwise specifically provided herein, no consent or approval by the BLRA or Port Manager permitted or required under the terms of this Terminal Operating Agreement shall be valid or be of any force whatsoever unless the same shall be in writing and signed by an authorized representative of the Party by or on whose behalf such consent is given.

Section 13.15 Captions. The captions of the Articles, Sections, and Subsections, the Table of Contents, and Schedule of Exhibits of this Terminal Operating Agreement are for convenient reference only and shall not be deemed to limit, construe, affect, modify or alter the meaning of the Articles, Sections, Exhibits or other provisions hereof.

Section 13.16 Governing Law. This Terminal Operating Agreement shall be governed by and construed in accordance with the laws of the State, without giving effect to choice of laws principles.

Section 13.17 Severability. If any Article, Section, Subsection, term or provision of this Terminal Operating Agreement or the application thereof to any Party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Terminal Operating Agreement or the

application of same to Parties or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining Article, Section, Subsection, term or provision of this Terminal Operating Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law, provided that no such severance shall serve to deprive any Party of the enjoyment of its substantial benefits under this Terminal Operating Agreement.

Section 13.18 Assignment by Port Manager. Port Manager may, with the prior written consent of the BLRA (which shall be given in the BLRA's sole discretion) assign this Terminal Operating Agreement, or any portion thereof, to any Person. Port Manager may, without the prior written consent of the BLRA, assign this Terminal Operating Agreement, or any portion thereof, to any Affiliate, provided that Port Manager, remains primarily obligated hereunder and guarantees such Affiliate's obligations hereunder.

Section 13.19 Successors and Assigns. This Terminal Operating Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto and their heirs, executors and administrators.

Section 13.20 Exhibits. All Exhibits referred to herein shall be considered a part of this Terminal Operating Agreement with the same force and effect as if such Exhibits had been included fully within the text of this Terminal Operating Agreement.

Section 13.21 Review by Counsel; Construction and Interpretation. The Parties acknowledge that this Terminal Operating Agreement has been extensively negotiated with the assistance of competent counsel for each Party and agree that no provision of this Terminal Operating Agreement shall be construed in favor of or against any Party by virtue of the fact that such Party or its counsel have provided an initial or any subsequent draft of this Terminal Operating Agreement or of any portion of this Terminal Operating Agreement. The Agreement shall be construed and enforced in accordance with the laws of the State and no presumption as to authorship shall be presumed.

Section 13.22 Recording of Agreement. Upon written request of any Party, the Parties agree to execute an agreement, declaration or other document suitable for recording in the public records, setting forth the names of the Parties and the term thereof, identifying the Improvements and including such other clauses therein as either Party may reasonably request.

Section 13.23 Expenses. Each Party hereto shall bear its own expenses, including legal fees and costs, in connection with the preparation and negotiation of this Terminal Operating Agreement and any additional documentation required to formalize the arrangement contemplated hereby, unless specifically provided elsewhere in the Transaction Documents to the contrary.

Section 13.24 Counting of Days; Saturday, Sunday or Holiday. If the final date of any period provided in this Terminal Operating Agreement for the performance of an obligation or for the taking of any action falls on a day other than a Business Day, then the time of such period shall be deemed extended to the next Business Day.

Section 13.25 Counterparts. This Terminal Operating Agreement may be executed in two or more counterparts (including by means of telecopied signature pages), each of which shall be deemed an original, but all of which together shall constitute one and the same fully executed Terminal Operating Agreement. Counterpart signatures need not be on the same page and shall be deemed effective upon receipt.

Section 13.26 Entire Agreement. The Transaction Documents constitute the entire agreement between the Parties and supersede all prior oral and written agreements between the Parties with respect to the subject matter thereof. The Transaction Documents supersede any prior understanding or written or oral agreements (express or implied) between the Parties.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Terminal Operating Agreement to be executed as of the day and year first above written.

BLRA:

BAYONNE LOCAL REDEVELOPMENT BLRA

By: _____

Nancy A. Kist
Nancy A. Kist,
Executive Director

PORT MANAGER:

CAPE LIBERTY CRUISE PORT LLC

By: _____

Name: _____

Title: _____

[Signature]
MANAGER
Craig Miller
MANAGER

Approved: *Adam M. Sedate*

SECOND AMENDMENT TO USAGE AGREEMENT

By and Between

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

And

ROYAL CARIBBEAN CRUISES LTD.

Dated as of January 1, 2014

THIS SECOND AMENDMENT TO USAGE AGREEMENT by and between **The Port Authority of New York and New Jersey**, a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States of America and having its principal executive office at 225 Park Avenue South in the City of New York, New York County and State of New York (the "PANYNJ") and **Royal Caribbean Cruises Ltd.**, a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") having its offices at 1050 Caribbean Way, Miami, Florida 33132 (the PANYNJ and Redeveloper each, a "Party" and, together, the "Parties"), is made as of this 1st day of January, 2014 (the "Second Amendment to the Usage Agreement" or this "Amendment"). This Second Amendment to the Usage Agreement amends that certain Usage Agreement dated September 1, 2005, as amended as of December 1, 2006 (as amended, the "Usage Agreement"), by and between the Bayonne Local Redevelopment Agency (the "BLRA"), an instrumentality and agency of the City of Bayonne, County of Hudson, New Jersey (the "City") and the Redeveloper. Capitalized terms used herein, and not otherwise defined herein, shall have the meanings prescribed to them in Exhibit A, as amended, to the Usage Agreement, as hereby amended.

WITNESSETH

WHEREAS, on September 1, 2005, the BLRA, the Redeveloper and its affiliate, the Port Manager, entered into the Transaction Documents, including the Usage Agreement, in order to set forth the respective undertakings, rights and obligations of the Redeveloper, Port Manager and the BLRA in connection with the redevelopment and use of the Port, all in accordance with Applicable Law; and

WHEREAS, on December 1, 2006 the BLRA and the Redeveloper entered into that certain First Amendment to the Usage Agreement (the "First Amendment to the Usage Agreement"); and

WHEREAS, on July 30, 2010, the PANYNJ and the BLRA entered into a Contract of Purchase and Sale (the "Purchase Contract") pursuant to which the PANYNJ purchased from the BLRA certain portions of the Peninsula, including the Redevelopment Area; and

WHEREAS, pursuant to the terms of the Purchase Contract, the BLRA agreed to assign and the PANYNJ agreed to assume all rights and obligations of the BLRA under the Transaction Documents; and

WHEREAS, the City by ordinance duly adopted on August 14, 2013 entitled "AN ORDINANCE OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY, DISSOLVING THE CITY OF BAYONNE REDEVELOPMENT AGENCY PURSUANT TO N.J.S.A. 40A:12A-24 and N.J.S.A. 40A:5A-20" (the "Dissolution Ordinance") has assumed all of BLRA's rights, title and interests in the Transaction Documents, subject to the express conditions set forth in the Dissolution Ordinance; and

WHEREAS, the City, the PANYNJ, the Redeveloper, the Port Manager and the Agent have entered into an Amendment and Assignment Agreement dated as of the date hereof (the "Assignment Agreement"), pursuant to which the City has, among other things, assigned and the PANYNJ has assumed all of the obligations of the City under all of the Transaction Documents; and

WHEREAS, since the execution of the Transaction Documents and the Assignment Agreement, it has been determined by the Parties that it is necessary to make certain changes to the Usage Agreement related to, among other things, the assignment of the Transaction Documents to the PANYNJ and the Construction and financing of the Phase IV(b) Improvements and the financing of a portion of the Phase II Improvements; and

WHEREAS, Section 13.9 of the Usage Agreement permits amendments thereto provided they are in writing and signed by the Parties; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and in the Usage Agreement as amended and supplemented by this Second Amendment to the Usage Agreement, and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

SECTION 1. Amendment to Exhibit A of the Usage Agreement; Reference to BLRA; Reference to Governmental Unit Deposit Protection Act.

(A) **Amendment to Exhibit A.** Exhibit A to the Usage Agreement is hereby amended as set forth on Exhibit A-1 attached hereto.

(B) **Reference to BLRA.** From and after the date hereof, except for the reference to the BLRA in the term "BLRA Financing Charge", all other references to "BLRA" in the Usage Agreement shall be amended to read "PANYNJ" and all references to "Bayonne Local Redevelopment Authority" shall be amended to read "Port Authority of New York and New Jersey."

(C) **Reference to Governmental Unit Deposit Protection Act.** All references to the Governmental Unit Deposit Protection Act in the Usage Agreement, if any, including the requirements for compliance therewith, are hereby deleted.

SECTION 2. Amendment to Section 2.1(1) of the Usage Agreement.

(A) Section 2.1(1) of the Usage Agreement is hereby deleted in its entirety and replaced with the following:

“(1) The PANYNJ is a body corporate and politic established by the Compact between the States of New York and New Jersey, with the consent of the Congress of the United States.”

(B) The PANYNJ reaffirms all of the representations set forth in Section 2.1(2) through 2.1(5) of the Usage Agreement as provided that the references therein to the “BLRA” shall be deemed to mean the “PANYNJ”.

SECTION 3. Amendment to Section 3.2.1 of the Usage Agreement.

Section 3.2.1 of the Usage Agreement shall be deleted in its entirety and replaced with the following:

“**Section 3.2.1 Preferential Rights.** From the Amendment Effective Date, through the end of the Term of this Usage Agreement, Berth N-1 shall be deemed a “Primary Berth.”

SECTION 4. Amendment to Section 6.1 of the Usage Agreement.

Section 6.1 of the Usage Agreement shall be deleted in its entirety and replaced with the following:

“**Section 6.1 Establishment, Invoicing and Collection of Berthing Tariffs and Wharfage Fees.** The PANYNJ and the Port Manager shall establish the Berthing Tariffs and Wharfage Fees in accordance with Section 5.2 of the Terminal Operating Agreement. The Port Manager shall, on behalf of the PANYNJ, invoice RCCL Cruise Lines and the Other Cruise Lines for the Berthing Tariffs and Wharfage Fees in accordance with Section 5.3 of the Terminal Operating Agreement. The PANYNJ shall be responsible for, and shall designate, the Agent to act on its behalf and to receive all Berthing Tariffs and Wharfage Fees and other amounts that are deposited in accordance with the Revenue Collection and Disbursement Agreement.”

SECTION 5. Amendment to Section 6.4(4) of the Usage Agreement.

Section 6.4 of the Usage Agreement shall be amended to add the following proviso to the end of the last sentence of such section:

“provided, however, that so long as any required Capital Reserve Charge has been deposited in the Capital Reserve Fund and no deficiency exists therein, the PANYNJ shall, if so directed by the Redeveloper, direct the Agent to pay the Redeveloper or Approved Lender, as applicable, the amount of such Revenue Surplus as a prepayment of the Terminal Improvements Portion of the Redeveloper Loan.”

SECTION 6. Amendment to Sections 6.5(1) of the Usage Agreement.

Sections 6.5(1) of the Usage Agreement shall be deleted in its entirety and replaced with the following:

“**Section 6.5 Minimum Fee.** (1) Redeveloper shall unconditionally and irrevocably pay to the Agent (on behalf of the Authority) or the Bond Trustee (on behalf of the Port Manager), as applicable, punctual and full payment of the

Revenue Deficiency or Working Capital Advance, as and when due under Section 6.4 above, provided, however, that upon termination of the Transaction Documents by virtue of a termination of the Redevelopment Agreement under Section 10.2, 19.1.1, 19.1.3 and/or 20.4 thereof, in each case, the Redeveloper shall be relieved of all its obligations to pay the Revenue Deficiency and Working Capital Advance to the Agent on behalf of the PANYNJ, and shall thereafter only be required to pay (i) to the Bond Trustee, for further payment to the Bondholders, the BLRA Financing Charge, and (ii) to the Approved Lender or to the Redeveloper, as applicable, the Redeveloper Loan Financing Charge (the amount of the Revenue Deficiency, Working Capital Advance, BLRA Financing Charge or Redeveloper Loan Financing Charge payable under this Section 6.5(1), as the case may be, shall mean in each instance the "Minimum Fee") No set-off, claim, reduction or diminution of any obligation, or any defense of any kind or nature which the Redeveloper has or hereafter may have against the PANYNJ or the Port Manager, shall be available hereunder to the Redeveloper against the PANYNJ or the Port Manager with respect to the payment of the Minimum Fee."

SECTION 7. Amendment to Section 7.1(1) of the Usage Agreement.

Section 7.1(1) of the Usage Agreement shall be deleted in its entirety and replaced with the following:

"(1) Neither the PANYNJ, nor its employees, agents or Affiliates shall have any duty to operate, maintain and/or manage the Port. The PANYNJ's sole obligation shall be to retain a Port Manager to operate the Port and to retain the Agent pursuant to the terms of the Revenue Collection and Disbursement Agreement. The PANYNJ shall not be responsible under any circumstance for the actions of the Port Manager."

SECTION 8. Amendments to Section 8.1, 8.3, 8.7.1, and 8.7 of, and addition of new Section 8.8 to the Usage Agreement.

(A) Section 8.1 of the Usage Agreement shall be amended as follows:

- (i) Replace "\$10,000,000" with "\$25,000,000" in Section 8.1(1)(a).
- (ii) The limit for the insurance required by Section 8.1(1)(b) shall be in an amount of not less than \$1,000,000 to the extent required by Applicable Law.
- (iii) The coverage required in Section 8.1(1)(d) shall include coverage for earthquakes.
- (iv) New Sections 8.1(1)(e) and (f) shall be added to read as follows:

"(e) Automobile liability insurance to afford protection of not less than \$5,000,000 per accident; and

(f) Protection and indemnity insurance to afford protection of not less than \$10,000,000.”

(v) The last sentence of Section 8.1(3) shall be deleted in its entirety and amended to read as follows:

“The PANYNJ shall have the right upon 30 days written notice from time to time to cause the Redeveloper to increase liability limits or modify coverages; provided, however, that the PANYNJ agrees that it shall not increase liability limits or modify coverages for a period of two (2) years beginning from the date of this Amendment in the absence of circumstances which would expose the PANYNJ to increased risk as determined by the PANYNJ.”

(B) Sections 8.3 and 8.7.1 of the Usage Agreement shall be amended such that the requirement that the “BLRA” be named as additional insured shall be deemed to mean that the “PANYNJ and its designated related entities” shall be required to be named as additional insureds or loss payees, as applicable.

(C) Section 8.7(3) of the Usage Agreement shall be deleted and replaced with the following:

“(3) If and to the extent required by Applicable Law, worker’s compensation coverage, employee liability and disability benefits with limits of not less than \$1,000,000.

(D) A new Section 8.8 shall be added to read as follows:

“**Section 8.8 Immunity Endorsement.** Relating to the policies set forth in this Article 8, the certificates of insurance and policies must contain the following endorsement: “The insurer(s) shall not without obtaining the express advance written permission from the General Counsel of the PANYNJ, raise any defense involving in any way the jurisdiction of the tribunal over the person of the PANYNJ, the immunity of the PANYNJ, its commissioners, officers, directors, agents or employees, the governmental nature of the PANYNJ, or the provision of any statutes respecting suits against the PANYNJ.”

SECTION 9. Amendment to Section 9.1(1) of the Usage Agreement. Section 9.1(1) of the Usage Agreement shall be deleted in its entirety and replaced with the following:

“**Section 9.1 Term.** (1) The Term of this Usage Agreement shall commence on the Effective Date and end on December 31, 2043; provided however that, if the Redeveloper fails to receive a final Certificate of Occupancy for the Phase IV(b) Improvements by

December 31, 2016 (as such date may be extended pursuant to extensions provided for under the Redevelopment Agreement, Force Majeure and the provisions of Article 21 of the Redevelopment Agreement) and such failure was caused by factors under the control of the Redeveloper, then the Term of this Usage Agreement shall end on December 31, 2038, unless, in either case, sooner terminated or extended pursuant to the terms of this Usage Agreement.”

SECTION 10. Amendment to Section 13.8 of the Usage Agreement. Section 13.8 of the Usage Agreement shall be deleted in its entirety and replaced with the following:

“**Section 13.8 Notices.** Any notice, demand, election, payment, or other communication, which the PANYNJ or the Redeveloper shall desire or be required to give pursuant to the provisions of this Redevelopment Agreement (each a “Notice”), shall be sent by registered or certified mail, return receipt requested, and the giving of such Notice shall be deemed complete on the third (3rd) business day after the same is deposited in a United States Post Office with postage charges prepaid, enclosed in a securely sealed envelope addressed to the Person intended to be given such Notice at the respective addresses set forth below or to such other address as such Party may theretofore have designated by Notice pursuant to this Section 13.8:

PANYNJ:	Port Authority of New York and New Jersey Port Commerce Department 225 Park Avenue South New York, New York 10003 Attention: Director of Port Commerce
With copy to:	Port Authority of New York and New Jersey Law Department 225 Park Avenue South New York, New York 10003 Attention: General Counsel
Redeveloper:	Royal Caribbean Cruises, Ltd. 1050 Caribbean Way Miami, Florida 33132 Attention: Vice President, Commercial Development
With copy to:	Royal Caribbean Cruises, Ltd. 1050 Caribbean Way Miami, Florida 33132 Attention: General Counsel

All Notices to be given under this Usage Agreement shall be given in writing in conformance with this Section 13.8 and, unless a certain number of days is specified, within a reasonable time.”

SECTION 11. Effectiveness. [Intentionally Omitted]

SECTION 12. Reaffirmation of Usage Agreement. Except as amended by this Second Amendment to the Usage Agreement, the Usage Agreement, and as applicable the Transaction Documents, as previously amended or supplemented, are hereby reaffirmed and ratified. All references in the Transaction Documents to the “Usage Agreement” shall hereafter be deemed to refer to the Usage Agreement, as amended by the First Amendment to the Usage Agreement and this Second Amendment to the Usage Agreement.

SECTION 13. No Broker. Each Party herein covenants, warrants and represents to the other party that it has had no dealings, conversations or negotiations with any broker concerning the execution and delivery of this Second Amendment to the Usage Agreement.

SECTION 14. Authority To Enter Into Second Amendment to Usage Agreement. The Parties hereto represent and warrant to each other that each has full right and authority to enter into this Second Amendment to the Usage Agreement and that the person signing this Second Amendment to the Usage Agreement on behalf of PANYNJ or Redeveloper, respectively, has the requisite authority for such act.

SECTION 15. Non-Liability Of Individuals. No Commissioner, director, officer, agent or employee of PANYNJ or the Redeveloper, shall be charged personally or held contractually liable by or to any party under any term or provision of this Second Amendment to the Usage Agreement, or of any other previous agreement, document or instrument executed in connection therewith, or of any supplement, modification or amendment to this Second Amendment to the Usage Agreement or to such other agreement, document or instrument, or because of any breach or alleged breach thereof, or because of its or their execution or attempted execution.

SECTION 16. OFAC Compliance.

(a) *Redeveloper’s Representation and Warranty.* The Redeveloper hereby represents and warrants to the PANYNJ that the Redeveloper is not a person or entity with whom the PANYNJ is restricted from doing business under the regulations of the Office of Foreign Assets Control (“OFAC”) of the United States Department of the Treasury (including, without limitation, those named on OFAC’s Specially Designated and Blocked Persons list) or under any statute, executive order or other regulation relating to national security or foreign policy (including, without limitation, Executive Order 13224 of September 23, 2001, *Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism*), or other governmental action related to national security, the violation of which would also constitute a violation of law, such persons being referred to herein as “Blocked Persons” and such regulations, statutes, executive orders and governmental actions being referred to herein as “Blocked Persons

Laws”) and is not engaging in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. The Redeveloper acknowledges that the PANYNJ is entering into this Second Amendment to the Usage Agreement in reliance on the foregoing representations and warranties and that such representations and warranties are a material element of the consideration inducing the PANYNJ to enter into and execute this Second Amendment to the Usage Agreement.

(b) *Redeveloper's Covenant.* The Redeveloper covenants that during the term of this Second Amendment to the Usage Agreement it shall not become a Blocked Person, and shall not engage in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. In the event of any breach of the aforesaid covenant, the same shall constitute an event of default and, accordingly, a basis for termination of this Second Amendment to the Usage Agreement, in addition to any and all other remedies provided under this Second Amendment to the Usage Agreement or at law or in equity, which does not constitute an acknowledgement by the PANYNJ that such breach is capable of being cured.

(c) *Redeveloper's Indemnification Obligation.* The Redeveloper shall indemnify and hold harmless the PANYNJ and its Commissioners, officers, directors, employees, agents and representatives from and against any and all claims, damages, losses, risks, liabilities and expenses (including, without limitation, attorney's fees and disbursements) arising out of, relating to, or in connection with the Redeveloper's breach of any of its representations and warranties made hereunder. Upon the request of the PANYNJ, the Redeveloper shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent) and in handling such it shall not, without obtaining express advance permission from the General Counsel of the PANYNJ, raise any defense involving in any way the jurisdiction of the tribunal over the person of the PANYNJ, the immunity of the PANYNJ, its Commissioners, directors, officers, agents or employees, the governmental nature of the PANYNJ, or the provision of any statutes respecting suits against the PANYNJ.

(d) *Survival.* The provisions of this Section shall survive the expiration or earlier termination of the Second Amendment to the Usage Agreement.

SECTION 17. No Third Party Beneficiaries. The provisions of this Second Amendment to the Usage Agreement are for the exclusive benefit of the Parties and their Affiliates and not for the benefit of any third Person, nor shall this Second Amendment to the Usage Agreement be deemed to have conferred any rights, express or implied, upon any third Person, with the exception of the Port Manager and the Parking Manager, which are deemed to be express third party beneficiaries of this Second Amendment to the Usage Agreement.

SECTION 18. Counterparts. This Second Amendment to the Usage Agreement may be executed and delivered in any number of counterparts, and such counterparts taken together shall constitute one and the same instrument.

SECTION 19. Governing Law. This Second Amendment to the Usage Agreement shall be construed in accordance with, and governed by, the Applicable Law of the State of New Jersey, without consideration given to choice of law principles.

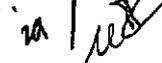
IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to the Usage Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: 
Name: _____
Title: Richard M. Larrabee
Director, Port Commerce Dept.

ROYAL CARIBBEAN CRUISES LTD.

By: _____
Name: _____
Title: _____

APPROVED:	
FORM	TERMS
	

IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to the Usage Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____
Name:
Title:

ROYAL CARIBBEAN CRUISES LTD.

By: Adam M. Goldstein
Name: _____
Title: **Adam Goldstein
President & CEO
Royal Caribbean International**



EXHIBIT A-1
AMENDMENTS TO EXHIBIT A - DEFINITIONS

EXHIBIT A-1 - DEFINITIONS

Exhibit A to the Redevelopment Agreement is hereby amended as follows:

(A) The following definitions are hereby deleted in their entirety from Exhibit A:

“BLRA’s Incidental Profit Share”
“BLRA’s Net Parking Profit Share”
“Incidental Concession Fee”
“Incidental Improvements”
“Incidental Profit”
“Incidental Usage Agreement”
“Incidental Use(s)”

(B) The following definitions are hereby added to Exhibit A:

“Agent Fees” shall have the meaning set forth in Section 1 of the Revenue Collection and Disbursement Agreement.

“Amendment Effective Date” means January 1, 2014.

“Annual Overflow Parking Statement” shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

“Annual Overflow Profit Statement” shall have the meaning set forth in Section 7.9 of the Parking Management Agreement.

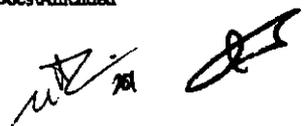
“Assignment Agreement” means the Amendment and Assignment Agreement dated as of January 1, 2014 by and between the City, the PANYNJ, the Redeveloper, the Port Manager and the Agent.

“Bond Issuance Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“BPEI Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“Dissolution Ordinance” shall have the meaning as set forth in the Recitals to each of the Transaction Documents.

“Elevation Acknowledgement” shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.



"Elevation Exemption" shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.

"Employee Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"First Amendment to the Parking Management Agreement" means that certain First Amendment to the Parking Management Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Purchase and Sale Agreement" means that certain First Amendment to the Purchase and Sale Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Redevelopment Agreement" means that certain First Amendment to Redevelopment Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Revenue Collection and Disbursement Agreement" means that certain First Amendment to the Revenue Collection and Disbursement Agreement, dated as of January 1, 2014, by and between the PANYNJ, the Redeveloper, the Port Manager and the Agent.

"Gross Overflow Parking Revenues" means the amount equal to the sum of all revenues of any nature paid to or received by the Parking Manager from the provision of Parking Services on the Overflow Parking Area during a calendar year.

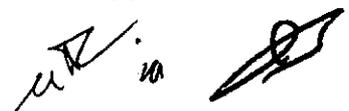
"Independent Overflow Accountant Certification" shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

"Net Overflow Parking Profit" means the amount equal to Gross Overflow Parking Revenues less Overflow Parking Expenses.

"Outside C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Overflow Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"Overflow Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Overflow Parking Area for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering Parking Services for the Overflow Parking Area.

Handwritten initials "AT" and a signature.

"PANYNJ" means the Port Authority of New York and New Jersey, a body corporate and politic created by Compact between the State of New Jersey and the State of New York, with the consent of the Congress of the United States.

"PANYNJ Audit" shall have the meaning set forth in Section 6.14 of the Parking Management Agreement.

"PANYNJ's Incidental Revenue Share" means, with respect to any calendar year quarter, an amount equal to (i) for the period commencing on the Amendment Effective Date to and including December 31, 2017, ten percent (10%) of the Incidental Revenues for such quarter and (ii) for the period commencing on January 1, 2018 and ending on the last day of the Term, fifteen percent (15%) of Incidental Revenues for such quarter.

"PANYNJ's Net Parking Profit Share" means, (1) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area only, assuming for purposes of this clause (1) that the square footage of the Parking Area is 255,711 square feet and (2) for the period commencing on Relocation Date and ending on the last day of the Term, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area, assuming for purposes of this clause (2) that the square footage of the Parking Area is 88,140; provided that, upon the Completion Date of the Phase IV(b) Improvements and measurement and determination of the square footage of the Parking Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, the PANYNJ's Net Parking Profit Share shall be retroactively adjusted accordingly based on the as-built measurement of the Parking Area, and promptly paid by, or reimbursed by the PANYNJ to, Port Manager.

"Parking Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements which consist of Parking Improvements and shall be in an amount equal to \$15,000,000.

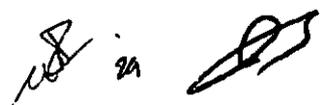
"Parking Garage Site" means the portion of the Parking Area to be used by the Redeveloper for the construction of a structured parking garage, substantially as shown on Exhibit C-1 to the First Amendment to the Redevelopment Agreement.

"Permanent C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Purchase Contract" means that Contract for Purchase and Sale between the BLRA and the PANYNJ dated as of July 30, 2010 pursuant to which the PANYNJ purchased certain real property in the City, including the Redevelopment Area, from the BLRA.

"Quarterly Reporting Date" means the 15th day of April, July, October and January of each calendar year during the Term.

"Redeveloper Loan Financing Charge" shall have the meaning set forth in Section 4.1(4)(ii) of the Terminal Operating Agreement.

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"Relocation Date" means the date of issuance of the last Certificate of Occupancy required with respect to the Phase (IV)(b) Improvements.

"Second Amendment to the Terminal Operating Agreement" means that certain Second Amendment to the Terminal Operating Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Port Manager.

"Second Amendment to the Usage Agreement" means that certain Second Amendment to the Usage Agreement, dated as of January 1, 2014 by and between the PANYNJ and the Redeveloper.

"Staging Delivery Date" means the date on which the PANYNJ delivers physical possession of the Staging Site to the Redeveloper in accordance with the provisions of the Redevelopment Agreement.

"Staging Outside Delivery Date" means March 15, 2014.

"Staging Site" means that portion of the Terminal Area and Employee Parking Area to be used by the Redeveloper as a construction staging site in accordance with Section 5.8.1 of the Redevelopment Agreement and as shown on Exhibit E to the First Amendment to the Redevelopment Agreement.

"TCAP Fee" shall have the meaning set forth in Section 4.1(3)(j) of the Terminal Operating Agreement.

"TCAP Manual" shall have the meaning set forth in Section 6.9 of the Redevelopment Agreement.

"Terminal Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements and a portion of the Phase II Improvements which consist of Terminal Improvements and shall be in an amount equal to \$50,000,000.

(C) The definition of each of the following terms is deleted from Exhibit A in its entirety and replaced as follows:

"Actual Operating Expenses" means any and all costs, expenses and fees that the PANYNJ, the Port Manager and the Redeveloper, incurred in connection with the operation, maintenance and management of the Port for the applicable calendar year, including without limitation (1) all expenses payable pursuant to the Terminal Operating Agreement, (2) assessments and other governmental charges, (3) the Priority Charges, (4) the BLRA Financing Charge, (5) the Redeveloper Loan Financing Charge, and (6) the Capital Reserve Charge. Actual Operating Expenses shall not include Parking Expenses, Overflow Parking Expenses or Incidental Expenses.



“Actual Operating Revenues” means the sum of all revenues generated by the Port including, but not limited to, Berthing Tariffs and Wharfage Fees received during the applicable calendar year. Actual Operating Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Incidental Revenues.

“Base Parking Profit” means, for the period commencing on January 1, 2014 and ending on the last day of the Term: an amount equal to the greater of (a) 50% of the amount of the Net Parking Profit for the applicable calendar year and (b) that portion of the Annual Base Charge attributable to the Parking Area during such year payable under Article 4 of the Terminal Operating Agreement; provided that (i) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Parking Area as set forth in Section 5.8.3(1) of the Redevelopment Agreement and (ii) for the period commencing on the Relocation Date and ending on the last day of the Term, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement as adjusted pursuant to the terms of Section 10B(iv) of the First Amendment to the Parking Management Agreement, and, upon the Completion Date of the Phase (IV)(b) Improvements, and measurement and determination of the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, any and all amounts payable on the basis of Base Parking Profit shall be retroactively adjusted accordingly, and promptly paid by, and reimbursed to, the party entitled thereto based on such adjustment. Notwithstanding anything herein to the contrary, so long as the Overflow Parking Area is used for Overflow Parking, in no event shall any Overflow Parking Area be deemed to constitute Parking Area or Employee Parking Area, except as may be otherwise agreed to in writing by the PANYNJ and the Redeveloper.

“BLRA Financing Charge” shall have the meaning set forth in Section 4.1(4)(i) of the Terminal Operating Agreement.

“Consumer Price Index” or **“CPI”** means the Consumer Price Index for all Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York, Northeastern New Jersey Area (1982-1984=100) or any successor index thereto, appropriately adjusted; provided that if there shall be no successor index, a substitute index will be determined in the reasonable discretion of the PANYNJ after consultation and an opportunity to comment by the Redeveloper. In determining the CPI for any calendar year, the CPI for such year shall be the CPI reported for October of the year immediately preceding the calendar year for which the increase is applicable.

“Gross Parking Revenues” means the amount equal to the sum of all revenues of any nature paid to or received by Parking Manager from the provision of Parking Services on the Parking Premises during a calendar year but not including Gross Overflow Parking Revenues.

“Incidental Revenues” means the amount equal to the sum of all revenues, amounts, monies, income and receipts of any nature generated by (and otherwise paid or payable to) the

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Port Manager in connection with all Incidental Uses of the Port during the applicable period. Incidental Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Actual Operating Revenues.

"Incidental Uses" means (1) the retail sales of goods and services at the Redevelopment Area not in connection with Cruise Operations; (2) the operation of a marina to provide for mooring and services for a nautical craft; (3) the operation of a ferry landing; (4) the production of trade shows for the display of commercial goods and services not in connection with Cruise Operations; and (5) the holding of group or special events provided that those activities are approved by the prior written consent of the PANYNJ, which consent shall not be unreasonably withheld, conditioned or delayed.

"Parking Account" means an account in a federally insured financial institution that meets the requirements of the Governmental Unit Deposit Protection Act, N.J.S.A. 17:9-41 et seq. and is reasonably acceptable to the PANYNJ for the deposit of the Gross Parking Revenues and Gross Overflow Parking Revenues.

"Parking Area" means that portion of the Redevelopment Area available for use by cruise passengers, Port employees, Invitees and guests for the parking of motor vehicles (including circulation within such area) upon which is Constructed the Parking Improvements and which is subject to the Parking Management Agreement. The Parking Areas prior to, and from and after, the Relocation Date are shown on Exhibits B-1 and C-1 to the First Amendment to the Redevelopment Agreement and Exhibits B and C to the Parking Management Agreement.

"Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Parking Premises for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering the Parking Services as set forth in the Parking Management Agreement but excluding any Overflow Parking Expenses. Parking Expenses shall include payments of principal and interest (and any permitted prepayments of principal) on, and any reasonable related expenses incurred by the Redeveloper in connection with, the Parking Improvements Portion of the Redeveloper Loan as required by Section 4.3 of the Parking Management Agreement

"Parking Management Agreement" means that certain Parking Management Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

"Parking Management Fee" shall have the meaning set forth in Section 7.1 and Section 7.6 of the Parking Management Agreement.

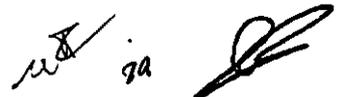
"Parking Requirements" means the requirement that any Parking Improvement; (1) provide space for the parking of approximately 690 motor vehicles prior to Substantial Completion of the Phase IV(b) Improvements and space for approximately 900 motor vehicles on and after Substantial Completion of the Phase IV(b) Improvements, or such other number of spaces as the Parties may agree upon in the event that the Terminal Area and Terminal

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"Term" means the term of each respective Transaction Document, running from the Effective Date through to and including December 31, 2043; provided however, that if the Redeveloper fails to receive a final Certificate of Occupancy for the Phase IV(b) Improvements by December 31, 2016 (as such date may be extended pursuant to extensions provided for under the Redevelopment Agreement, Force Majeure and the provisions of Article 21 of the Redevelopment Agreement) and such failure was caused by factors under the control of the Redeveloper, then the Term of each respective Transaction Document shall end on December 31, 2038, unless, in either case, sooner terminated or extended as provided in the Transaction Documents.

"Terminal Operating Agreement" means that certain Terminal Operating Agreement, dated as of September 1, 2005, by and between the BLRA and the Port Manager, together with any and all amendments thereto.

"Usage Agreement" means that certain Usage Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

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FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

By and Between

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

And

ROYAL CARIBBEAN CRUISES LTD.

Dated as of January 1, 2014

THIS FIRST AMENDMENT TO THE PURCHASE AND SALE AGREEMENT by and between **The Port Authority of New York and New Jersey**, a body corporate and politic created by Compact between the States of New York and New Jersey, with the consent of the Congress of the United States of America and having its principal executive office at 225 Park Avenue South in the City of New York, New York County and State of New York (the "PANYNJ") and **Royal Caribbean Cruises Ltd.**, a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") having its offices at 1050 Caribbean Way, Miami, Florida 33132 (the PANYNJ and Redeveloper each, a "Party" and, together, the "Parties"), is made as of this 1st day of January, 2014 (the "First Amendment to the Purchase and Sale Agreement" or this "Amendment"). This First Amendment to the Purchase and Sale Agreement amends that certain Purchase and Sale Agreement dated September 1, 2005 (the "Purchase and Sale Agreement"), by and between the Bayonne Local Redevelopment Agency (the "BLRA"), an instrumentality and agency of the City of Bayonne, County of Hudson, New Jersey (the "City") and the Redeveloper. Capitalized terms used herein, and not otherwise defined herein, shall have the meanings prescribed to them in Exhibit A, as amended, to the Purchase and Sale Agreement, as hereby amended.

WITNESSETH

WHEREAS, on September 1, 2005, the BLRA, the Redeveloper and its affiliate, the Port Manager, entered into the Transaction Documents, including the Purchase and Sale Agreement, in order to set forth the respective undertakings, rights and obligations of the Redeveloper, the Port Manager and the BLRA in connection with the redevelopment and use of the Port, all in accordance with Applicable Law; and

WHEREAS, on July 30, 2010, the PANYNJ and the BLRA entered into a Contract of Purchase and Sale (the "Purchase Contract") pursuant to which the PANYNJ purchased from the BLRA certain portions of the Peninsula, including the Redevelopment Area; and

WHEREAS, pursuant to the terms of the Purchase Contract, the BLRA agreed to assign and the PANYNJ agreed to assume all rights and obligations of the BLRA under the Transaction Documents; and

WHEREAS, the City by ordinance duly adopted on August 14, 2013 entitled "AN ORDINANCE OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY, DISSOLVING THE CITY OF BAYONNE REDEVELOPMENT AGENCY PURSUANT TO N.J.S.A. 40A:12A-24 and N.J.S.A. 40A:5A-20" (the "Dissolution Ordinance") has assumed all of BLRA's rights, title and interests in the Transaction Documents, subject to the express conditions set forth in the Dissolution Ordinance; and

WHEREAS, the City, the PANYNJ, the Redeveloper, the Port Manager and the Agent have entered into an Amendment and Assignment Agreement dated the date hereof (the "Assignment Agreement"), pursuant to which the City has, among other things, assigned

and the PANYNJ has assumed all of the obligations of the City under all of the Transaction Documents; and

WHEREAS, since the execution of the Transaction Documents and the Assignment Agreement, it has been determined by the Parties that it is necessary to make certain changes to the Purchase and Sale Agreement related to, among other things, the assignment of the Transaction Documents to the PANYNJ and the Construction and financing of the Phase IV(b) Improvements and the financing of a portion of the Phase II Improvements; and

WHEREAS, Section 13.9 of the Purchase and Sale Agreement permits amendments thereto provided they are in writing and signed by the Parties; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and in the Purchase and Sale Agreement as amended and supplemented by this First Amendment to the Purchase and Sale Agreement, and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

SECTION 1. Amendment to Exhibit A of the Purchase and Sale Agreement; Reference to BLRA; Reference to Governmental Unit Deposit Protection Act.

(A) **Amendment to Exhibit A.** Exhibit A to the Purchase and Sale Agreement is hereby amended as set forth on Exhibit A-1 attached hereto.

(B) **Reference to BLRA.** From and after the date hereof, except for the reference to the “BLRA” in the term “BLRA Financing Charge”, all references to “BLRA” in the Purchase and Sale Agreement shall be amended to read “PANYNJ” and all references to “Bayonne Local Redevelopment Authority” shall be amended to read “Port Authority of New York and New Jersey.”

(C) **Reference to Governmental Unit Deposit Protection Act.** All references to the Governmental Unit Deposit Protection Act in the Purchase and Sale Agreement, if any, including any requirement for compliance therewith, are hereby deleted.

SECTION 2. Amendment to Section 2.1(1) of the Purchase and Sale Agreement.

(A) Section 2.1(1) of the Purchase and Sale Agreement is hereby deleted in its entirety and replaced with the following:

“(1) The PANYNJ is a body corporate and politic established by the Compact between the States of New York and New Jersey, with the consent of the Congress of the United States.”

(B) The PANYNJ reaffirms all of the representations set forth in Section 2.1(2) through 2.1(5) of the Purchase and Sale Agreement provided that the references therein to the "BLRA" shall be deemed to mean the "PANYNJ".

SECTION 3. Amendment to Section 3.2 Section 3.2 of the Purchase and Sale Agreement is hereby deleted in its entirety and replaced with the following:

"Section 3.2 Purchase Price and Associated Costs. The proceeds of a Redeveloper Loan (or any other alternate financing obtained by the Redeveloper) will be provided directly to the Redeveloper to be used for the construction of the Phase IV(b) Improvements and as reimbursement to the Redeveloper for a portion of the costs of the Phase II Improvements. As consideration for the purchase of any Improvements developed by Redeveloper and financed by Bonds, the PANYNJ shall permit the Redeveloper to allot the necessary amount of Wharfage Fees, Berthing Tariffs, Minimum Fees, and other amounts, for payment directly to the Bond Trustee in the amounts necessary to satisfy the Bond obligations. As consideration for the purchase of any Improvements developed by Redeveloper and financed by a Redeveloper Loan, including, without limitation, a portion of the Phase II Improvements and all of the Phase IV(b) Improvements, the PANYNJ shall permit the Redeveloper to allot the necessary amount of Wharfage Fees, Berthing Tariffs, Minimum Fees, and other amounts, for payment directly to the Agent, in the order of priority set forth in Section 5.3(3) of the Terminal Operating Agreement, in amounts necessary to satisfy the Redeveloper Loan Financing Charge. Upon receipt by the Redeveloper of all of the proceeds of any Redeveloper Loan in an amount sufficient to fund the Phase IV(b) Improvements and a portion of the Phase II Improvements, the Parties hereto agree that the Purchase Price shall be deemed to have been paid by the PANYNJ and that the PANYNJ shall have no additional financial obligation to the purchase of the Phase II Improvements or the Phase IV(b) Improvements."

SECTION 4. Amendment to Section 9.1(1) of the Purchase and Sale Agreement. Section 9.1(1) of the Purchase and Sale Agreement is hereby deleted in its entirety and amended to read as follows:

"Section 9.1 Term. (1) The Term of this Purchase and Sale Agreement shall commence on the Effective Date and end on December 31, 2043; provided however, that if the Redeveloper fails to receive a final Certificate of Occupancy for the Phase IV(b) Improvements by December 31, 2016 (as such date may be extended pursuant to extensions provided for under the Redevelopment Agreement, Force Majeure and the provisions of Article 21 of the Redevelopment Agreement) and such failure was caused by factors under the control of the Redeveloper, then the Term of this Purchase and Sale Agreement shall end on December 31, 2038, unless, in either case, sooner terminated or extended pursuant to the terms of this Purchase and Sale Agreement."

SECTION 5. Amendment to Section 13.8 of the Purchase and Sale Agreement. Section 13.8 of the Purchase and Sale Agreement shall be deleted in its entirety and replaced with the following:

“Section 13.8 Notices. Any notice, demand, election, payment, or other communication, which the PANYNJ or the Redeveloper shall desire or be required to give pursuant to the provisions of this Purchase and Sale Agreement (each a “Notice”), shall be sent by registered or certified mail, return receipt requested, and the giving of such Notice shall be deemed complete on the third (3rd) business day after the same is deposited in a United States Post Office with postage charges prepaid, enclosed in a securely sealed envelope addressed to the Person intended to be given such Notice at the respective addresses set forth below or to such other address as such Party may theretofore have designated by Notice pursuant to this Section 13.8.”

PANYNJ: Port Authority of New York and New Jersey
Port Commerce Department
225 Park Avenue South
New York, New York 10003
Attention: Director of Port Commerce

With copy to: Port Authority of New York and New Jersey
Law Department
225 Park Avenue South
New York, New York 10003
Attention: General Counsel

Redeveloper: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President, Commercial Development

With copy to: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Counsel

All Notices to be given under this Purchase and Sale Agreement shall be given in writing in conformance with this Section 13.8 and, unless a certain number of days is specified, within a reasonable time.”

SECTION 6. Effectiveness. [Intentionally Omitted]

SECTION 6. Reaffirmation of Purchase and Sale Agreement. Except as amended by this First Amendment to the Purchase and Sale Agreement, the Purchase and Sale Agreement, and as applicable the Transaction Documents, as previously amended or supplemented, are hereby reaffirmed and ratified. All references in the Transaction Documents to the "Purchase and Sale Agreement" shall hereafter be deemed to refer to the Purchase and Sale Agreement, as amended by this First Amendment to the Purchase and Sale Agreement.

SECTION 7. No Broker. Each Party herein covenants, warrants and represents to the other party that it has had no dealings, conversations or negotiations with any broker concerning the execution and delivery of this First Amendment to the Purchase and Sale Agreement.

SECTION 8. Authority To Enter Into Amendment to Purchase and Sale Agreement. The Parties hereto represent and warrant to each other that each has full right and authority to enter into this First Amendment to the Purchase and Sale Agreement and that the person signing this First Amendment to the Purchase and Sale Agreement on behalf of PANYNJ or Redeveloper, respectively, has the requisite authority for such act.

SECTION 9. Non-Liability Of Individuals. No Commissioner, director, officer, agent or employee of PANYNJ or the Redeveloper, shall be charged personally or held contractually liable by or to the any party under any term or provision of this First Amendment to the Purchase and Sale Agreement, or of any other previous agreement, document or instrument executed in connection therewith, or of any supplement, modification or amendment to this First Amendment to the Purchase and Sale Agreement or to such other agreement, document or instrument, or because of any breach or alleged breach thereof, or because of its or their execution or attempted execution.

SECTION 10. OFAC Compliance.

(a) *Redeveloper's Representation and Warranty.* The Redeveloper hereby represents and warrants to the PANYNJ that the Redeveloper is not a person or entity with whom the PANYNJ is restricted from doing business under the regulations of the Office of Foreign Assets Control ("OFAC") of the United States Department of the Treasury (including, without limitation, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order or other regulation relating to national security or foreign policy (including, without limitation, Executive Order 13224 of September 23, 2001, *Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism*), or other governmental action related to national security, the violation of which would also constitute a violation of law, such persons being referred to herein as "Blocked Persons" and such regulations, statutes, executive orders and governmental actions being referred to herein as "Blocked Persons Laws") and is not engaging in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. The Redeveloper acknowledges that the PANYNJ is entering into this First Amendment to the Purchase and Sale Agreement in reliance on the foregoing representations and warranties and that such representations and warranties are a material

SECTION 6. Reaffirmation of Purchase and Sale Agreement. Except as amended by this First Amendment to the Purchase and Sale Agreement, the Purchase and Sale Agreement, and as applicable the Transaction Documents, as previously amended or supplemented, are hereby reaffirmed and ratified. All references in the Transaction Documents to the "Purchase and Sale Agreement" shall hereafter be deemed to refer to the Purchase and Sale Agreement, as amended by this First Amendment to the Purchase and Sale Agreement.

SECTION 7. No Broker. Each Party herein covenants, warrants and represents to the other party that it has had no dealings, conversations or negotiations with any broker concerning the execution and delivery of this First Amendment to the Purchase and Sale Agreement.

SECTION 8. Authority To Enter Into Amendment to Purchase and Sale Agreement. The Parties hereto represent and warrant to each other that each has full right and authority to enter into this First Amendment to the Purchase and Sale Agreement and that the person signing this First Amendment to the Purchase and Sale Agreement on behalf of PANYNJ or Redeveloper, respectively, has the requisite authority for such act.

SECTION 9. Non-Liability Of Individuals. No Commissioner, director, officer, agent or employee of PANYNJ or the Redeveloper, shall be charged personally or held contractually liable by or to the any party under any term or provision of this First Amendment to the Purchase and Sale Agreement, or of any other previous agreement, document or instrument executed in connection therewith, or of any supplement, modification or amendment to this First Amendment to the Purchase and Sale Agreement or to such other agreement, document or instrument, or because of any breach or alleged breach thereof, or because of its or their execution or attempted execution.

SECTION 10. OFAC Compliance.

(a) *Redeveloper's Representation and Warranty.* The Redeveloper hereby represents and warrants to the PANYNJ that the Redeveloper is not a person or entity with whom the PANYNJ is restricted from doing business under the regulations of the Office of Foreign Assets Control ("OFAC") of the United States Department of the Treasury (including, without limitation, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, executive order or other regulation relating to national security or foreign policy (including, without limitation, Executive Order 13224 of September 23, 2001, *Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism*), or other governmental action related to national security, the violation of which would also constitute a violation of law, such persons being referred to herein as "Blocked Persons" and such regulations, statutes, executive orders and governmental actions being referred to herein as "Blocked Persons Laws") and is not engaging in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. The Redeveloper acknowledges that the PANYNJ is entering into this First Amendment to the Purchase and Sale Agreement in reliance on the foregoing representations and warranties and that such representations and warranties are a material

element of the consideration inducing the PANYNJ to enter into and execute this First Amendment to the Purchase and Sale Agreement.

(b) *Redeveloper's Covenant.* The Redeveloper covenants that during the term of this First Amendment to the Purchase and Sale Agreement it shall not become a Blocked Person, and shall not engage in any dealings or transactions with Blocked Persons in violation of any Blocked Persons Laws. In the event of any breach of the aforesaid covenant, the same shall constitute an event of default and, accordingly, a basis for termination of this First Amendment to the Purchase and Sale Agreement, in addition to any and all other remedies provided under this First Amendment to the Purchase and Sale Agreement or at law or in equity, which does not constitute an acknowledgement by the PANYNJ that such breach is capable of being cured.

(c) *Redeveloper's Indemnification Obligation.* The Redeveloper shall indemnify and hold harmless the PANYNJ and its Commissioners, officers, employees, agents and representatives from and against any and all claims, damages, losses, risks, liabilities and expenses (including, without limitation, attorney's fees and disbursements) arising out of, relating to, or in connection with the Redeveloper breach of any of its representations and warranties made hereunder. Upon the request of the PANYNJ, the Redeveloper shall at its own expense defend any suit based upon any such claim or demand (even if such suit, claim or demand is groundless, false or fraudulent) and in handling such it shall not, without obtaining express advance permission from the General Counsel of the PANYNJ, raise any defense involving in any way the jurisdiction of the tribunal over the person of the PANYNJ, the immunity of the PANYNJ, its Commissioners, officers, agents or employees, the governmental nature of the PANYNJ, or the provision of any statutes respecting suits against the PANYNJ.

(d) *Survival.* The provisions of this Section shall survive the expiration or earlier termination of the First Amendment to the Purchase and Sale Agreement.

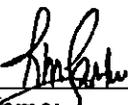
SECTION 11. No Third Party Beneficiaries. The provisions of this First Amendment to the Purchase and Sale Agreement are for the exclusive benefit of the Parties and their Affiliates and not for the benefit of any third Person, nor shall this First Amendment to Purchase and Sale Agreement be deemed to have conferred any rights, express or implied, upon any third Person, with the exception of the Port Manager and the Parking Manager, which are deemed to be express third party beneficiaries of this First Amendment to the Purchase and Sale Agreement.

SECTION 12. Counterparts. This First Amendment to the Purchase and Sale Agreement may be executed and delivered in any number of counterparts, and such counterparts taken together shall constitute one and the same instrument.

SECTION 13. Governing Law. This First Amendment to the Purchase and Sale Agreement shall be construed in accordance with, and governed by, the Applicable Law of the State of New Jersey, without consideration given to choice of law principles.

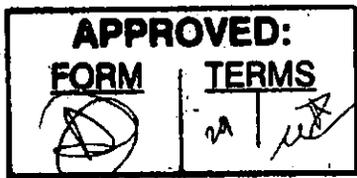
IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Purchase and Sale Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: 
Name: Richard M. Larrabee
Title: Director, Port Commerce Dept.

ROYAL CARIBBEAN CRUISES LTD.

By: _____
Name:
Title:



IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to the Purchase and Sale Agreement to be executed as of the day and year first written above.

PORT AUTHORITY OF NEW YORK AND NEW JERSEY

By: _____
Name:
Title:

ROYAL CARIBBEAN CRUISES LTD.

By: Adam M. Goldstein
Name: _____
Title: **Adam Goldstein
President & CEO
Royal Caribbean International**



EXHIBIT A-1
AMENDMENTS TO EXHIBIT A - DEFINITIONS

EXHIBIT A-1 - DEFINITIONS

Exhibit A to the Redevelopment Agreement is hereby amended as follows:

(A) The following definitions are hereby deleted in their entirety from Exhibit A:

“BLRA’s Incidental Profit Share”
“BLRA’s Net Parking Profit Share”
“Incidental Concession Fee”
“Incidental Improvements”
“Incidental Profit”
“Incidental Usage Agreement”
“Incidental Use(s)”

(B) The following definitions are hereby added to Exhibit A:

“Agent Fees” shall have the meaning set forth in Section 1 of the Revenue Collection and Disbursement Agreement.

“Amendment Effective Date” means January 1, 2014.

“Annual Overflow Parking Statement” shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

“Annual Overflow Profit Statement” shall have the meaning set forth in Section 7.9 of the Parking Management Agreement.

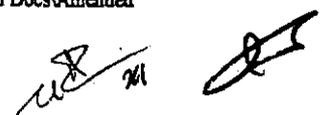
“Assignment Agreement” means the Amendment and Assignment Agreement dated as of January 1, 2014 by and between the City, the PANYNJ, the Redeveloper, the Port Manager and the Agent.

“Bond Issuance Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“BPEJ Costs” shall have the meaning set forth in Section 4.1(5) of the Terminal Operating Agreement.

“Dissolution Ordinance” shall have the meaning as set forth in the Recitals to each of the Transaction Documents.

“Elevation Acknowledgement” shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.



"Elevation Exemption" shall have the meaning set forth in Section 13 of the First Amendment to the Redevelopment Agreement.

"Employee Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"First Amendment to the Parking Management Agreement" means that certain First Amendment to the Parking Management Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Purchase and Sale Agreement" means that certain First Amendment to the Purchase and Sale Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Redevelopment Agreement" means that certain First Amendment to Redevelopment Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Redeveloper.

"First Amendment to the Revenue Collection and Disbursement Agreement" means that certain First Amendment to the Revenue Collection and Disbursement Agreement, dated as of January 1, 2014, by and between the PANYNJ, the Redeveloper, the Port Manager and the Agent.

"Gross Overflow Parking Revenues" means the amount equal to the sum of all revenues of any nature paid to or received by the Parking Manager from the provision of Parking Services on the Overflow Parking Area during a calendar year.

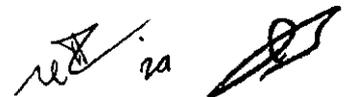
"Independent Overflow Accountant Certification" shall have the meaning set forth in Section 7.8 of the Parking Management Agreement.

"Net Overflow Parking Profit" means the amount equal to Gross Overflow Parking Revenues less Overflow Parking Expenses.

"Outside C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Overflow Parking Area" shall have the meaning set forth in Section 10 of the First Amendment to the Parking Management Agreement.

"Overflow Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Overflow Parking Area for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering Parking Services for the Overflow Parking Area.

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"PANYNJ" means the Port Authority of New York and New Jersey, a body corporate and politic created by Compact between the State of New Jersey and the State of New York, with the consent of the Congress of the United States.

"PANYNJ Audit" shall have the meaning set forth in Section 6.14 of the Parking Management Agreement.

"PANYNJ's Incidental Revenue Share" means, with respect to any calendar year quarter, an amount equal to (i) for the period commencing on the Amendment Effective Date to and including December 31, 2017, ten percent (10%) of the Incidental Revenues for such quarter and (ii) for the period commencing on January 1, 2018 and ending on the last day of the Term, fifteen percent (15%) of Incidental Revenues for such quarter.

"PANYNJ's Net Parking Profit Share" means, (1) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area only, assuming for purposes of this clause (1) that the square footage of the Parking Area is 255,711 square feet and (2) for the period commencing on Relocation Date and ending on the last day of the Term, an amount equal to the Base Parking Profit less the Annual Base Charge with respect to the Parking Area, assuming for purposes of this clause (2) that the square footage of the Parking Area is 88,140; provided that, upon the Completion Date of the Phase IV(b) Improvements and measurement and determination of the square footage of the Parking Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, the PANYNJ's Net Parking Profit Share shall be retroactively adjusted accordingly based on the as-built measurement of the Parking Area, and promptly paid by, or reimbursed by the PANYNJ to, Port Manager.

"Parking Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements which consist of Parking Improvements and shall be in an amount equal to \$15,000,000.

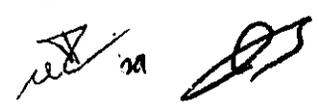
"Parking Garage Site" means the portion of the Parking Area to be used by the Redeveloper for the construction of a structured parking garage, substantially as shown on Exhibit C-1 to the First Amendment to the Redevelopment Agreement.

"Permanent C of O Date" shall have the meaning set forth in Section 7.3 of the Redevelopment Agreement.

"Purchase Contract" means that Contract for Purchase and Sale between the BLRA and the PANYNJ dated as of July 30, 2010 pursuant to which the PANYNJ purchased certain real property in the City, including the Redevelopment Area, from the BLRA.

"Quarterly Reporting Date" means the 15th day of April, July, October and January of each calendar year during the Term.

"Redeveloper Loan Financing Charge" shall have the meaning set forth in Section 4.1(4)(ii) of the Terminal Operating Agreement.



"Relocation Date" means the date of issuance of the last Certificate of Occupancy required with respect to the Phase (IV)(b) Improvements.

"Second Amendment to the Terminal Operating Agreement" means that certain Second Amendment to the Terminal Operating Agreement, dated as of January 1, 2014, by and between the PANYNJ and the Port Manager.

"Second Amendment to the Usage Agreement" means that certain Second Amendment to the Usage Agreement, dated as of January 1, 2014 by and between the PANYNJ and the Redeveloper.

"Staging Delivery Date" means the date on which the PANYNJ delivers physical possession of the Staging Site to the Redeveloper in accordance with the provisions of the Redevelopment Agreement.

"Staging Outside Delivery Date" means March 15, 2014.

"Staging Site" means that portion of the Terminal Area and Employee Parking Area to be used by the Redeveloper as a construction staging site in accordance with Section 5.8.1 of the Redevelopment Agreement and as shown on Exhibit E to the First Amendment to the Redevelopment Agreement.

"TCAP Fee" shall have the meaning set forth in Section 4.1(3)(j) of the Terminal Operating Agreement.

"TCAP Manual" shall have the meaning set forth in Section 6.9 of the Redevelopment Agreement.

"Terminal Improvements Portion of the Redeveloper Loan" shall mean that portion of the Redeveloper Loan to be used for the construction of the Phase IV(b) Improvements and a portion of the Phase II Improvements which consist of Terminal Improvements and shall be in an amount equal to \$50,000,000.

(C) The definition of each of the following terms is deleted from Exhibit A in its entirety and replaced as follows:

"Actual Operating Expenses" means any and all costs, expenses and fees that the PANYNJ, the Port Manager and the Redeveloper, incurred in connection with the operation, maintenance and management of the Port for the applicable calendar year, including without limitation (1) all expenses payable pursuant to the Terminal Operating Agreement, (2) assessments and other governmental charges, (3) the Priority Charges, (4) the BLRA Financing Charge, (5) the Redeveloper Loan Financing Charge, and (6) the Capital Reserve Charge. Actual Operating Expenses shall not include Parking Expenses, Overflow Parking Expenses or Incidental Expenses.

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“Actual Operating Revenues” means the sum of all revenues generated by the Port including, but not limited to, Berthing Tariffs and Wharfage Fees received during the applicable calendar year. Actual Operating Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Incidental Revenues.

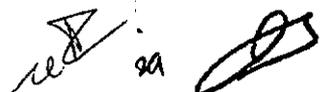
“Base Parking Profit” means, for the period commencing on January 1, 2014 and ending on the last day of the Term: an amount equal to the greater of (a) 50% of the amount of the Net Parking Profit for the applicable calendar year and (b) that portion of the Annual Base Charge attributable to the Parking Area during such year payable under Article 4 of the Terminal Operating Agreement; provided that (i) for the period commencing on January 1, 2014 and ending on the date immediately preceding the Relocation Date, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Parking Area as set forth in Section 5.8.3(1) of the Redevelopment Agreement and (ii) for the period commencing on the Relocation Date and ending on the last day of the Term, the Annual Base Charge attributable to the Parking Area shall be calculated on, and based upon, the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement as adjusted pursuant to the terms of Section 10B(iv) of the First Amendment to the Parking Management Agreement, and, upon the Completion Date of the Phase (IV)(b) Improvements, and measurement and determination of the square footage of the Redevelopment Area as set forth in Section 5.8.3(2) of the Redevelopment Agreement, any and all amounts payable on the basis of Base Parking Profit shall be retroactively adjusted accordingly, and promptly paid by, and reimbursed to, the party entitled thereto based on such adjustment. Notwithstanding anything herein to the contrary, so long as the Overflow Parking Area is used for Overflow Parking, in no event shall any Overflow Parking Area be deemed to constitute Parking Area or Employee Parking Area, except as may be otherwise agreed to in writing by the PANYNJ and the Redeveloper.

“BLRA Financing Charge” shall have the meaning set forth in Section 4.1(4)(i) of the Terminal Operating Agreement.

“Consumer Price Index” or **“CPI”** means the Consumer Price Index for all Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor, New York, New York, Northeastern New Jersey Area (1982-1984=100) or any successor index thereto, appropriately adjusted; provided that if there shall be no successor index, a substitute index will be determined in the reasonable discretion of the PANYNJ after consultation and an opportunity to comment by the Redeveloper. In determining the CPI for any calendar year, the CPI for such year shall be the CPI reported for October of the year immediately preceding the calendar year for which the increase is applicable.

“Gross Parking Revenues” means the amount equal to the sum of all revenues of any nature paid to or received by Parking Manager from the provision of Parking Services on the Parking Premises during a calendar year but not including Gross Overflow Parking Revenues.

“Incidental Revenues” means the amount equal to the sum of all revenues, amounts, monies, income and receipts of any nature generated by (and otherwise paid or payable to) the

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Port Manager in connection with all Incidental Uses of the Port during the applicable period. Incidental Revenues shall not include Gross Parking Revenues, Gross Overflow Parking Revenues or Actual Operating Revenues.

"Incidental Uses" means (i) the retail sales of goods and services at the Redevelopment Area not in connection with Cruise Operations; (2) the operation of a marina to provide for mooring and services for a nautical craft; (3) the operation of a ferry landing; (4) the production of trade shows for the display of commercial goods and services not in connection with Cruise Operations; and (5) the holding of group or special events provided that those activities are approved by the prior written consent of the PANYNJ, which consent shall not be unreasonably withheld, conditioned or delayed.

"Parking Account" means an account in a federally insured financial institution that meets the requirements of the Governmental Unit Deposit Protection Act, N.J.S.A. 17:9-41 et seq. and is reasonably acceptable to the PANYNJ for the deposit of the Gross Parking Revenues and Gross Overflow Parking Revenues.

"Parking Area" means that portion of the Redevelopment Area available for use by cruise passengers, Port employees, Invitees and guests for the parking of motor vehicles (including circulation within such area) upon which is Constructed the Parking Improvements and which is subject to the Parking Management Agreement. The Parking Areas prior to, and from and after, the Relocation Date are shown on Exhibits B-1 and C-1 to the First Amendment to the Redevelopment Agreement and Exhibits B and C to the Parking Management Agreement.

"Parking Expenses" means the sum of any and all costs, expenses and fees that the Parking Manager incurs in connection with the operation and management of the Parking Premises for the applicable calendar year, including without limitation the costs, expenses and fees incurred in rendering the Parking Services as set forth in the Parking Management Agreement but excluding any Overflow Parking Expenses. Parking Expenses shall include payments of principal and interest (and any permitted prepayments of principal) on, and any reasonable related expenses incurred by the Redeveloper in connection with, the Parking Improvements Portion of the Redeveloper Loan as required by Section 4.3 of the Parking Management Agreement

"Parking Management Agreement" means that certain Parking Management Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

"Parking Management Fee" shall have the meaning set forth in Section 7.1 and Section 7.6 of the Parking Management Agreement.

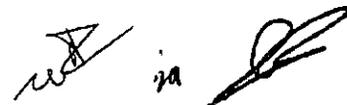
"Parking Requirements" means the requirement that any Parking Improvement; (1) provide space for the parking of approximately 690 motor vehicles prior to Substantial Completion of the Phase IV(b) Improvements and space for approximately 900 motor vehicles on and after Substantial Completion of the Phase IV(b) Improvements, or such other number of spaces as the Parties may agree upon in the event that the Terminal Area and Terminal



“Term” means the term of each respective Transaction Document, running from the Effective Date through to and including December 31, 2043; provided however, that if the Redeveloper fails to receive a final Certificate of Occupancy for the Phase IV(b) Improvements by December 31, 2016 (as such date may be extended pursuant to extensions provided for under the Redevelopment Agreement, Force Majeure and the provisions of Article 21 of the Redevelopment Agreement) and such failure was caused by factors under the control of the Redeveloper, then the Term of each respective Transaction Document shall end on December 31, 2038, unless, in either case, sooner terminated or extended as provided in the Transaction Documents.

“Terminal Operating Agreement” means that certain Terminal Operating Agreement, dated as of September 1, 2005, by and between the BLRA and the Port Manager, together with any and all amendments thereto.

“Usage Agreement” means that certain Usage Agreement, dated as of September 1, 2005, by and between the BLRA and the Redeveloper, together with any and all amendments thereto.

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USAGE AGREEMENT

By and Between

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

And

ROYAL CARIBBEAN CRUISES LTD.

BAYONNE, NEW JERSEY

Dated as of September 1, 2005

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USAGE AGREEMENT

THIS USAGE AGREEMENT (the "Usage Agreement") is entered into as of this 1st day of September, 2005, but effective as of the Effective Date by and between the Bayonne Local Redevelopment Authority, an instrumentality and agency of the City of Bayonne, in the County of Hudson, New Jersey (the "BLRA"), having its offices at 51 Port Terminal Boulevard, Suite 21, Bayonne, NJ 07002, and Royal Caribbean Cruises Ltd., a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") having its offices at 1050 Caribbean Way, Miami, Florida 33132 (The BLRA and Redeveloper each, a "Party" and, together, the "Parties"). Capitalized terms used herein shall have the meanings prescribed to them in Exhibit A.

WITNESSETH

WHEREAS, the Redevelopment Law provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, the BLRA was established by ordinance number 0-98-26, adopted on June 10, 1998 by the City Council as an instrumentality and agency of the City, pursuant to the provisions of the Redevelopment Law, with responsibility for implementing redevelopment plans and carrying out redevelopment projects within the City; and

WHEREAS, pursuant to a decision by the United States of America to decommission the Peninsula, the Peninsula was transferred to the BLRA pursuant to the Quitclaim Deeds; and

WHEREAS, in accordance with the criteria set forth in the Redevelopment Law, the City identified and designated the Peninsula as an area in need of redevelopment by resolution numbered 99-11-23-078, adopted on November 23, 1999 by the City Council pursuant to the Redevelopment Law; and

WHEREAS, by ordinance numbered 04-11-10-005, adopted on December 16, 2004 by the City Council, the City approved the Redevelopment Plan for the Peninsula; and

WHEREAS, the Redevelopment Law authorizes the BLRA to arrange or contract for the planning, construction or undertaking of any development project or redevelopment work in an area designated as an area in need of redevelopment pursuant to N.J.S.A. 40A:12A-8; and

WHEREAS, the BLRA is the owner of the Redevelopment Area; and

WHEREAS, by resolution numbered 062305-07, adopted on June 24, 2005 by the BLRA, the BLRA designated the Redeveloper and Port Manager, as applicable, as the "redeveloper" of the Redevelopment Area as permitted by the Redevelopment Law and agreed to enter the Transaction Documents, including this Usage Agreement, in order to set forth the respective undertakings, rights and obligations of Redeveloper and the BLRA in connection with the redevelopment and use of the Redevelopment Area, all in accordance with Applicable Law.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

ARTICLE 1

DEFINITIONS, INTERPRETATION AND CONSTRUCTION

Section 1.1 Definitions. The capitalized terms used herein shall have the meanings prescribed to them in Exhibit A.

Section 1.2 Interpretation and Construction. In this Usage Agreement, unless the context expressly otherwise requires:

(1) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Usage Agreement, refer to this Usage Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Usage Agreement.

(2) All references to Articles, Sections, Schedules or Exhibits shall, unless otherwise indicated, refer to the Articles, Sections, Schedules or Exhibits in this Usage Agreement.

(3) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(4) All notices to be given hereunder and responses thereto shall be given within a reasonable time, unless a certain number of days is specified.

(5) Unless otherwise indicated, any "fees and expenses" shall be required to be customary and reasonable.

(6) Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld, delayed or conditioned.

(7) The time periods set forth herein are to be strictly complied with, provided, however, that notwithstanding the foregoing, the time periods set forth herein for performance by Redeveloper may, in the sole discretion of the BLRA, be extended at the written request of Redeveloper. All references to days shall mean calendar days unless the context specifies otherwise.

ARTICLE 2

REPRESENTATIONS

Section 2.1 Representations by the BLRA. The BLRA represents to Redeveloper that:

(1) The BLRA is a duly organized and validly existing municipal entity under the Applicable Laws of the State;

(2) Under the laws of the State, the BLRA is duly authorized to enter into, execute and deliver this Usage Agreement, to undertake the obligations contemplated by this Usage Agreement and to carry out its obligations hereunder. The execution by the BLRA of and performance by it under this Usage Agreement will not violate or conflict with any instrument by which the BLRA is bound or its properties are subject;

(3) By duly adopted resolution, the BLRA has duly authorized the execution and delivery of this Usage Agreement and this Usage Agreement constitutes a legal, valid and binding obligation of the BLRA, enforceable against the BLRA in accordance with its terms;

(4) The execution and delivery of this Usage Agreement by the BLRA does not, and the performance by the BLRA of its obligations under this Usage Agreement will not:

(a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the articles of incorporation, bylaws or other organizational documents of the BLRA;

(b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law;

(c) Result in a breach of, or default (or give rise to a right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which the BLRA may be bound, or which are necessary for Redeveloper to continue to enjoy the rights and privileges conferred upon and granted to Redeveloper under this Usage Agreement; and

(5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other Persons is required in connection with the execution, delivery and performance of this Usage Agreement by the BLRA or the rights and privileges which, by virtue of this Usage Agreement, shall be conferred upon and granted to Redeveloper.

Section 2.2 Representations by Redeveloper. Redeveloper represents to the BLRA that:

(1) Redeveloper is a duly organized and validly existing company in good standing under the laws of the Republic of Liberia and has all requisite power and authority for the ownership and operations of its properties, and for the carrying on of its business as now conducted and as now proposed to be conducted under the Transaction Documents. Redeveloper is duly qualified and is in good standing as a foreign company and is authorized to do business in all jurisdictions wherein the nature of the activities conducted by it makes such qualification or authorization necessary;

(2) Redeveloper has the corporate power to enter into, execute and deliver this Usage Agreement to undertake the transactions contemplated by this Usage Agreement and to carry out and

perform its obligations hereunder, and the execution by Redeveloper of and performance by it under this Usage Agreement will not violate or conflict with any instrument by which Redeveloper is bound or its properties are subject, and this Usage Agreement constitutes a legal, valid and binding obligation of Redeveloper, enforceable against Redeveloper in accordance with its terms;

(3) Redeveloper has duly authorized the execution, delivery and performance of this Usage Agreement, and, assuming due authorization, execution and delivery of this Usage Agreement by the BLRA, this Usage Agreement will be a valid, binding and enforceable agreement of Redeveloper;

(4) The execution and delivery of this Usage Agreement by Redeveloper does not, and the performance by Redeveloper of its obligations under this Usage Agreement will not:

(a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the organizational documents of Redeveloper;

(b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law; or

(c) Result in a breach of, or default under (or give rise to right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which Redeveloper may be bound or which are necessary for the BLRA to enforce the terms of this Usage Agreement against Redeveloper; and,

(5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other Persons is required in connection with the execution, delivery and performance of this Usage Agreement by Redeveloper other than as set forth in the Transaction Documents.

Section 2.3 No Representations or Guarantee of Success. The Parties herein acknowledge that neither one has represented or guaranteed to the other, in an express or implied manner, or in any kind of way whatsoever, the success of the Redevelopment Project or the annual or future volume of cruise ship visitors to the Peninsula, other than the Redeveloper's guarantee of the Minimum Fee as set forth in Section 6.5 of this Usage Agreement.

ARTICLE 3

OPERATING LICENSE AND PREFERENTIAL RIGHTS

Section 3.1 Operating License: The BLRA, for and in consideration of the fees, charges and sums payable by Redeveloper hereunder and the covenants contained in this Usage Agreement, and subject to the terms and conditions of this Usage Agreement, does hereby grant to the RCCL Cruise Lines a non-exclusive, preferential, license to conduct Cruise Operations at the Port inclusive of: (1) at Berths per the Transaction Documents, including, without limitation, Berth N-1, Berth N-2 and Berth N-5, utilizing the corresponding Bulkhead Improvements, (2) at the Docking Area utilizing the Docking Area Improvements to embark and disembark passengers, provide security and otherwise service Cruise Vessels; (3) at the Terminal Area utilizing the Terminal Improvements and certain exterior space to provide cruise passenger processing, baggage handling and other cruise related activities; and (4) to undertake Construction, commence recovery efforts, if necessary, and otherwise use and occupy the water and land underwater alongside the Berths, all as more specifically set forth herein.

Section 3.2 Preferential Rights. The Redeveloper, on behalf of RCCL Cruise Lines, shall have preferential rights to select the date, time and location of the Berths for the berthing of their Vessels, including, but not limited to, those cruise ships operating under the ROYAL CARIBBEAN INTERNATIONAL and CELEBRITY CRUISES brands in accordance with the procedures set forth below.

Section 3.2.1 Primary and Secondary Berths. (1) From the Effective Date until the N-1 Transition Date, Berth N-5 shall be deemed a "Primary Berth".

(2) From the day immediately following the N-1 Transition Date through the end of the Term, Berth N-1 shall be deemed a "Primary Berth" and Berth N-5 shall be deemed a "Secondary Berth".

(3) From the Phase III Completion Date to the end of the Term, Berth N-2 shall also be deemed a "Primary Berth".

Section 3.2.2 Scheduling Berths. (1) On or before March 1 of each calendar year the BLRA shall provide the Availability Schedule to the Redeveloper provided, however, that the BLRA is under no obligation to provide the Secondary Berth and may utilize such Secondary Berth in its sole discretion for any other purpose (other than for conducting Cruise Operations) and for an unlimited time period. The BLRA shall promptly notify Redeveloper in writing should any change occur to the Availability Schedule, provided, however, that RCCL Cruise Lines' berthing rights shall not be prejudiced if the BLRA fails to notify Redeveloper of such changes prior to Redeveloper submitting the Proposed Berthing Schedule to the BLRA.

(2) On or before the Schedule Deadline, Redeveloper shall notify the BLRA in writing of the Proposed Berthing Schedule. RCCL Cruise Lines' preferential berthing rights to the Berths are unlimited and RCCL Cruise Lines may request any and all dates, times and locations to berth at the Port in the Proposed Berthing Schedule, provided that any requests for the use of the Secondary Berth are subject to the Availability Schedule.

(3) Promptly following the BLRA's receipt of the Proposed Berthing Schedule, the BLRA agrees to establish the Agreed Berthing Schedule which shall include all of the requested Primary Berth(s) and the Secondary Berth available to the RCCL Cruise Lines for the berthing of their Vessels on the Scheduled Cruise Days and times set forth in the Proposed Berthing Schedule,

provided that any requests for the use of the Secondary Berth are subject to the Availability Schedule.

(4) The RCCL Cruise Lines shall be entitled to berth their Vessels at the Port on the Scheduled Cruise Days and at the times and Berths listed in the Agreed Berthing Schedule. Attached as Exhibit B is the Proposed Berthing Schedule for the 2006 calendar year. RCCL Cruise Lines may, in their sole discretion, substitute the proposed Vessels identified on the Agreed Berthing Schedule with different Vessels on the Scheduled Cruise Days.

(5) The BLRA shall not, without the prior, written consent of RCCL Cruise Lines, grant preferential berthing rights at the Port to any other party during the Term, nor shall it enter into any agreement with any other party without the prior written consent of Redeveloper that will prevent RCCL Cruise Lines from reserving any dates, times and/or Primary Berths in its Proposed Berthing Schedule for any subsequent calendar year or otherwise preclude the RCCL Cruise Lines from conducting Cruise Operations at the Port. Notwithstanding the above, after the Schedule Deadline, the Port Manager may schedule and accept ships and Vessels of Other Cruise Lines at the Port for the applicable calendar year, so long as such scheduling does not conflict with the Scheduled Cruise Days or any rights of RCCL Cruise Lines under this Usage Agreement.

(6) From time to time after the Schedule Deadline, Redeveloper may propose a written amendment to the Agreed Berthing Schedule by adding or removing Vessels, rescheduling Scheduled Cruise Days and/or changing times and Berths (the "Schedule Amendments"). The BLRA agrees to accept the Schedule Amendments so long as Other Cruise Lines have not already reserved the requested Berth for the specified date and time of the applicable calendar year.

Section 3.3 Nature of Rights Granted. The Parties acknowledge that (1) the rights granted to Redeveloper and the RCCL Cruise Lines hereunder are in the nature of a license; (2) this Usage Agreement is not a lease; and (3) nothing in this Usage Agreement shall be construed as granting RCCL Cruise Lines any possessory interest or estate in the Peninsula, the Redevelopment Area or any other real property.

ARTICLE 4

USE OF BERTH AND TERMINAL AREA

Section 4.1 Permitted Activities. Except as otherwise provided for in the Transaction Documents, the Berths, the Docking Area and the Terminal Area may be used by RCCL Cruise Lines only for Permitted Uses and Cruise Operations. While in the Port and docked and between scheduled arrivals and departures, the Vessels may be used, from time to time, by RCCL Cruise Lines for entertaining guests and/or holding functions or banquets on board the Vessels. Any other activity requires the prior written approval of the BLRA.

Section 4.2 Prohibited Activities. (1) RCCL Cruise Lines will not use or keep or allow the Berths, the Docking Area or Terminal Area or any portion thereof or any of the Improvements or any appurtenances thereto, to be used or occupied for any unlawful purpose or in violation of any Certificate of Occupancy, and will not suffer any act to be done or any condition to exist within the Berths, the Docking Area or Terminal Area or any portion thereof or any of the Improvements or any appurtenances thereto which is in violation of Applicable Law.

(2) RCCL Cruise Lines will not erect signs on the Berths, the Docking Area or Terminal Area, other than directional signage, without the prior written consent of the BLRA.

(3) RCCL Cruise Lines shall not undertake any other activity at the Port not otherwise authorized pursuant to the Transaction Documents or by rules and regulations established from time to time by the Port Manager with the BLRA's prior written consent.

Section 4.3 Permits, Certificates and Rules. RCCL Cruise Lines shall obtain and maintain all permits, certifications, licenses, and fees required for their activities on or about the Berths, the Docking Area and Terminal Area. RCCL Cruise Lines shall adhere to rules established from time to time by the BLRA or Port Manager to effectuate the administration of the Port.

Section 4.4 No Interference. RCCL Cruise Lines shall not interfere with the operations of the BLRA or the Port Manager, their respective tenants, or any other permitted user(s) of the BLRA's property, nor with any other permitted user of the Berths, the Docking Area or the Terminal Area. The RCCL Cruise Lines must not interfere with, restrict, or prevent any Person from using navigable waters.

Section 4.5 Terminal Office Use. RCCL Cruise Lines has a non-exclusive license to use office space in the Terminal Improvements to conduct administrative and clerical activities relating to the RCCL Cruise Lines' performance of Cruise Operations at no cost to RCCL Cruise Lines. The license granted under this Section 4.5 is a personal right of the RCCL Cruise Lines and may not be transferred or assigned to any other Person without the BLRA's prior written consent.

Section 4.6 Security. On the Scheduled Cruise Days, RCCL Cruise Lines must, at its own cost and expense, keep the Berths, the Docking Area, and the Terminal Area in a clean, orderly, secure, and safe condition, free of rubbish and trash, and be responsible for the security on, of, and to Berths, the Docking Area and the Terminal Area, and any crew, contractors, suppliers, vendors, and other permitted vehicles or pedestrians required to service any Vessel. All employees, contractors, suppliers, or vendors of RCCL Cruise Lines that enter the Berths, the Docking Area and the Terminal Area or any other property under the management or control of the BLRA or the Port Manager must (1) comply with all Applicable Law enacted or decreed by any Governing Body having jurisdiction over the Berths, the Docking Area, the Terminal Area, the Peninsula or the Redevelopment Area, and (2) abide by all security requirements of the BLRA and the Port Manager.

Section 4.7 Notice. RCCL Cruise Lines shall notify the BLRA promptly, after receipt of knowledge thereof, of the occurrence of any personal injury or property damage on the Redevelopment Area, provided that the failure to give such Notice shall not be deemed a default under this Usage Agreement unless the BLRA suffers prejudice as a result of the failure to give such Notice.

Section 4.8 Redeveloper Assumption of RCCL Cruise Lines' Duties. The Redeveloper shall ensure RCCL Cruise Lines' compliance with all of its duties and obligations as set forth herein and shall have full and complete responsibility for RCCL Cruise Lines' failure to comply with this Usage Agreement and the other Transaction Documents.

ARTICLE 5

COOPERATION IN PREPARATION OF ANNUAL OPERATING EXPENSE BUDGET

Section 5.1. Cooperation of the BLRA, Redeveloper and the Port Manager. The Redeveloper shall cooperate with the BLRA and the Port Manager in good faith to prepare the Annual Operating Expense Budget, all in accordance with the terms and conditions of Article 4 of the Terminal Operating Agreement.

ARTICLE 6

BERTHING TARIFFS AND WHARFAGE FEES

Section 6.1 Power to Assess and Collect Berthing Tariffs and Wharfage Fees. The BLRA has the full right and power to assess and collect all tariffs, charges and fees published by it from time to time against any Vessels berthing at the Berths, including, without limitation, the Berthing Tariffs and Wharfage Fees. The Port Manager shall be responsible for assessing and collecting the Berthing Tariffs and Wharfage Fees in accordance with the provisions of the Terminal Operating Agreement. No such tariffs, charges or fees shall be assessed or collected by the RCCL Cruise Lines except to the extent they or their Affiliate is the Port Manager.

Section 6.2 Discount for Increased Passenger Volumes. The Redeveloper acknowledges that, in order to provide the RCCL Cruise Lines and Other Cruise Lines an incentive to increase their annual passenger volumes to the Port, the BLRA and the Port Manager may from time to time establish certain formulas to create different categories of applicable Berthing Tariffs based on minimum annual passenger volumes (the "Discounting Formulas"), provided that the Discounting Formulas shall have no effect on the determination of the BLRA Volume Charge. Any such Discount Formulas established from time to time will be published as part of the public berthing tariffs of the Port.

Section 6.3 Payment of Berthing Tariffs and Wharfage Fees. (1) The RCCL Cruise Lines agrees to pay the Port Manager, as the BLRA's designee, the Berthing Tariffs and the Wharfage Fees, as amended from time to time, applicable to their Vessels which berth at the Port, based on the RCCL Cruise Lines' actual passenger manifest for such Vessel. Said Berthing Tariffs and the Wharfage Fees shall be held in the Revenue Fund by the Port Manager only for so long as an Affiliate of the Redeveloper is the Port Manager; otherwise, the BLRA shall retain the Berthing Tariffs and the Wharfage Fees.

(2) On a monthly basis, the Port Manager shall invoice RCCL Cruise Lines for the Berthing Tariffs and Wharfage Fees incurred, based on their actual passenger manifest and the actual Vessels that berthed at the Port for the immediately preceding month. Redeveloper shall pay such invoice, on RCCL Cruise Lines' behalf, within 30 calendar days after receipt. In the event the RCCL Cruise Lines misses a call without cause, the amount of the Port Manager's invoice shall be based on one-hundred percent (100%) occupancy for each missed call, less any mitigation income. A failure to prepare and deliver the invoice in any given month by the Port Manager shall not release Redeveloper, on RCCL Cruise Lines' behalf, from paying the Berthing Tariffs and Wharfage Fees incurred.

Section 6.4 Advances, Deficiencies and Surpluses. (1) It is the intention of the Parties that the BLRA not be required to make any contribution to the cost of the Redevelopment Project or the management, maintenance or operation of the Port beyond that which is set forth in the Transaction Documents.

(2) If during any calendar year, the Port Manager does not possess sufficient funds from Actual Operating Revenues and the Capital Reserve Fund to pay all Actual Operating Expenses when such obligations become due, then, within 15 days of demand by the Port Manager, Redeveloper shall advance sufficient funds to the Port Manager to meet any shortfall as may be necessary to pay such Actual Operating Expenses (the "Working Capital Advance").

(3) If at the end of any calendar year, a deficiency results from Actual Operating Revenues being insufficient to cover Actual Operating Expenses after applying any funds available in the

Capital Reserve Fund (a "Revenue Deficiency"), then Redeveloper shall pay such Revenue Deficiency to the Port Manager within 15 days of demand by the Port Manager.

(4) If at the end of any calendar year, a surplus results from Actual Operating Revenues exceeding Actual Operating Expenses (a "Revenue Surplus"), then all monies representing such Revenue Surplus shall be applied by Port Manager as follows: (a) To repay Redeveloper for any Working Capital Advance; (b) For deposit into the Capital Reserve Fund up to 10% of such calendar year's Annual Operating Expense Budget; (c) To reimburse Redeveloper for any Revenue Deficiency previously paid; and (d) As a credit against the Estimated Operating Expenses for the following year's Annual Operating Expense Budget.

Section 6.5 Minimum Fee. (1) Redeveloper shall unconditionally and irrevocably pay to the BLRA or the Port Manager, as the case may be, punctual and full payment of the Revenue Deficiency or Working Capital Advance, as and when due under Section 6.4 above, provided, however, that upon the termination of the Transaction Documents by virtue of a termination of the Redevelopment Agreement under Section 10.2, 19.1.1, 19.1.3 and/or 20.4 thereof, in each case, the Redeveloper shall be relieved of all its obligation to pay the Revenue Deficiency and Working Capital Advance to the BLRA or the Port Manager, as the case may be, and shall thereafter only be required to pay to the Bondholders and/or Approved Lenders, the BLRA Financing Charge (the amount of the Revenue Deficiency, Working Capital Advance or, BLRA Financing Charge payable under this Section 6.5(1), as the case may be, shall mean in each instance, the "Minimum Fee"). No set-off, claim, reduction or diminution of any obligation, or any defense of any kind or nature which Redeveloper now has or hereafter may have against the BLRA or the Port Manager, shall be available hereunder to the Redeveloper against the BLRA or Port Manager with respect to the payment of the Minimum Fee.

(2) Notwithstanding any payments made or obligations performed by the Redeveloper by reason of this Usage Agreement (including but not limited to application of funds on account of such payments or obligations or on account of the Minimum Fee), the Redeveloper hereby irrevocably (a) subordinates to the prior payment in full of its obligations hereunder any and all rights it may have at any time (whether arising directly or indirectly, by operation of law, contract or otherwise) to assert any claim against any other Person, or against any direct or indirect security, on account of payments made or obligations performed under or pursuant to this Usage Agreement, including without limitation any and all rights of subrogation, reimbursement, exoneration, contribution or indemnity, and (b) waives and releases any rights it may have at any time to require the marshaling of any assets of Redeveloper, which right of marshaling might otherwise arise from payments made or obligations performed under or pursuant to this Section 6.5.

(3) This Section 6.5 shall survive the termination of the Transaction Documents.

Section 6.6 Reimbursement of Loss of Certain Revenues. Notwithstanding anything to the contrary in the Transaction Documents, upon the Termination Date, other than a termination pursuant to Section 19.1.1(1) of the Redevelopment Agreement, the BLRA shall have a continuing obligation following the Termination Date to, in good faith, (1) generate revenues from the Improvements, including, without limitation, by assigning use of the Improvements (or any portion thereof), and (2) remit, to the extent available, Reimbursement Revenue to the Redeveloper to offset Redeveloper's continuing obligation to pay the Minimum Fee under this Usage Agreement. Notwithstanding anything herein to the contrary, the BLRA's obligation to pay Reimbursement Revenue shall cease on February 1, 2039. Reimbursement Revenue shall be determined on an annual basis and shall be payable, to the extent available, to Redeveloper within 30 days of the end of each calendar year. Nothing in this Section 6.6 shall limit Redeveloper's rights to seek any and all available remedies under the Transaction Documents. This Section 6.6 shall survive the termination of the Transaction Documents.

ARTICLE 7

PORT OPERATIONS

Section 7.1. The BLRA's Obligations. (1) Neither the BLRA, nor its employees, agents or Affiliates, shall have any duty to operate, maintain and/or manage the Port. The BLRA's sole obligation shall be to retain a Port Manager to operate the Port. The BLRA shall not be responsible under any circumstances for the actions of the Port Manager.

(2) At all times during the Term of this Usage Agreement, the Port Manager shall be the sole and exclusive manager and operator of the Port under the Terminal Operating Agreement. The BLRA may, in its sole discretion, delegate certain administrative matters relating to this Usage Agreement to the designated Port Manager in writing, including the scheduling of Berths under Section 3.2.2. The BLRA shall promptly notify Redeveloper and RCCL Cruise Lines of any such delegation. In the event that the BLRA serves as the Port Manager itself, or if the BLRA shall handle any administrative matters itself in lieu of delegation to the designated Port Manager under the terms of this Usage Agreement, then the BLRA shall be entitled to the BLRA Administrative Fee pursuant to the terms of Section 4.1(3)(g) of the Terminal Operating Agreement.

Section 7.2 Improvements to Port. Nothing in this Article shall limit the right of the BLRA to make improvements to the Port under the Transaction Documents, so long as the BLRA or the Port Manager maintains the Port and provides Terminal Services at the Port in accordance with this Usage Agreement and the Terminal Operating Agreement.

Section 7.3 Continuous Use Obligations. Redeveloper shall maintain continuous use of the Port for Cruise Operations each calendar year during the Term. Such continuous use shall, at a minimum, extend from April 15 to October 15 of each calendar year. Any suspension or abandonment of the use and operation of the Port shall constitute an Event of Default subject to the default provisions of Article 9 of this Usage Agreement, provided, however, that the discontinuance of use for *bona fide* business purposes for a period not to exceed one year during any ten year period, or temporary discontinuance of use due to construction, Casualty Restoration, a Taking or Force Majeure Event shall not be deemed an abandonment of use.

Section 7.4 Non-Disclosure of Confidential Information and Trade Secrets. Except as otherwise required by Applicable Law, the BLRA and Redeveloper agree not to disclose Confidential Information to any third party other than to their respective directors, officers, employees, agents and advisors, as needed. To the extent permitted by Applicable Law, Redeveloper shall not be required to disclose, nor will the BLRA disclose, or permit others to acquire access to, any trade secrets of Redeveloper or any of its Affiliates or any other processes, techniques or information expressly identified by Redeveloper to be a trade secret or otherwise identified as Confidential Information.

ARTICLE 8

INSURANCE

Section 8.1 Insurance Requirements for RCCL Cruise Lines. (1) At all times during the Term of this Usage Agreement, RCCL Cruise Lines shall carry and maintain, at its expense, policies written by underwriters with an "A-8" or better rating from AM Best or as otherwise approved by the BLRA covering:

(a) Commercial general liability insurance, including insurance against assumed or contractual obligations under this Usage Agreement against any liability arising out of the use of the Redevelopment Area, the Improvements and all areas appurtenant thereto, to afford protection of not less than \$10,000,000 per occurrence/aggregate with respect to personal injury, bodily injury, death and property damage. Such liability shall be written on the ISO occurrence form CG 00 01, or a substitute form providing equivalent coverages and shall cover liability arising from Cruise Operations and other Permitted Uses, premises operations, independent contractors, products-completed operations, broad form property damage, personal & advertising injury, cross liability coverage, liability assumed in a contract (including the tort liability of another assumed in a contract);

(b) If and to the extent required by Applicable Law, Worker's Compensation, Employers Liability and Disability Benefits as required by the State. If employees will be working on, near or over navigable waters, US Longshoremen's and Harbor Workers' Compensation Act endorsement must be included, and any other coverage (if applicable) or similar insurance in form and amounts required by Applicable Law;

(c) Comprehensive boiler and machinery equipment coverage, if applicable;
and,

(d) RCCL Cruise Lines shall maintain all-risk property insurance, including builder's risk, theft and flood coverage (if available), written at replacement cost value and with replacement cost endorsement, covering the Improvements until such time as such Improvements are sold to the BLRA.

(2) RCCL Cruise Lines shall cause to be included in each of its policies insuring against loss, damage or destruction by fire or other insured casualty a waiver of the insurer's right of subrogation against the BLRA, or, if such waiver is unobtainable (i) an express agreement that such policy shall not be invalidated if RCCL Cruise Lines waives or has waived before the casualty, the right of recovery against the BLRA or (ii) any other form of permission for the release of the BLRA.

(3) Upon 10 Business Days notice, copies of certificates evidencing the insurance required herein, and rating information, shall be furnished to the BLRA at no cost. Such policies shall be subject to the approval of the BLRA for adequacy and form of protection. The BLRA shall have the right upon 30 days written notice from time to time to cause the RCCL Cruise Lines to increase liability limits or modify coverages.

(4) The RCCL Cruise Lines shall deliver to the BLRA one certificate of insurance evidencing each required insurance coverage upon the execution of this Usage Agreement.

(5) Not less than 30 days prior to the expiration date or renewal date, RCCL Cruise Lines shall supply the BLRA updated replacement certificates of insurance, and amendatory endorsements.

(6) The liability policies required herein shall be endorsed to include provisions that:

(a) require the insurer to provide 60 days prior written notice to all additional insureds, before the policy is canceled, terminated, changed or modified by the insurance company;

(b) confirm that the presence of the BLRA's personnel at the Redevelopment Area inclusive of the Port shall not invalidate its insurance policy; and

(c) confirm that a violation of any of the terms of any other policy issued by the insurer to RCCL Cruise Lines shall not invalidate the policy.

(7) Upon request, the RCCL Cruise Lines shall promptly furnish copies of the above endorsements to the BLRA. Acceptance of such copies by the BLRA does not and shall not be construed to relieve the RCCL Cruise Lines of any obligations, responsibilities or liabilities under this Usage Agreement.

(8) Notwithstanding the foregoing provisions of this Section, an appropriate umbrella policy is acceptable in the event that the full limits of any of the foregoing coverages are not available on a primary basis.

(9) For purposes of this Usage Agreement, notice of an accident from the BLRA to RCCL Cruise Lines shall constitute notice to the applicable insurer.

Section 8.2 Environmental Insurance. Environmental insurance in the form of a Pollution Legal Liability policy or similar insurance unless otherwise covered by the Redeveloper's environmental insurance policy with the following minimum specifications subject to review and change as agreed to by the Parties from time to time:

(1) it shall include coverage for Known Conditions and Unknown Conditions as defined herein;

(2) coverage shall be for a term of 1 year renewable annually for a term of 5 to 10 years;

(3) coverage to include a waiver of subrogation regarding any waiver, as applicable, by the RCCL Cruise Lines of claims associated with matters addressed in this Usage Agreement which the RCCL Cruise Lines may have against the BLRA, its officers, agents or employees except for those asserted by third parties in their own right. In no circumstances shall the RCCL Cruise Lines be entitled to assign to any third party, rights of action that the RCCL Cruise Lines may have against the BLRA;

(4) the limits of risk transfer must be 1/2 times the Redeveloper's Cost of Construction but not to exceed \$10 million; and

(5) the insurance carrier must be rated "A-8" by A.M. Best or better, or as otherwise approved by the BLRA.

Section 8.3 The BLRA as Additional Insured. All policies evidencing the foregoing insurance in Sections 8.1 and 8.2 shall name the BLRA and/or its designee(s) as additional insured, shall be primary and non-contributory with respect to RCCL Cruise Lines' undertaking of Cruise Operations

and Permitted Uses, excepting workers compensation. If RCCL Cruise Lines shall fail to perform any of its obligations under this Article 8, the BLRA may perform the same and the cost of same shall be payable upon the BLRA's demand.

Section 8.4 BLRA's Liability. The BLRA shall not be responsible or liable to RCCL Cruise Lines, or to those claiming by, through or under RCCL Cruise Lines, for any loss or damage resulting to RCCL Cruise Lines, or those claiming by, through or under RCCL Cruise Lines, or its or their property, from the breaking, bursting, stoppage or leaking of electrical cable and wires, or water, gas, fuel oil, sewer or steam pipes so long as such loss or damage is not occasioned by the BLRA's intentional act or omission or the BLRA's gross negligence. To the maximum extent permitted by Applicable Law, RCCL Cruise Lines agrees to use the Redevelopment Area, inclusive of the Port and the Improvements, as RCCL Cruise Lines is herein given the right to use, at RCCL Cruise Lines' own risk.

Section 8.5 Restriction on Use. RCCL Cruise Lines shall not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Redevelopment Area, inclusive of the Port and Improvements, which will violate RCCL Cruise Lines' policies of hazard or liability insurance or which will prevent RCCL Cruise Lines from procuring such policies in companies acceptable to the BLRA.

Section 8.6 No Double Recovery. Neither the BLRA nor RCCL Cruise Lines shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income or losses under worker's compensation laws and benefits even though such loss or damage might have been occasioned by the negligence of such Party, its agents or employees if, and to the extent, that any such loss or damage is covered by insurance benefiting the Party suffering such loss or damage or was required to be covered by insurance pursuant to this Usage Agreement.

Section 8.7 Insurance Requirements for Contractors. RCCL Cruise Lines shall require any contractor of RCCL Cruise Lines performing work on or about the Redevelopment Area inclusive of the Port and the Improvements to carry and maintain, at no expense to the BLRA policies written by underwriters with an "A-8" or better rating from AM Best or as otherwise approved by the BLRA:

(1) Commercial general liability insurance, including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage endorsement and contractor's protective liability coverage, to afford protection of not less than \$2,000,000 per occurrence/aggregate with respect to personal injury, bodily injury, death and property damage;

(2) Comprehensive automobile liability insurance with limits for each occurrence, combined single limit coverage, of not less than \$2,000,000 with respect to personal injury, death and property damage; and

(3) If and to the extent required by Applicable Law, worker's compensation coverage, employers liability and disability benefits as required by the State. If employees will be working on, near or over navigable waters, US Longshoremen's and Harbor Workers' Compensation Act endorsement must be included, and any other coverage (if applicable) or similar insurance in form and amounts required by Applicable Law.

Section 8.7.1 BLRA as Additional Insured. All insurance policies of contractors of RCCL Cruise Lines evidencing the foregoing insurance shall name the BLRA and/or its designee(s) as additional insured (except worker's compensation insurance), shall be primary and non-contributory with respect to RCCL Cruise Lines' undertaking of Cruise Operations and Permitted Uses, and shall also contain a provision by which the insurer agrees that such policy shall not be cancelled, materially changed

or not renewed without at least 60 days' advance notice to the BLRA, or their designee(s). A certificate evidencing such insurance shall be deposited with the BLRA by RCCL Cruise Lines promptly upon commencement of RCCL Cruise Lines' contractor's obligation to procure the same. If RCCL Cruise Lines shall fail to cause its contractors to perform any of the obligations under this Article 8, the BLRA may perform the same and the cost of same shall be payable upon the BLRA's demand.

ARTICLE 9

TERM, DEFAULT AND REMEDIES

Section 9.1 Term. (1) The Term of this Usage Agreement shall commence on the Effective Date and end on December 31, 2038, unless sooner terminated or extended pursuant to the provisions of this Usage Agreement.

(2) This Usage Agreement shall terminate upon the termination of the Redevelopment Agreement in accordance with its terms provided, however, that such termination shall not relieve the BLRA of its continuing obligation under Section 6.6 of this Usage Agreement and Section 8.1.3 of the Redevelopment Agreement.

Section 9.2 Events of Default by Redeveloper. With regard to Redeveloper, the following shall be "Events of Default" by the Redeveloper under this Usage Agreement:

(1) Failure by Redeveloper or RCCL Cruise Lines to observe or perform any material covenant, condition or agreement on its part to be observed or performed hereunder, which failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Redeveloper or RCCL Cruise Lines by the BLRA, unless the BLRA shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if effective corrective action is instituted by Redeveloper or RCCL Cruise Lines within such period and diligently pursued until such failure is corrected; and/or

(2) The commencement by Redeveloper of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or its consent to the entry of an order for relief in an involuntary case under any such law, or its consent to the appointment of or taking possession by a receiver, custodian, liquidator, assignee, trustee or sequestrator (or other similar official) of itself or of any substantial part of its property, or shall make a general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due; and/or

(3) A court having jurisdiction shall enter a decree or order for relief in respect of Redeveloper in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, custodian, liquidator, assignee, trustee, sequestrator (or other similar official) of Redeveloper or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of such decree or order unstayed and in effect for a period of 90 consecutive days; and/or

(4) The occurrence of an Event of Default by Redeveloper or RCCL Cruise Lines under any Transaction Document.

Section 9.3 The BLRA's Remedies. Whenever any Event of Default hereunder by Redeveloper shall have happened and be continuing without cure, the BLRA may terminate this Usage Agreement by providing written notice to Redeveloper, and (1) re-enter and take possession of the Improvements to the extent they have been already sold to the BLRA or (2) re-enter, take possession and take title to the Improvements to the extent they have not been sold to the BLRA and in each case Redeveloper shall vacate and surrender title (if applicable) and possession to the same, without the BLRA having any further obligation except as set forth in the Transaction Documents including, but not limited to, Section 6.6 of the Usage Agreement or Section 8.1.3 of the Redevelopment Agreement, or (3) utilize

any available remedies at law or in equity to which BLRA may be entitled. The BLRA may pursue its rights and remedies under the Transaction Documents in whatever order, or collectively, and shall not be required to exhaust any right or remedy or proceed in any order against Redeveloper, provided that the BLRA shall give the Redeveloper written notice of any default hereunder and an opportunity to cure such default within 30 days of receipt of such notice and provided further that failure to give such notice shall not be a defense to such obligation.

Section 9.4 Events of Default by the BLRA. With regards to the BLRA, the following shall be "Events of Default" under this Usage Agreement:

(1) Failure by the BLRA to observe or perform any covenant, condition or agreement on its part to be observed or performed hereunder or under the Transaction Documents, and such failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the BLRA by Redeveloper, unless Redeveloper shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if corrective effective action is instituted by the BLRA within such period and diligently pursued until such failure is corrected; and/or

(2) The BLRA transfers a controlling interest in the Port to any other party for any reason and such successor does not completely and unconditionally assume the rights and obligations of the BLRA under this Usage Agreement; and/or

(3) The BLRA transfers a controlling interest in the Port to a non-governmental party, without Redeveloper's prior written consent, which shall not be unreasonably withheld; and/or

(4) The occurrence of an "Event of Default" by the BLRA under any Transaction Document.

Section 9.5 Redeveloper's Remedies. Whenever any Event of Default by the BLRA hereunder shall have happened and be continuing, any one or more of the following remedial steps may be taken by Redeveloper:

(1) Terminate this Usage Agreement by providing written notice to the BLRA;

(2) Suspend its performance under the Redevelopment Agreement in accordance with Section 20.11 of the Redevelopment Agreement; and/or

(3) Seek against the BLRA any remedy provided for at law or in equity, including, without limitation, specific performance and injunctive relief.

Section 9.6 Cumulative Remedies; Delay or Omission – No Waiver. The remedies conferred upon or reserved to the BLRA or Redeveloper pursuant to this Usage Agreement, including, without limitation, those set forth in this Article 9, are demonstrative only, and are not exclusive of any other available remedy or remedies provided for at law or in equity, or under any Applicable Law now existing or hereinafter provided, but each and every remedy shall be cumulative and shall be in addition to every other remedy either given under this Usage Agreement or at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as it may be deemed expedient. In order to entitle the BLRA or Redeveloper to exercise any remedy reserved to it in this Article 9, it shall not be necessary to give any Notice, other than such

Notice as may be herein expressly required.

Section 9.7 Specific Performance. If an Event of Default occurs, or a Party hereto threatens to take an action that will result in the occurrence of an Event of Default, the non-defaulting (or non-threatening) Party shall have the right and remedy, without posting bond or other security, to have the provisions of this Usage Agreement specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach may cause irreparable injury to the BLRA or Redeveloper and that money damages may not provide an adequate remedy for such inquiry.

Section 9.8 Continuance of Obligation. The occurrence of an Event of Default shall not relieve the defaulting Party of its obligations under this Usage Agreement or the Transaction Documents. The Redeveloper shall continue to remain obligated to pay the Minimum Fee in accordance with Section 6.5 of this Usage Agreement and the BLRA shall continue to remain obligated pursuant to Section 6.6 of this Usage Agreement and Section 8.1.3 of the Redevelopment Agreement. Such defaulting Party's obligations shall survive the termination of the Transaction Documents in accordance with the terms thereof.

Section 9.9 Mitigation. The Parties shall act reasonably to mitigate any damages incurred as the result of an Event of Default or, to the degree possible, in the event of a Force Majeure under this Usage Agreement.

Section 9.10 Survival of Termination. The provisions of this Article shall survive the termination of this Usage Agreement as a result of an Event of Default.

Section 9.11 No Consequential Damages. Notwithstanding anything to the contrary contained herein, each Party hereby waives and releases the other from any other claim of consequential or other type of damages, whether based on contract, warranty, negligence (including sole, joint, or comparative), strict liability or otherwise, and whether special, consequential, indirect, incidental, punitive damages of any kind of character, including but not limited to, loss of profits or revenues, loss of product, cost of capital, and the like arising directly or indirectly from or out of any wrongful act, negligence or willful misconduct on the part of the other Party or its Affiliates, agents, representatives, employees, contractors or Invitees, and any failure of the other Party or its Affiliates, officers, directors, employees, agents or representatives to comply with any Applicable Law or with the directive of any Governmental Body.

Section 9.12. Assignment by BLRA. This Usage Agreement may be assigned by the BLRA (1) to another Governmental Body and upon such assignment shall be binding upon and inure to the benefit of the successors and assigns of the BLRA, or (2) to any Person, provided that such Person (a) unconditionally assumes and is capable of assuming all obligations of the BLRA set forth herein, and (b) such Person is reasonably acceptable to Redeveloper.

ARTICLE 10

FORCE MAJEURE

Section 10.1 Force Majeure. Performance by any Party under this Usage Agreement or the Transaction Documents shall not be deemed to be in default where delays or failure to perform are the result of the following acts, events or conditions or any combination thereof that has had or may be reasonably expected to have a direct, material, adverse effect on the rights or obligations of the Parties to this Usage Agreement; provided, however, that such act, event or condition shall be beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such Party under the terms of this Usage Agreement (collectively, "Force Majeure Events").

Section 10.2 Force Majeure Events. The following shall constitute "Force Majeure Events":

(1) An act of God, lightning, blizzard, hurricane, tornado, earthquake, acts of a public enemy, war, terrorism, blockade, insurrection, riot or civil disturbance, sabotage or similar occurrence (such events being required to physically affect a Party's ability to fulfill its obligations hereunder; the consequential effect of such events (e.g., impact on market conditions) shall not be considered a Force Majeure Event); and/or

(2) A landslide, fire, explosion, flood or release or discovery in the Redevelopment Area of unexploded ordnance, nuclear, biological or radiological compounds not created or released by an act or omission of either Party hereto; and/or

(3) The order, judgment, action or inaction and/or determination of any court with jurisdiction or a Governmental Body (other than the BLRA when acting in conformance with this Usage Agreement) with jurisdiction over the BLRA or the Redevelopment Area, excepting decisions interpreting Federal, State and local tax laws generally applicable to all business taxpayers, adversely affecting the Construction of any Improvement or Redeveloper's performance under this Usage Agreement; provided, however, that such order, judgment, action and/or determination shall not be the result of the willful, intentional or negligent action or inaction of the Party to this Usage Agreement relying thereon and that neither the contesting of any such order, judgment, action and/or determination, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party; and/or

(4) The suspension, termination, interruption, denial, failure of, or delay in renewal or issuance of any Approval required pursuant to Applicable Law, provided, however, that such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance shall not be the result of the willful, intentional or negligent action or inaction of the Party relying thereon and that neither the contesting of any such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party. Delay in issuance of an Approval resulting from Redeveloper's failure to make an administratively complete submission for an Approval shall not be an event of Force Majeure; and/or

(5) Lawsuits or other legal actions taken by any Person challenging the transactions contemplated by this Usage Agreement, or any other regulatory or administrative delay, except that any lawsuit or other legal action initiated by Redeveloper, an Affiliate of Redeveloper, and any Person with an equity interest therein, an employee, agent, vendor or contractor of the aforementioned entities, shall not be an event of Force Majeure; and/or

(6) The failure or inability on the part of the BLRA to remediate any Pre-Existing Contamination or obtain the NFA/CNS to the extent such failure or inability entails a delay in the ability of the Redeveloper to undertake the Construction of any Improvements.

Section 10.3 Notice of Force Majeure. Notwithstanding the foregoing, unless the Party entitled to an extension under this Article gives written Notice to the other Party hereto of its claim to such extension within 10 days after such Party obtains actual knowledge of the event giving rise to such claim, there shall be excluded in computing the number of days by which the time for performance of the act in question shall be extended, the number of days which shall have elapsed between the occurrence of such event and the actual giving of such Notice, provided, however, that failure to provide such Notice shall not prevent the Party claiming a Force Majeure Event from exercising its rights and enjoying the protections afforded under such claim and provided further that in the event the Party entitled to received such Notice has actual knowledge of such Force Majeure Event, the penalty for failure to provide Notice pursuant hereto shall not apply.

Section 10.4 Procedure. The Parties acknowledge that the acts, events or conditions set forth in this Article are intended to be the only acts, events or conditions that may (upon satisfaction of the conditions specified herein) constitute a Force Majeure Event. Notice by the Party claiming such extension due to Force Majeure Event shall be sent to the other Party within 30 calendar days of the commencement of the cause. During any Force Majeure Event that affects part of the Redevelopment Project or performance under this Usage Agreement, Redeveloper shall continue to perform its obligations for the remainder of the Term of the Redevelopment Project or the remainder of the Term of the Transaction Documents. The existence of a Force Majeure Event shall not prevent a Party from declaring the occurrence of an Event of Default by the Party relying on such Force Majeure provided that the event that is the basis of the Event of Default is not a result of the Force Majeure Event. Notwithstanding anything contained herein to the contrary, in the case of a Force Majeure Event described in this Article, the Party claiming such extension shall have an ongoing obligation to contest such lawsuit or other legal action, regulatory or administrative delay, to the extent applicable, and shall perform all acts necessary to terminate such Force Majeure event.

ARTICLE 11

DISPUTE RESOLUTION

Any Dispute, controversy or claim of one Party against the other Party arising out of, relating to or in connection with this Usage Agreement, including any question regarding its existence, validity or termination, or regarding a breach thereof shall be resolved pursuant to the following procedures:

Section 11.1 Dispute Notice. Any Party wishing to initiate consideration of a Dispute hereunder shall give written a Dispute Notice to the other Party of the existence of such Dispute and of the Party's desire to have the other Party consider the Dispute. Such notice shall set forth in reasonable detail the nature of the Dispute to be considered and shall be accompanied by a full disclosure of all factual evidence and a statement of the applicable legal basis of the Dispute; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 11.2 Negotiating Team. Upon giving and receipt of a Dispute Notice, each Party shall appoint a Negotiating Team consisting of not less than one and not more than three representatives.

Section 11.3 Negotiation Meetings. The Negotiating Teams shall commence meeting within 30 days of receipt of the Dispute Notice and shall, during and up to such 30 day period, meet and negotiate in good faith for a period of up to 30 days to attempt to resolve the Dispute. During such negotiation period, a Party asserting a claim for damages or equitable relief or any defense thereto against any other Party shall disclose to the other Party all previously undisclosed factual evidence and legal basis of such claim or defense; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or legal proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 11.4 Final Dispute Notice. If the Negotiating Teams fail to resolve the Dispute within the negotiation period set forth in Section 11.3 above, any Party may notify the other Party of such failure by delivery of a Final Dispute Notice.

Section 11.5 Arbitration. Upon the giving or receipt of a Final Dispute Notice, any disagreement within the scope of this Article 11 shall be determined by final and binding arbitration pursuant to the then current Commercial Arbitration Rules of the American Arbitration Association ("AAA"), in existence at the time of the execution of this Usage Agreement. The arbitration shall be conducted in Newark, New Jersey, USA. The arbitration shall be before a panel of three arbitrators. One arbitrator shall be selected by each of the Parties and the third arbitrator shall be selected by the two arbitrators designated by the Parties. Each Party shall bear its own costs and expenses in preparing for and participating in the arbitration hearing except that each Party shall pay one-half of the compensation payable to the arbitrators, one-half of any fees to the AAA and one-half of any other costs related to the hearing proceedings. The arbitration award may provide for either damages or other equitable relief,

including, but not limited to, injunctive relief, and shall be final and binding on the Parties, and judgment on the award may be entered in any court having jurisdiction, including resort to the relief granted in the Federal Arbitration Act or Applicable Law.

Section 11.6 Commencement of Arbitration. It is explicitly agreed by each of the Parties hereto that no such arbitration shall be commenced except in conformity with this Article 11.

Section 11.7 Prevailing Party Award of Attorneys' Fees. In the event either Party brings an arbitration proceeding against the other arising out of the terms or provisions of this Usage Agreement and the other Party employs an attorney in connection therewith, the prevailing Party (whether such prevailing Party has been awarded a money judgment or not) may be awarded by the arbitrators and entitled to receive from the other Party full reimbursement of such prevailing Party's reasonable attorneys' and para-professionals' fees (excluding in-house counsel and para-professional fees) and costs incurred therewith (including costs to enforce arbitration), whether such fees are incurred by the prevailing Party before, during, or after any arbitration, trial or administrative proceeding or on appeal.

Section 11.8 No Abrogation of Right to Seek Emergent Equitable Relief. Nothing in this Article shall be construed to deprive any Party, or to abrogate any Party's right, to seek emergent, equitable relief, if necessary, in any court of competent jurisdiction and in accordance with Applicable Law, as any such court may adjudge, order or decree under the pertinent circumstances.

ARTICLE 12

INDEMNIFICATION

Section 12.1 Indemnification. Each Party covenants and agrees, at its sole expense, to pay and to indemnify, protect, defend and hold the BLRA Indemnified Parties or the Redeveloper Indemnified Parties, as the case may be, harmless from and against all liability, losses, damages, demands, costs, claims, actions, or expenses (including attorneys' fees, disbursements, and court costs) of every kind, character and nature arising out of, resulting from or in any way connected with this Usage Agreement, or the acquisition, condemnation, condition, use, possession, conduct, management, planning, design, construction, installation, financing, marketing, leasing or sale of the Redevelopment Area, including but not limited to, the death of any Person or any accident, injury, loss, and damage whatsoever caused to any Person or to the property of any Person that shall occur on the Redevelopment Area and that, with respect to any of the foregoing, are related to or resulting from any negligence or willful misconduct of Redeveloper or the BLRA, as the case may be, its agents, servants, employees, or contractors.

Section 12.2 Environmental Indemnification. For purposes of this Article 12 and this Usage Agreement, the Environmental Indemnification set forth in Section 15.5 of the Redevelopment Agreement shall govern and be applicable to the Parties.

Section 12.3 Interest in the Redevelopment Area. With respect to any interest in the Redevelopment Area acquired or accessed by Redeveloper, Redeveloper shall defend, protect, indemnify and hold harmless the BLRA Indemnified Parties, from any claim, liability, injury and expense (including, without limiting the generality of the foregoing, the cost of any required investigation and remediation of any environmental conditions, and the cost of attorneys' fees) which may be sustained as the result of any environmental conditions on, in, under or migrating to or from the Redevelopment Area acquired or accessed by Redeveloper, to the extent any such liability attaches to the BLRA Indemnified Parties as a direct result of activities performed by Redeveloper or its contractors pursuant to this Usage Agreement, including without limitation claims against the BLRA Indemnified Parties by any third party.

Except as set forth in Article 15 of the Redevelopment Agreement, neither Party has granted any release, indemnity and/or other forbearance in favor of the other with respect to any claim, liability, injury, damage, cost or action and/or expense relating to the environmental condition of the Peninsula (specifically including, without limitation, any Parcel(s) to be developed by Redeveloper), and no provision of this Usage Agreement shall in any manner be argued and/or construed to constitute a waiver or limitation of any right or claim that either Party may assert against the other under Applicable Law respecting such matters.

Section 12.4 Notification of Indemnification. In any situation in which the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, are entitled to receive and desire defense and/or indemnification pursuant to this Article 12, the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, shall give Notice of such situation to the Indemnifying Party within 30 days after the Indemnified Party has actual knowledge of any claim as to which indemnity may be sought hereunder. Failure to provide timely Notice to the Indemnifying Party shall not relieve the Indemnifying Party of any liability to indemnify the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, unless such failure to provide timely Notice materially impairs the Indemnifying Party's ability to defend. Upon receipt of such Notice, the Indemnifying Party shall resist and defend any action or proceeding on behalf of the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, including the employment of counsel reasonably acceptable to the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, the payment of all expenses and the right to negotiate and consent to settlement. All of the BLRA Indemnified Parties or

Redeveloper Indemnified Parties, as the case may be shall have the right to employ separate counsel at the expense of the Indemnifying Party. The Indemnifying Party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Indemnified Party or if there is a final judgment against the Indemnified Party in any such action, the Indemnifying Party shall indemnify and hold harmless the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be from and against any loss or liability by reason of such settlement or judgment for which the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, are entitled to indemnification hereunder.

Section 12.5 Survival of Indemnity. The provisions of this Article 12 shall survive the termination of this Usage Agreement due to an Event of Default.

Section 12.6 Limitation of Damages. Notwithstanding anything else provided herein, in the event an Indemnified Party seeks an indemnity under this Article from the Indemnifying Party, the only damages Indemnified Party may collect from the Indemnifying Party are the actual non-consequential, direct, damages suffered by the Indemnified Party.

ARTICLE 13

MISCELLANEOUS

Section 13.1 Provisions Not Merged. None of the provisions of this Usage Agreement are intended to or shall be merged by reason of any prior agreement, lease or other contract between the BLRA and Redeveloper.

Section 13.2 Non-Liability of Officials, Employees and Agents of the BLRA or the City. No member, official, employee or agent of the BLRA, its Affiliates or the City shall be personally liable to Redeveloper, or any successor in interest, in the event of any default or breach by the BLRA, or for any amount which may become due to Redeveloper or its successor, or on any obligation under the terms of this Usage Agreement.

Section 13.3 Non-Liability of Officials and Employees of Redeveloper. No member, officer, shareholder, director, partner or employee of Redeveloper shall be personally liable to the BLRA, or any successor in interest, in the event of any default or breach by Redeveloper or for any amount which may become due to the BLRA, or its successor, on any obligation under the terms of this Usage Agreement.

Section 13.4 No Brokerage Commissions. The BLRA and Redeveloper each represent one to the other that no broker initiated, assisted, negotiated or consummated this Usage Agreement as broker, agent, or otherwise acting on behalf of either the BLRA or Redeveloper, and the BLRA and Redeveloper shall indemnify each other with respect to any claims made by any Person, firm or organization claiming to have been so employed by the Indemnified Party.

Section 13.5 No Partnership; Relationship of the Parties. Neither party shall be deemed, in any way or for any purpose, to have become, by the execution of this Usage Agreement or any action taken under this Usage Agreement, a partner or agent of the other party in its business or otherwise, or a member of any joint enterprise nor to have any authority to bind the other party.

Section 13.6 Enforcement by the BLRA. It is intended and agreed that the BLRA and its successors and assigns shall be deemed beneficiaries of this Usage Agreement and covenants set forth herein, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit this Usage Agreement and the covenants set forth herein have been provided. This Usage Agreement and the covenants set forth herein shall run in favor of the BLRA for the entire period during which this Usage Agreement and covenants set forth herein shall be in force and effect. The BLRA shall have the right, in the event of any breach of this Usage Agreement or the covenants set forth herein, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which they and their successors and assigns may be entitled, provided, however, that at all times this Section shall be subject to the provisions of Articles 9 and 11 respectively.

Section 13.7 Enforcement by Redeveloper. It is intended and agreed that Redeveloper, its Affiliates and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this Usage Agreement. Such agreements and covenants shall run in favor of Redeveloper and its Affiliates for the entire period during which such agreements and covenants shall be in force and effect. Redeveloper and its Affiliates shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which they and their successors and assigns may be entitled. It is also agreed that RCCL Cruise Lines is

a beneficiary of this Usage Agreement, and all agreements and covenants herein running in favor of the Redeveloper shall inure to the benefit of RCCL Cruise Lines, provided, however, that at all times this Section shall be subject to the provisions of Articles 9 and 11 respectively.

Section 13.8 Notices. Any Notice, demand, election, payment, or other communication, which the BLRA or Redeveloper shall desire or be required to give pursuant to the provisions of this Usage Agreement (each a "Notice"), shall be sent by registered or certified mail, return receipt requested, and the giving of such Notice shall be deemed complete on the third (3rd) business day after the same is deposited in a United States Post Office with postage charges prepaid, enclosed in a securely sealed envelope addressed to the Person intended to be given such Notice at the respective addresses set forth below or to such other address as such Party may theretofore have designated by Notice pursuant to this Section 13.8:

BLRA: Bayonne Local Redevelopment Authority
51 Port Terminal Boulevard
Suite 21
Bayonne, New Jersey 07002
Attention: Nancy A. Kist, Executive Director

With copy to: John F. Coffey, II, Esq.
Bayonne Municipal Building
630 Avenue C
Bayonne, NJ 07002-3898

Joseph P. Baumann, Jr., Esq.
McManimon & Scotland, L.L.C.
One Riverfront Plaza, 4th Floor
Newark, NJ 07102

Redeveloper: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President, New
Business Development

With a copy to: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President and
General Counsel

All Notices to be given under this Usage Agreement shall be given in writing in conformance with this Section 13.8 and, unless a certain number of days is specified, within a reasonable time.

Section 13.9 Waivers; Amendments; Requirement of a Writing. All waivers of the provisions of this Usage Agreement must be in writing and signed by the appropriate representatives of the BLRA and Redeveloper, and all amendments hereto must be in writing and signed by the appropriate representatives of the BLRA and Redeveloper. The waiver by either Party of a default or of a breach of any provision of this Usage Agreement by the other Party shall not operate or be construed to operate as a waiver of any subsequent default or breach. The failure of the BLRA or Redeveloper to insist in any one or more instances upon the strict performance of any of the covenants, agreements, terms, provisions or

conditions of this Usage Agreement or to exercise any election contained in this Usage Agreement shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, election or option, but the same shall continue and remain in full force and effect. In the event that any contractual provisions that are required by Applicable Law have been omitted, then the BLRA and Redeveloper agree that this Usage Agreement shall be deemed amended to incorporate all such clauses by reference and such requirements shall become a part of this Usage Agreement. If such incorporation occurs and results in a change in the obligations or benefits of one of the Parties, the Parties agree to act in good faith to mitigate such changes in position.

Section 13.10 Conflict of Interest. No member, official or employee of the BLRA shall have any direct or indirect interest in this Usage Agreement, nor participate in any decision relating to this Usage Agreement which is prohibited by Applicable Law.

Section 13.11 No Consideration for Agreement. Redeveloper warrants it has not paid or given, and will not pay or give, any third Person any money or other consideration for obtaining this Usage Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. Redeveloper further warrants it has not paid or incurred any obligation to pay any officer or official of the BLRA or City, any money or other consideration for or in connection with this Usage Agreement.

Section 13.12 Approvals by the BLRA and Redeveloper. Wherever this Usage Agreement requires the approval of the BLRA or Redeveloper, or any officers, agents or employees of either the BLRA or Redeveloper, such approval or disapproval shall be given within the time set forth in this Usage Agreement, or, if no time is given, within a reasonable time. All approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld or delayed unless specifically stated otherwise.

Section 13.13 No Third Party Beneficiaries. The provisions of this Usage Agreement are for the exclusive benefit of the Parties, their Affiliates and the Port Manager and not for the benefit of any third Person, with the exception of the Redeveloper's Affiliates and as provided herein, nor shall this Usage Agreement be deemed to have conferred any rights, express or implied, upon any third Person.

Section 13.14 Consents. Unless otherwise specifically provided herein, no consent or approval by the BLRA or Redeveloper permitted or required under the terms of this Usage Agreement shall be valid or be of any force whatsoever unless the same shall be in writing, and signed by an authorized representative of the Party by or on whose behalf such consent is given.

Section 13.15 Captions. The captions of the Articles, Sections, Subsections, the Table of Contents and Schedule of Exhibits of this Usage Agreement are for convenient reference only and shall not be deemed to limit, construe, affect, modify or alter the meaning of the Articles, Sections, Exhibits, or other provisions hereof.

Section 13.16 Governing Law. This Usage Agreement shall be governed by and construed in accordance with the laws of the State, without giving effect to choice of laws principles.

Section 13.17 Severability. If any Article, Section, Subsection, term or provision of this Usage Agreement or the application thereof to any Party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Usage Agreement or the application of same to Parties or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining Article, Section, Subsection, term or provision of this Usage Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law, provided that no such severance shall

serve to deprive any Party of the enjoyment of its substantial benefits under this Usage Agreement.

Section 13.18 Assignment by Redeveloper. Redeveloper may, with the prior written consent of the BLRA (which shall be given in the BLRA's sole discretion) assign this Usage Agreement, or any portion thereof, to any Person. Redeveloper may, without the prior written consent of the BLRA, assign this Usage Agreement, or any portion thereof, to any Affiliate, provided that Redeveloper, remains primarily obligated hereunder and guarantees such Affiliate's obligations hereunder.

Section 13.19 Successors and Assigns. This Usage Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto and their heirs, executors and administrators.

Section 13.20 Exhibits. All Exhibits referred to herein shall be considered a part of this Usage Agreement with the same force and effect as if such Exhibits had been included fully within the text of this Usage Agreement.

Section 13.21 Review by Counsel; Construction and Interpretation. The Parties acknowledge that this Usage Agreement has been extensively negotiated with the assistance of competent counsel for each Party and agree that no provision of this Usage Agreement shall be construed in favor of or against any Party by virtue of the fact that such Party or its counsel have provided an initial or any subsequent draft of this Usage Agreement or of any portion of this Usage Agreement. The Agreement shall be construed and enforced in accordance with the laws of the State and no presumption as to authorship shall be presumed.

Section 13.22 Counting of Days; Saturday, Sunday or Holiday. If the final date of any period provided in this Usage Agreement for the performance of an obligation or for the taking of any action falls on a day other than a Business Day, then the time of such period shall be deemed extended to the next Business Day.

Section 13.23 Recording of Agreement. Upon written request of any Party, the Parties agree to execute an agreement, declaration or other document suitable for recording in the public records, setting forth the names of the Parties and the term thereof, identifying the Improvements and including such other clauses therein as either Party may reasonably request.

Section 13.24 Expenses. Each Party hereto shall bear its own expenses, including legal fees and costs, in connection with the preparation and negotiation of this Usage Agreement and any additional documentation required to formalize the arrangement contemplated hereby, unless specifically provided elsewhere in the Transaction Documents to the contrary.

Section 13.25 Counterparts. This Usage Agreement may be executed in two or more counterparts (including by means of telecopied signature pages), each of which shall be deemed an original, but all of which together shall constitute one and the same fully executed Usage Agreement. Counterpart signatures need not be on the same page and shall be deemed effective upon receipt.

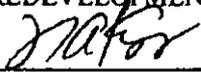
Section 13.26 Entire Agreement. The Transaction Documents constitute the entire agreement between the Parties and supersede all prior oral and written agreements between the Parties with respect to the subject matter thereof. The Transaction Documents supersede any prior understanding or written or oral agreements (express or implied) between the Parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Usage Agreement to be executed as of the day and year first above written.

THE BLRA:

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

By: _____


Nancy A. Kist,
Executive Director

REDEVELOPER:

ROYAL CARIBBEAN CRUISES, LTD.

By: _____

Name: _____

Title: _____


ADAM M. GOLDSTEIN
PRESIDENT, ROYAL CARIBBEAN INTERNATIONAL

REDEVELOPMENT AGREEMENT

By and Between

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

and

ROYAL CARIBBEAN CRUISES LTD.

BAYONNE, NEW JERSEY

Dated as of September 1, 2005

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REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (the "Redevelopment Agreement") is entered into as of this 1st day of September, 2005, but effective as of the Effective Date by and between the Bayonne Local Redevelopment Authority, an instrumentality and agency of the City of Bayonne, in the County of Hudson, New Jersey (the "BLRA"), having its offices at 51 Port Terminal Boulevard, Suite 21, Bayonne, NJ 07002, and Royal Caribbean Cruises Ltd., a corporation organized and existing under the laws of the Republic of Liberia (the "Redeveloper") and having its offices at 1050 Caribbean Way, Miami, Florida 33132 (The BLRA and Redeveloper each, a "Party" and, together, the "Parties"). Capitalized terms used herein shall have the meanings prescribed to them in Exhibit A.

WITNESSETH

WHEREAS, the Redevelopment Law provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, the BLRA was established by ordinance number 0-98-26, adopted on June 10, 1998 by the City Council as an instrumentality and agency of the City, pursuant to the provisions of the Redevelopment Law, with responsibility for implementing redevelopment plans and carrying out redevelopment projects within the City; and

WHEREAS, pursuant to a decision by the United States of America to decommission the Peninsula, the Peninsula was transferred to the BLRA pursuant to the Quitclaim Deeds; and

WHEREAS, in accordance with the criteria set forth in the Redevelopment Law, the City identified and designated the Peninsula as an area in need of redevelopment by resolution numbered 99-11-23-078, adopted on November 23, 1999 by the City Council pursuant to the Redevelopment Law; and

WHEREAS, by ordinance numbered 04-11-10-005, adopted on December 16, 2004 by the City Council, the City approved the Redevelopment Plan for the Peninsula; and

WHEREAS, the Redevelopment Law authorizes the BLRA to arrange or contract for the planning, construction or undertaking of any development project or redevelopment work in an area designated as an area in need of redevelopment pursuant to N.J.S.A. 40A:12A-8; and

WHEREAS, the BLRA is the owner of the Redevelopment Area; and

WHEREAS, by resolution numbered 062305-07, adopted on June 24, 2005 by the BLRA, the BLRA designated Redeveloper and Port Manager, as applicable, as the "redeveloper" of the Redevelopment Area as permitted by the Redevelopment Law and agreed to enter the Transaction Documents, including this Redevelopment Agreement, in order to set forth the respective undertakings, rights and obligations of Redeveloper and the BLRA in connection with the redevelopment and use of the Redevelopment Area, all in accordance with Applicable Law.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and the undertakings of each Party to the other and such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, mutually covenant, promise and agree as follows:

ARTICLE 1

DEFINITIONS, INTERPRETATION AND CONSTRUCTION

Section 1.1 Definitions. The capitalized terms used herein shall have the meanings prescribed to them in Exhibit A.

Section 1.2 Interpretation and Construction. In this Redevelopment Agreement, unless the context expressly otherwise requires:

(1) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms, as used in this Redevelopment Agreement, refer to this Redevelopment Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Redevelopment Agreement.

(2) All references to Articles, Sections, Schedules or Exhibits shall, unless otherwise indicated, refer to the Articles, Sections, Schedules or Exhibits in this Redevelopment Agreement.

(3) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(4) All notices to be given hereunder and responses thereto shall be given within a reasonable time, unless a certain number of days is specified.

(5) Unless otherwise indicated, any "fees and expenses" shall be required to be customary and reasonable.

(6) Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld, delayed or conditioned.

(7) The time periods set forth herein are to be strictly complied with, provided, however, that notwithstanding the foregoing, the time periods set forth herein for performance by Redeveloper may, in the sole discretion of the BLRA, be extended at the written request of Redeveloper. All references to days shall mean calendar days unless the context specifies otherwise.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations by Redeveloper. Redeveloper represents to the BLRA that:

(1) Redeveloper is a duly organized and validly existing company in good standing under the laws of the Republic of Liberia and has all requisite power and authority for the ownership and operations of its properties, and for the carrying on of its business as now conducted and as now proposed to be conducted under the Transaction Documents. Redeveloper is duly qualified and is in good standing as a foreign company and is authorized to do business in all jurisdictions wherein the nature of the activities conducted by it makes such qualification or authorization necessary;

(2) Redeveloper has the corporate power to enter into, execute and deliver this Redevelopment Agreement to undertake the transactions contemplated by this Redevelopment Agreement and to carry out and perform its obligations hereunder, and the execution by Redeveloper of and performance by it under this Redevelopment Agreement will not violate or conflict with any instrument by which Redeveloper is bound or its properties are subject, and this Redevelopment Agreement constitutes a legal, valid and binding obligation of Redeveloper, enforceable against Redeveloper in accordance with its terms;

(3) Redeveloper has duly authorized the execution, delivery and performance of this Redevelopment Agreement, and, assuming due authorization, execution and delivery of this Redevelopment Agreement by the BLRA, this Redevelopment Agreement will be a valid, binding and enforceable agreement of Redeveloper;

(4) The execution and delivery of this Redevelopment Agreement by Redeveloper does not, and the performance by Redeveloper of its obligations under this Redevelopment Agreement will not:

(a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the organizational documents of Redeveloper;

(b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law; or

(c) Result in a breach of, or default under (or give rise to right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which Redeveloper may be bound or which are necessary for the BLRA to enforce the terms of this Redevelopment Agreement against Redeveloper;

(5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other persons is required in connection with the execution, delivery and performance of this Redevelopment Agreement by Redeveloper other than as set forth in the Transaction Documents;

(6) There is no action, proceeding or investigation now pending, nor any basis therefore, known or believed to exist which (a) questions the authority of Redeveloper to enter into this Redevelopment Agreement or any action or act taken or to be taken by Redeveloper pursuant to this Redevelopment Agreement; or (b) is likely to result in a material adverse change in Redeveloper's

property, assets, liabilities or condition which will materially and substantially impair its ability to perform its obligations pursuant to the terms of this Redevelopment Agreement; and

(7) Redeveloper has received no notice as of the Effective Date asserting any noncompliance in any material respect by Redeveloper with Applicable Law with respect to the transactions contemplated in and by this Redevelopment Agreement, which would have a material adverse effect on Redeveloper's ability to perform its obligations in connection with this Redevelopment Agreement. Redeveloper is not in default with respect to any judgment, order, injunction or decree of any Governmental Body which is in any respect material to the transactions contemplated hereby.

Section 2.2 Representations by the BLRA. The BLRA represents to Redeveloper that:

(1) the BLRA is a duly organized and validly existing municipal entity under the laws of the State;

(2) Under the laws of the State, the BLRA is duly authorized to enter into, execute and deliver this Redevelopment Agreement, to undertake the obligations contemplated by this Redevelopment Agreement and to carry out its obligations hereunder. The execution by the BLRA of and performance by it under this Redevelopment Agreement will not violate or conflict with any instrument by which the BLRA is bound or to which its properties are subject. The BLRA has the full power and authority, and holds and will maintain valid and in good standing, all Approvals necessary to grant Redeveloper all of the rights and privileges conferred upon and granted to Redeveloper under this Redevelopment Agreement;

(3) By duly adopted resolution, the BLRA has duly authorized the execution and delivery of this Redevelopment Agreement and this Redevelopment Agreement constitutes a legal, valid and binding obligation of the BLRA, enforceable against the BLRA in accordance with its terms;

(4) The execution and delivery of this Redevelopment Agreement by the BLRA does not, and the performance by the BLRA of its obligations under this Redevelopment Agreement will not:

(a) Conflict with or result in a violation or breach of any of the terms, conditions or provisions of the articles of incorporation, bylaws or other organizational documents of the BLRA;

(b) Conflict with or result in a violation or breach of any term or provision of any Applicable Law; or

(c) Result in a breach of, or default (or give rise to a right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, license, agreement, lease or other similar instrument or obligation to which the BLRA may be bound, or which are necessary for Redeveloper to continue to enjoy the rights and privileges conferred upon and granted to Redeveloper under this Redevelopment Agreement;

(5) No consent, approval or action of, filing with or notice to any Governmental Body, third party or other Persons is required in connection with the execution, delivery and performance of this Redevelopment Agreement by the BLRA or the exercise by Redeveloper of the rights and privileges which, by virtue of this Redevelopment Agreement, shall be conferred upon and granted to Redeveloper;

(6) There exists no requirement or obligation under Applicable Law to submit this Redevelopment Agreement to public bid, auction or the like;

(7) The BLRA covenants and warrants that it is vested with good and valid fee simple title to the Redevelopment Area, the Improvements and any easements granted to Redeveloper, and shall defend such title and authority against the lawful claims of all persons or parties;

(8) No action, litigation, suit, proceeding or investigation is pending or threatened against or affects the BLRA which could have a material adverse effect upon the BLRA's performance under this Redevelopment Agreement or the financial condition or business of the BLRA. There are no outstanding judgments against the BLRA that would have a material adverse affect upon the BLRA or which would materially impair or limit the ability of the BLRA to enter into or carry out the transactions contemplated by this Redevelopment Agreement; and

(9) The BLRA has received no notice as of the date of this Redevelopment Agreement of any violations of any Applicable Law with respect to the Redevelopment Area or Redevelopment Project or asserting any noncompliance in any material respect by the BLRA with Applicable Law with respect to the transactions contemplated in and by this Redevelopment Agreement which would have a material adverse effect on the BLRA's ability to perform its obligations in connection with this Redevelopment Agreement. The BLRA is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other governmental authority which is in any respect material to the transactions contemplated hereby.

Section 2.3 Legal Opinions. Each Party (and where indicated below as to a specific Party, such Party) shall deliver to the other Party simultaneous with the execution of this Redevelopment Agreement a legal opinion by such Party's counsel that provides that: (1) such Party has all requisite power and authority to enter into this Redevelopment Agreement; (2) in the case of the BLRA, the execution, delivery and performance by the BLRA of this Redevelopment Agreement are within the authority of the BLRA under Applicable Law and will not violate the statutes, rules and regulations establishing the BLRA and governing the BLRA's activities; (3) in the case of Redeveloper, the execution, delivery and performance by Redeveloper of this Redevelopment Agreement will not violate the certificate of formation, operating agreement or any other formation or operating document of Redeveloper; and (4) the person executing this Redevelopment Agreement on behalf of such Party has been duly authorized and empowered and this Redevelopment Agreement has been duly executed and delivered by such Party and constitutes the valid and binding obligation of such Party except to the extent that the enforcement thereof may be limited by the rights of creditors.

Section 2.4 Mutual Representations. The BLRA and Redeveloper agree that the Redevelopment Project shall be governed by the Transaction Documents.

Section 2.4.1 Cooperation. Redeveloper and the BLRA agree to fully cooperate with each other as necessary to accomplish the Redevelopment Project, including entering into an additional agreements that may be required, provided, however, that such actions shall not result in a material increase in the Parties' respective obligations hereunder or materially decrease in the Parties' respective rights.

Section 2.5 Name of Port. The BLRA and Redeveloper agree that for the duration of the Term, the name of the Port shall be "Cape Liberty Cruise Port" and neither the BLRA nor Redeveloper shall attempt to change the name of the Port, nor assign or sell the naming rights to the Port, except as mutually agreed upon by the Parties in writing. The BLRA and Redeveloper shall ensure that all of their

respective advertising, promotion and marketing relating to the Port shall use the name "Cape Liberty Cruise Port."

Section 2.6 No Representations or Guarantee of Success. The Parties herein acknowledge that neither one has represented or guaranteed to the other, in an express or implied manner, or in any kind of way whatsoever, the success of the Redevelopment Project or the annual or future volume of cruise ship visitors to the Peninsula, other than the Redeveloper's guarantee of the Minimum Fee as set forth in Section 6.5 of the Usage Agreement.

Section 2.7 No Representations or Warranties on Improvements. (1) Redeveloper extends and intends no warranty and makes no representation of any type, either express or implied, as to the condition of the Improvements. Redeveloper shall sell and the BLRA agrees to accept the Improvements in an "as is" and "where is" condition on each Closing Date under the Purchase and Sale Agreement. The BLRA waives any claim against Redeveloper, to the extent permitted by Applicable Law, for any defects or any other damage to the Improvements that may exist at Closing and/or subsequently discovered by the BLRA. However, notwithstanding the foregoing, the Redeveloper agrees to transfer, upon the Closing of each Phase of a purchase of the Improvements by the BLRA, to the BLRA any and all warranties provided by any builder, manufacturer, supplier or any other warranty which Redeveloper received in the course of undertaking the Construction of the Improvements.

(2) To the maximum extent permitted by Applicable Law, all warranties of fitness for a particular purpose, merchantability, habitability, defects, any warranties imposed by statute and all other implied warranties of any kind or character are specifically disclaimed by each Party as to the other. Neither Party has given and the other Party has not relied on or bargained for any such warranties. Normal swelling, expansion and contraction of materials and Construction, and any cracks appearing as a result thereof or as a result of settlement of the Improvements on the Redevelopment Area shall not be deemed to be Construction defects.

(3) As to any implied warranty which cannot be disclaimed entirely by Applicable Law, all secondary, incidental and consequential damages are specifically excluded and disclaimed (claims for such secondary, incidental and consequential damages being clearly unavailable in the case of implied warranties which are disclaimed entirely above).

ARTICLE 3

DESIGNATION OF REDEVELOPER; TERM OF AGREEMENT; TRANSACTION DOCUMENTS

Section 3.1 Redeveloper and Port Manager as Redeveloper. As authorized by the BLRA Resolution, the BLRA hereby affirms and agrees that the Redeveloper and the Port Manager are jointly, designated as the "redeveloper" (the "Redeveloper's Designation") pursuant to N.J.S.A. 40A:12A-8 of the Redevelopment Law, for the Term in accordance with their respective rights and obligations as set forth in the Transaction Documents. In connection with such Redeveloper's Designation, the Redeveloper and the Port Manager each has an exclusive right to undertake the Redevelopment Project in accordance with their respective rights and obligations as set forth in the Transaction Documents in connection with the Redevelopment Area, under the framework and in accordance with the terms of the Transaction Documents, the Redevelopment Plan, and Applicable Law. Notwithstanding the above, the Redeveloper as defined herein means Royal Caribbean Cruises, Ltd. and Port Manager as defined herein means Cape Liberty Cruise Port, L.L.C. The BLRA shall not revoke, cancel, terminate or otherwise change Redeveloper's Designation under this Section 3.1, except in accordance with the terms of the Transaction Documents.

Section 3.2 Term. The Term of this Redevelopment Agreement shall commence on the Effective Date and ending on December 31, 2038, unless sooner terminated or extended pursuant to the provisions of this Redevelopment Agreement.

Section 3.3 Transaction Documents. In addition to this Redevelopment Agreement, the Parties have agreed to the form of, and have accordingly executed, the other Transaction Documents unless otherwise indicated. Copies of the other Transaction Documents are appended hereto thusly: the Purchase & Sale Agreement as Exhibit B to this Redevelopment Agreement; the Usage Agreement as Exhibit C to this Redevelopment Agreement; the Parking Management Agreement as Exhibit D to this Redevelopment Agreement; and, the Terminal Operating Agreement as Exhibit E to this Redevelopment Agreement. The Parties shall negotiate and execute an Incidental Usage Agreement subsequent to the execution of the other Transaction Documents. The Parties approve and incorporate the Transaction Documents herewith.

ARTICLE 4

REDEVELOPER'S COVENANTS;
DECLARATION OF COVENANTS AND RESTRICTIONS

Section 4.1 Redeveloper's Covenants. The Redeveloper agrees to the following covenants (hereinafter "Redeveloper's Covenants"). The Redeveloper's Covenants shall run with the land as required by Applicable Law (N.J.S.A. 40A:12A-9):

Section 4.1.1 Compliance. Redeveloper shall carry out the Redevelopment Project in accordance with the provisions of the Transaction Documents, the Redevelopment Plan and Applicable Law. Redeveloper shall use reasonable efforts to ensure that all consultants, professionals, employees, agents, contractors engaged by the Redeveloper or any of the Redeveloper's sublicensees and subcontractors shall have the skill and judgment necessary to undertake the Redevelopment Project in compliance with the terms and conditions of the Transaction Documents, the Redevelopment Plan and Applicable Law. The Redeveloper further covenants that its undertakings pursuant to the Transaction Documents shall be for the purposes set forth therein;

Section 4.1.2 Project Performance. Redeveloper shall undertake the Redevelopment Project in accordance with the provisions of the Transaction Documents. All activities performed by the Redeveloper under the Transaction Documents shall be performed in accordance with the level of skill and care ordinarily exercised by developers of first class developments of the same type and nature as the Redevelopment Project. Except as specifically provided for in the Transaction Documents, the Redeveloper shall undertake the Redevelopment Project at its sole cost and expense using any public and/or private resources that may be available provided, however, that the BLRA shall be responsible for the payment and performance obligations set forth in Section 7.12(3);

Section 4.1.3 Suspension of Performance. The Redeveloper shall not suspend or discontinue the performance of its obligations under the Transaction Documents (except under circumstances and in the manner provided for therein); and

Section 4.1.4 Non-Discrimination. The Redeveloper shall not discriminate against or segregate any person, or group of persons, on account of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or sex in the sublicense, use, occupancy, tenure or enjoyment of the Redevelopment Area nor shall the Redeveloper establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, occupancy of sublicensees, or vendees on the Redevelopment Area. Matters pertaining to employment in connection with the Redevelopment Area and the Redevelopment Project shall be governed by Applicable Law which includes, without limitation, N.J.S.A. 40A:12A-22.2 of the Redevelopment Law. This Section shall be subject generally to all Applicable Law.

Section 4.2 Declaration of Covenants and Restrictions. Redeveloper shall execute and record one or more declarations of covenants and restrictions, approved by the BLRA and Redeveloper (each such document, a "Declaration") imposing the Redeveloper's Covenants, those other matters required under this Redevelopment Agreement to be included in the Declaration, and the provisions hereof relating to transfers of interest.

Section 4.3 Effect and Duration of Redeveloper's Covenants. It is intended and agreed, and the Declaration shall so expressly provide, that the Redeveloper's Covenants set forth in this Article 4 and those elsewhere in this Redevelopment Agreement designated for inclusion in the Declaration, shall be covenants running with the land and that they shall, in any event, and without regard to technical

classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Transaction Documents, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the BLRA, its successors and assigns, and any successor in interest to the Redevelopment Area, or any part thereof, against Redeveloper and its successors and assigns as "redeveloper" hereunder. It is further intended and agreed that the Redeveloper's Covenants in Section 4.1 shall remain in effect without limitation as to time. However, such Redeveloper's Covenants shall be binding on Redeveloper, itself, each successor in interest to Redeveloper as "redeveloper" hereunder only for such period as Redeveloper or such successor or party as "redeveloper" hereunder shall be in possession or occupancy of the Redevelopment Area, the Improvements thereon or any part thereof.

Section 4.4 Enforcement by BLRA. In amplification, and not in restriction, of the provisions of Article 3, it is intended and agreed that the BLRA and its successors and assigns shall be deemed beneficiaries of the Redeveloper's Covenants set forth in this Redevelopment Agreement, both for and in their own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such Redeveloper's Covenants have been provided. Such Redeveloper's Covenants shall (and the Declaration shall so state) run in favor of the BLRA and each of its permitted successors and assigns for so long as the BLRA or any such successor or assign shall remain the owner in fee simple of the entire Redevelopment Area and the licenses (as described in Article 5 hereof) and provided that with respect to any such successors or assigns they shall have assumed all of the liabilities and obligations of the BLRA hereunder for the entire period during which such Redeveloper's Covenants shall be in force and effect. The BLRA shall and any such successor or assign shall have the right, in the event of any material breach of any such Redeveloper's Covenants, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of Redeveloper's Covenants, to which it or any other beneficiaries of such Redeveloper's Covenants may be entitled.

ARTICLE 5

REDEVELOPMENT AREA

Section 5.1 License to Redevelopment Areas. The BLRA hereby grants to the Redeveloper and the Port Manager, as applicable, an exclusive license to undertake the Redevelopment Project in accordance with their respective rights and obligations as set forth in the Transaction Documents. The BLRA grants an exclusive license to the Redeveloper and the Port Manager, as applicable, for the Term and the Redeveloper and the Port Manager, as applicable, licenses from the BLRA for the Term the right to access, use and occupy, the Redevelopment Area for the purpose of undertaking the Redevelopment Project in accordance with their respective rights and obligations as set forth in the Transaction Documents.

Section 5.2 "As-Is" Condition. The Redeveloper licenses the Redevelopment Area in an "as-is" condition, subject to the state of title existing on the date hereof as described in the Quit Claim Deeds, provided, however, that the BLRA (1) shall be solely and fully responsible for any Pre-Existing Contamination and (2) shall not be responsible for additional costs caused solely by actions of Redeveloper affecting or disturbing any Pre-Existing Contamination except for such actions as may be provided for in this Redevelopment Agreement.

Section 5.3 Access to Redevelopment Area. The BLRA hereby grants to the Redeveloper and the Port Manager, as applicable, all appropriate and reasonable licenses by way of ingress and egress on, over and beneath such parts of the Peninsula as the Redeveloper and the Port Manager, as applicable, and their Invitees may reasonably require to access the Redevelopment Area.

Section 5.4 The BLRA Liens and Encumbrances. The BLRA shall not be permitted to create, or permit to be created, or to remain, any lien or encumbrance with respect to the Improvements until after it purchases such Improvements under the Purchase and Sale Agreement. If any such lien or encumbrance is created, the BLRA will, at the BLRA's sole cost and expense, discharge any such liens of record within 30 days of being created.

Section 5.5 Severance of Phase III Severance Parcel from the Redevelopment Area. In the event that (1) the Redeveloper elects not to proceed with the Phase III Improvements pursuant to Section 6.6.2, or (2) the Plan Submission Extension or Additional Plan Extension has expired and not been renewed, the BLRA may, in its sole discretion, provide the Phase III Severance Notice to Redeveloper, provided, however, that the BLRA reasonably expects to improve the Phase III Severance Parcel, and with respect to each such Phase III Severance Parcel, the Alternative Development Plan Conditions have been met. The Phase III Severance Area, from which the Phase III Severance Parcel may be separated pursuant to this Section, shall be measured and reconfigured from time to time as provided in Section 5.8 of this Redevelopment Agreement. The Phase III Severance Date shall be (1) at least 6 months following the date of the issuance of the Phase III Severance Notice provided that no portion of the Terminal Improvements is located on such Phase III Severance Parcel, or (2) at least 2 years following the date of the issuance of the Phase III Severance Notice provided that all or a portion of the Terminal Improvements are located on such Phase III Severance Parcel provided, however, that the Phase III Severance Date shall be no later than December 31, 2014 (or such later date if Redeveloper has elected prior to December 31, 2012 to submit Preliminary Design Plans for Phase IV(b), in which case the Phase III Severance Date shall be the date of completion of Phase IV(b)). Notwithstanding the foregoing, the BLRA may exercise its right to proceed in the manner described herein seriatim with respect to two or more Phase III Severance Parcels.

Upon the consummation of and following a separation of the Phase III Severance Parcel from the Redevelopment Area on the Phase III Severance Date, Redeveloper shall have no further obligation to develop the Phase III Severance Parcel, and the BLRA shall indemnify and hold Redeveloper harmless with regard thereto pursuant to the provisions of Article 23, provided, however, that the foregoing shall not apply if the Redeveloper has exercised its rights pursuant to the Transaction Documents to undertake, develop and Construct Improvements upon the Phase III Severance Parcel.

Section 5.6 Severance of Parking Severance Parcel from the Redevelopment Area. The BLRA may, in its sole discretion, provide the Parking Severance Notice to Redeveloper as to the Parking Severance Date, provided, however, that the BLRA must, at all times, meet the Parking Requirements and the Parking Area Location Requirement. The Parking Severance Date shall be at least 6 months following the date of the issuance of the Parking Severance Notice. The Parking Area, from which the Parking Severance Parcel may be separated pursuant to this Section, shall be measured and reconfigured from time to time as provided in Section 5.8 of this Redevelopment Agreement. Notwithstanding the foregoing, the BLRA may exercise its right to proceed in the manner described herein seriatim with respect to two or more Parking Severance Parcels.

Upon the consummation of and following a separation of the Parking Severance Parcel from the Redevelopment Area on the Parking Severance Date, Redeveloper shall have no further obligation to develop the Parking Severance Parcel, and the BLRA shall indemnify and hold Redeveloper harmless with regard thereto pursuant to the provisions of Article 23, provided, however, that the foregoing shall not apply if the Redeveloper has exercised its rights pursuant to the Transaction Documents to undertake, develop and Construct Improvements upon the Parking Severance Parcel.

Section 5.7 Reduction of Redevelopment Area. From time to time during the Term but no more frequently than once during each calendar year, within 60 days from the receipt of Redeveloper's written request for a reduction in the size of the Redevelopment Area, the BLRA shall reduce the size of the Redevelopment Area provided that the Parcel severed from the Redevelopment Area is of sufficient size and reasonably located so as to allow the BLRA to undertake an alternate use with respect thereto. Any Parcel comprising at least 7,500 square feet in area shall be deemed to be of sufficient size for the purpose of the preceding sentence.

Section 5.8 Measurement of All or a Portion of Redevelopment Area.

Section 5.8.1 Measurement of Construction Area. Upon the Commencement Date with respect to the Construction of any Phase, the BLRA shall perform a measurement of the Construction Area reasonably required by Redeveloper for construction staging use on a temporary basis not then included in the Redevelopment Area, and deliver to Redeveloper a plan indicating with reasonable accuracy the square footage of that Construction Area. Redeveloper may, within 30 days of receipt of such measurement, submit a proposed revision to such measurement to the BLRA. The BLRA shall in good faith consider such proposed revision and amend the square footage if, in its reasonable judgment, Redeveloper's proposed revision is more accurate than the BLRA's measurement.

Section 5.8.2 Measurement of Terminal Area, Docking Area and Parking Area and Components of Redevelopment Area. Upon the Completion Date with respect to the Construction of any Phase, or upon the severance of a Parcel from the Redevelopment Area, the BLRA shall perform a measurement of the area to be included as Terminal Area, Docking Area, Parking Area, Phase III Severance Area or any other component, as the case may be, not then included in the Redevelopment Area and deliver to Redeveloper a plan indicating with reasonable accuracy the square footage of the Terminal Area, Docking Area, Parking Area, Phase III Severance Area or any other component, as the case may be. Redeveloper may, with 30 days of receipt of such measurement, submit a proposed revision

to such measurement to the BLRA. The BLRA shall in good faith consider such proposed revision and amend the square footage if, in its reasonable judgment, Redeveloper's proposed revision is more accurate than the BLRA's measurement.

Section 5.8.3 Measurement as of the Effective Date. As of the Effective Date, the square footage of the Terminal Area is 488,068 sf, the square footage of the Docking Area is 335,588 sf and the square footage of the Parking Area is 355,997 sf. The Parking Area is depicted as Exhibit O. The Phase III Severance Area is depicted on Exhibit Q. The Redevelopment Area, as of the Effective Date, is depicted as the Existing Improvements on Exhibit M to this Redevelopment Agreement.

Section 5.9 Compliance with the Redevelopment Law. As required by Applicable Law, specifically by N.J.S.A. 40A:12A-9, upon completion of the Improvements (subject only to the Transaction Documents and the performance and rights of the respective Parties thereunder), the conditions which were determined to exist at the time that the Redevelopment Area were determined to be in need of redevelopment shall be deemed to no longer exist, and the Redevelopment Area and the Improvements shall no longer be subject to eminent domain as a result of those determinations.

ARTICLE 6

DESIGN OF IMPROVEMENTS

Section 6.1 Exclusive Right to Design the Improvements. The BLRA grants to Redeveloper the exclusive right to design the Improvements, at Redeveloper's cost, in accordance with the terms of this Redevelopment Agreement.

Section 6.2 Submission of Preliminary Design Plans. Redeveloper shall be responsible for preparing the Preliminary Design Plan for each Phase it undertakes to develop and submitting such Preliminary Design Plan to the BLRA by the Plan Submission Date applicable to such Phase. Notwithstanding the provisions of this Section 6.2, Redeveloper may, at its option, elect to submit Preliminary Design Plans to the BLRA for any Phase or Improvement prior to the dates required for submission as set forth herein.

Section 6.2.1 Plan Submission for Phase II Improvements. The BLRA may, at any time issue the Phase II Commencement Notice provided that the BLRA reasonably expects the BLRA Bulkhead Improvements will be completed within 150 days of the issuance of such Phase II Commencement Notice. The Plan Submission Date for the Preliminary Design Plans for the Phase II Improvements shall be not less than 45 days from the date Redeveloper receives the Phase II Commencement Notice. If such Phase II Commencement Notice is issued before March 31, 2008 then the Redeveloper shall prepare Preliminary Design Plans for the Phase II Improvements in Configuration "A" as depicted on Exhibit K. If such Phase II Commencement Notice is issued on or after March 31, 2008 then the Redeveloper shall prepare Preliminary Design Plans in Configuration "B" as depicted on Exhibit L. If Redeveloper has prepared and submitted Preliminary Design Plans in Configuration "A" and, subsequent to such submission the BLRA provides notice to Redeveloper that it has determined, in its reasonable estimation, that the Channel Dredging Project will not be completed prior to March 31, 2009, then Redeveloper shall, within 45 days of such notice resubmit such previously submitted Preliminary Design Plans to conform with Configuration "B". Such obligation to revise and resubmit such Preliminary Design Plans shall remain in effect regardless of whether the BLRA had previously issued a Design Approval Notice pursuant to Section 6.3 and regardless of whether Redeveloper has commenced or completed such Construction.

Section 6.2.2 Plan Submission for Phase III Improvements. (1) The BLRA may, at any time, issue the Phase III Improvements Notice provided the conditions therein are met. The Phase III Improvements are as depicted on Exhibit P. Within 90 days from its receipt of the Phase III Commencement Notice, the Redeveloper shall either (a) submit the Preliminary Design Plans with respect to the Phase III Improvements, or (b) provide written notice of its election to extend the Plan Submission Date for the Phase III Improvements pursuant to Section 6.2.2(2), or (c) provide written notice of its election not to proceed with respect to the Phase III Improvements due to the reasonable determination by Redeveloper that the Preconditions for Redevelopment of the Phase III Improvements have not been satisfied, provided, however, that an election pursuant to (c) herein not to proceed by virtue of Section (2) of the definition of Preconditions for Redevelopment of the Phase III Improvements, shall permit the BLRA, in its sole discretion, to require Redeveloper to (i) employ a qualified professional reasonably acceptable to the BLRA to perform value engineering so as to reduce the design cost of the Phase III Improvements and (ii) take competitive bids for the Construction of the Phase III Improvements in order to cause the Preconditions for Redevelopment of the Phase III Improvements to be met.

(2) Redeveloper may obtain an extension for the submission of the Preliminary Design Plans for the Phase III Improvements for a period of up to 24 months (the "Plan Submission Extension") by providing written notice of such extension to the BLRA within the 90 day period referred

to in Section 6.2.2(1). Not later than 90 days prior to the end of the Plan Submission Extension, and other extension periods set forth in this Section 6.2.2(2), Redeveloper may request additional extensions for periods of up to 12 months by providing the BLRA with written notice that, in the reasonable determination of the Redeveloper, the Preconditions for Redevelopment of the Phase III Improvements have not been satisfied (the "Additional Plan Submission Extension(s)") provided, however, that in the event Redeveloper elects not to proceed by virtue of Section (2) of the definition of Preconditions for Redevelopment of the Phase III Improvements, the BLRA may, in its sole discretion, require Redeveloper to (a) employ a qualified professional reasonably acceptable to the BLRA to perform value engineering so as to reduce the design cost of the Phase III Improvements and (b) take competitive bids for the Construction of the Phase III Improvements in order to cause the Preconditions for Redevelopment of the Phase III Improvements to be met. The BLRA shall grant the Additional Plan Submission Extensions unless (i) the BLRA satisfies the Alternative Development Plan Conditions or (ii) the Preconditions of Redevelopment of the Phase III Improvements have been satisfied, in which case the Plan Submission Date for the Phase III Improvements shall be a date not later than the expiration of the Plan Submission Extension or Additional Plan Submission Extension, as the case may be. In the event (x) Redeveloper has provided written notice of its election not to proceed pursuant to Section 6.2.2(1) or (y) the Preconditions for Redevelopment of the Phase III Improvements have not been satisfied and the BLRA had satisfied the Alternative Development Plan Conditions and disapproved an Additional Plan Submission Extension in whole, then Redeveloper's redevelopment obligations and rights with respect to the Phase III Improvements shall be of no further effect.

Section 6.2.3 Plan Submission for Phase IV(a) Improvements. At any time, the Redeveloper may, but shall never be under any obligation to, submit the Preliminary Design Plans with respect to the Phase IV(a) Improvements. Phase IV(a) Improvements are as depicted on Exhibit R.

Section 6.2.4 Plan Submission for Phase IV(b) Improvements. Within 90 days from its receipt of the Phase III Severance Notice for the Phase III Severance Parcel that includes all or a portion of the Terminal Improvements, or such earlier date as Redeveloper may elect, the Redeveloper shall submit the Preliminary Design Plan for the Phase IV(b) Improvements. Phase IV(b) Improvements are as depicted on Exhibit S.

Section 6.2.5 Plan Submission for Other Improvements. The Plan Submission Date with respect to the Other Improvements, including Parking Improvements, shall be established by mutual agreement between the Parties.

Section 6.3 Review and Approval of Preliminary Design Plans. The Preliminary Design Plans shall be subject to review and approval or disapproval of the BLRA, which review shall be completed within 45 days of receipt by the BLRA of the Preliminary Design Plans provided that (1) the boundary of the proposed Phase is within the area depicted in the respective Exhibit for such Phase, and (2) the Preliminary Design Plan conforms with the requirements of the Redevelopment Plan and Applicable Law. Upon approval of each Preliminary Design Plan by the BLRA, written notice approving of each Preliminary Design Plan shall be delivered to the Redeveloper (each such notice, the "Design Approval Notice"). If the BLRA disapproves the Preliminary Design Plan for any Phase, it shall specify, in writing, the reason(s) for disapproval of such the Preliminary Design Plan and so notify Redeveloper that the Preliminary Design Plan requires modification. Upon receipt of such notice, Redeveloper shall revise and resubmit such Preliminary Design Plan in a manner that addresses the required modification within 30 days of receipt of such notification of disapproval. The BLRA shall have 30 days to review and approve or disapprove such resubmission. This process shall continue until the Preliminary Design Plan is approved by the BLRA. Notwithstanding the foregoing, the BLRA may condition its approval of the Preliminary Design Plan for the Phase IV(a) Improvements and the Phase IV(b) Improvements upon a requirement that the Terminal Improvements be constructed in a manner that will enable its subsequent

physical connection, subject to relevant security requirements, to a building or other structure to be built either on or off the Redevelopment Area, which building or other structure may include a parking structure at its base.

Section 6.4 Development and Construction Schedule. Within 10 days of receipt of the Design Approval Notice, Redeveloper shall submit to the BLRA the Construction Schedule Submission. The BLRA shall, within 20 days of receipt of Redeveloper's Construction Schedule Submission, review and approve or disapprove of the Development and Construction Schedule. Should the BLRA disapprove of the Development and Construction Schedule it shall specify the reason for such disapproval, and Redeveloper shall, subject to this Section 6.4, address the reason for disapproval and resubmit such schedule to the BLRA within 10 days of receipt of such notification of disapproval. This process shall continue until there is Construction Schedule Approval. The Commencement Date set forth in the Development and Construction Schedule for the Phase II Improvements shall be a date no earlier than 30 days prior to the date that the BLRA reasonably expects to complete the BLRA Bulkhead Improvements. Notwithstanding the foregoing, the Completion Date set forth in the Construction Schedule for the Phase II Improvements shall be not later than 1 year from the date of the Commencement Date for the Phase II Improvements, and the Completion Date for any other Phase or Improvement, if undertaken by Redeveloper, shall be a commercially reasonable date not later than 2 years from the date of the Construction Schedule Approval for such Phase or Improvements.

Section 6.5 Submission and Approval of the Plans and Specifications/Modifications to the Approved Plans and Specifications. (1) On or prior to the date specified in the approved Development and Construction Schedule, Redeveloper shall submit the Plans and Specifications to the BLRA. If the BLRA reasonably determines that the Plans and Specifications do not conform in any material respect to the Preliminary Design Plan or the Redevelopment Plan, the BLRA shall so notify Redeveloper, specifying in what respects the Plans and Specifications do not so conform. Redeveloper shall revise them to so conform and shall resubmit the Plans and Specifications to the BLRA for review. If the BLRA reasonably determines that the Plans and Specifications, as so revised, do not materially conform to the Preliminary Design Plan or the Redevelopment Plan, the BLRA shall so notify Redeveloper, specifying in what respects they do not so conform. In such latter event, the Redeveloper shall revise the proposed Plans and Specifications to so conform and resubmit them to the BLRA for review. Each review by the BLRA shall be carried out within 30 days of the date of submission of the Plans and Specifications (or any revisions thereto). If the BLRA has not notified Redeveloper of its determination within the 30 day period, the BLRA shall be deemed to have approved the Plans and Specifications and determined that they materially conform to the Preliminary Design Plan and Redevelopment Plan. Each resubmission by Redeveloper shall be made within 30 days of the date of the BLRA's notice to Redeveloper that they do not so conform.

(2) If Redeveloper desires to modify the Plans and Specifications after they have been approved by the BLRA in any way which will materially affect any aspect of the Improvements or result in a change to pedestrian or vehicular circulation or the berthing of Cruise Vessels, Redeveloper shall submit the proposed modifications to the BLRA. The BLRA shall review the proposed changes to determine whether they materially conform to the Preliminary Design Plan. If the BLRA determines that they do so conform, the BLRA shall so notify Redeveloper. If the BLRA reasonably determines that the Plans and Specifications, as so revised, do not materially conform to the Preliminary Design Plan, the BLRA shall so notify Redeveloper, specifying in what respects they do not so conform. Redeveloper shall either (a) withdraw the proposed modifications, in which case Construction of the Improvements shall proceed on the basis of the Plans and Specifications previously approved by the BLRA, or (b) revise the proposed modifications to so conform and resubmit them to the BLRA for review. Each review by the BLRA shall be carried out within 20 days of the date of submission of the proposed modifications to the Plans and Specifications. If the BLRA has not notified Redeveloper of its determination within the 20

day period, the BLRA shall be deemed to have determined that they materially conform to the Preliminary Design Plan. Each resubmission by Redeveloper shall be made within 30 days of the date of the BLRA's notice to Redeveloper that they do not so conform.

(3) Upon request by Redeveloper, the BLRA shall review and in its reasonable discretion, agree to revise the approved Preliminary Design Plan such that Redeveloper's proposed modification to the Plans and Specifications conforms to the Preliminary Design Plan so revised.

(4) Notwithstanding the foregoing, should Redeveloper desire a modification to the Plans and Specifications that does not conform to the Preliminary Design Plan for the sole purpose of complying with Applicable Law, the BLRA shall review and reasonably approve such modifications and the Preliminary Design Plan shall be deemed so revised. The preceding sentence shall apply only to the extent that the requested modification does not require an expansion to the boundary of the Redevelopment Area or a change to the Redevelopment Plan, in which case approval of such modification shall be in the sole and absolute discretion of the BLRA.

(5) Redeveloper may, without the BLRA's consent, modify the Plans and Specifications for the use and occupancy of any Governmental Body with authority and jurisdiction over the Redeveloper's cruise ship operations provided that (a) such modification satisfies a specific requirement of such Governmental Body, (b) such modification does not materially affect any aspect of the exterior of the Terminal Improvements, (c) such modification complies with the Redevelopment Plan and Applicable Law, and (d) Redeveloper promptly notifies the BLRA of such modification.

(6) Redeveloper may, in its sole discretion, elect to submit both a proposed Preliminary Design Plan and proposed Plans and Specifications simultaneously with respect to any Improvement. Should the Redeveloper so submit, then such proposal shall be subject to the review and approval or disapproval of the BLRA, which review shall be completed within 60 days of receipt by the BLRA of such submission using the same evaluative criteria and requirement for Redeveloper to modify and resubmit as set forth in Section 6.3 and Section 6.5(1).

Section 6.6 Approvals. (1) Redeveloper, at its sole cost and expense, shall be responsible for obtaining all applicable Approvals. Prior to the submission of application(s) for such Approvals, Redeveloper shall provide such submission to the BLRA for its review and approval or disapproval. The BLRA shall make reasonable efforts to assist Redeveloper in obtaining all such Approvals in a reasonable time frame and shall promptly (within 5 business days) execute any documents.

(2) The BLRA and Redeveloper shall cooperate with each other in all respects and shall use their best efforts to effectuate the purposes of the Transaction Documents, to obtain all required development Approvals to Construct, operate, and maintain, repair and manage the Redevelopment Project, all as soon as reasonably practicable, provided that any Approval requiring an expansion to boundary of the Redevelopment Area or change to the Redevelopment Plan shall be in the sole discretion of the BLRA. Redeveloper shall reimburse the BLRA within 10 days after the BLRA's demand for any reasonable cost or expense incurred by the BLRA in obtaining, or assisting the Redeveloper in obtaining, the Approvals required by this Article 6.

Section 6.7 Extension of Submission and Approval Dates. The time for performance specified in this Article 6 for the submission and resubmission by Redeveloper of Preliminary Design Plans, Plans and Specifications and any elements thereof, shall be extended by the BLRA upon the written request by Redeveloper provided the BLRA determines that Redeveloper is using commercially reasonable efforts to comply with the deadlines specified herein and that such requested extension is reasonably warranted to allow sufficient time for performance. The time for performance by the BLRA

for reviewing and approving all Redeveloper submissions and resubmissions shall be extended by such time that the BLRA determines as reasonably necessary provided the BLRA provides notice to Redeveloper of such extension. All time period hereunder shall be commercially reasonable.

Section 6.8 BLRA Review Costs. Reasonable out of pocket BLRA costs incurred in connection with the review of plans submitted by the Redeveloper under this Article 6 shall be reimbursed to the BLRA by the Redeveloper within thirty (30) days of receipt of written notice from the BLRA.

ARTICLE 7

CONSTRUCTION OF IMPROVEMENTS

Section 7.1 Completion of Existing Improvements. The BLRA hereby acknowledges that Redeveloper has completed the Existing Improvements for the Purchase Price established pursuant to the Purchase and Sale Agreement. The Existing Improvements are depicted as Exhibit M. The BLRA agrees to purchase the Existing Improvements from Redeveloper pursuant to the terms and conditions of the Purchase and Sale Agreement. Redeveloper shall not be obligated nor expected to make any additional investments nor undertake any other obligations with respect to the Existing Improvements, except as expressly set forth in this Redevelopment Agreement or as required by Applicable Law.

Section 7.2 Conditions Precedent to Redeveloper's Commencement of Construction.

Section 7.2.1 Approval of Plans and Specification. Redeveloper shall not commence any Construction unless and until the BLRA shall have approved the Plans and Specifications in the manner provided in Article 6.

Section 7.2.2 Approvals and Insurance. Redeveloper shall not commence the Construction of any Improvements unless and until Redeveloper shall have obtained and delivered to the BLRA certified copies of all applicable (1) Approvals and (2) insurance policies required pursuant to Article 14. Redeveloper, at its sole cost and expense, shall be responsible for obtaining all Approvals.

Section 7.3 Commencement and Completion of Improvements. Subject to Article 6, Redeveloper shall (1) commence Construction of the Improvements as specified in the Development and Construction Schedule for such Phase, (2) thereafter use commercially reasonable efforts to continue the Construction of such Improvements with diligence and continuity (subject to Unavoidable Delay) in accordance with the Development and Construction Schedule, and (3) achieve Substantial Completion of the Improvements on or before the Scheduled Completion Date, all of the foregoing subject to the extensions provided for under this Redevelopment Agreement. Commencement and completion of work shall be subject to Force Majeure and the provisions of Article 21. Failure on the part of the Redeveloper to meet any deadline set forth in the Development and Construction Schedule that is not otherwise specified in this Redevelopment Agreement shall not constitute an Event of Default provided that, Redeveloper is otherwise not in default with respect to the Transaction Documents and 30 days prior to such deadline, Redeveloper submits to the BLRA a revised Development and Construction Schedule for review and approval or disapproval.

Section 7.4 BLRA Field Personnel at Redevelopment Area. The BLRA reserves the right to maintain a reasonable number of its field personnel and designees at the Redevelopment Area to observe Redeveloper's Construction methods and techniques and the BLRA shall be entitled to have its field personnel or other designees attend Redeveloper's job and/or safety meetings, provided that the BLRA regularly notifies Redeveloper of those Persons who will be on the Redevelopment Area, such Persons do not interfere with Redeveloper's Construction and such Persons comply with all Applicable Law and applicable safety guidelines. No such observation or attendance by the BLRA's personnel or designees shall impose upon the BLRA responsibility for any failure by Redeveloper to observe any of the Applicable Law or safety practices in connection with such Construction, or constitute an acceptance of any Improvements which do not comply in all respects with the provisions of this Redevelopment Agreement.

Section 7.5 Design and Materials. Redeveloper agrees to utilize quality design and materials in the Construction of the Improvements. The BLRA understands and agrees that certain of the items used in the Improvements, including, without limitation, tile, cabinets, paint, grout, wall and ceiling textures, mica, carpeting, electrical and plumbing fixtures, air conditioning, appliances, trim, windows and doors are subject to size and color variations, grain and quality variations, and may vary in accordance with price, availability and changes by manufacturer from those included in the Plans and Specifications. If circumstances arise which, in Redeveloper's opinion, warrant changes of suppliers, manufacturers, brand names or items, Redeveloper may substitute equipment, materials, appliances, etc., which in Redeveloper's opinion are of equal or better quality, and Redeveloper shall so notify the BLRA of such substitution.

Section 7.6 Notice of Commencement and Completion of the Improvements. Redeveloper shall provide notice to the BLRA upon commencement and completion of the Construction of all Improvements together with a description of such Improvements. All Construction shall be completed pursuant to the Development and Construction Schedule in a good and workmanlike manner by duly qualified and, if required by Applicable Law, licensed persons and substantially in accordance with the approved Plans and Specifications for the applicable phase, the Redevelopment Plan and Applicable Law.

Section 7.7 Supervision of Project Engineer. All Construction shall be carried out under the supervision of the Project Engineer. The Redeveloper shall have the right to appoint the Project Engineer in its sole discretion.

Section 7.8 Local Labor; Specialized Labor. Subject to all existing labor agreements or other commitments of Redeveloper, Redeveloper shall use good faith efforts to achieve a development and Construction force employing local residents of the City, provided, however, that Redeveloper shall have the right to engage, in its sole discretion, any contractors and/or professionals possessing particular technical or specialized skills, including without limitation, architects, engineers and construction managers, regardless of their place of residence. The employees of neither Party shall be deemed to be the employees of the other Party.

Section 7.9 Publication. Redeveloper shall use commercially reasonable efforts to cause public announcements to be published in the local City newspaper informing local residents of job opportunities with respect to the Redevelopment Project.

Section 7.10 Completion of Construction. When Substantial Completion of Construction has been achieved, Redeveloper shall furnish the BLRA with (1) a certification of the Project Engineer that it has examined the applicable Plans and Specifications and that, in its best professional judgment, after diligent inquiry, and to its best knowledge and belief, Substantial Completion of Construction has been achieved in accordance with the Plans and Specifications applicable thereto and, as Constructed, the Improvements comply with the City's building code and all other Applicable Law, (2) if required, a copy or copies of the temporary or permanent Certificate(s) of Occupancy for the Improvements, (3) if applicable, a complete set of "as built" plans and surveys for the Improvements, and (4) a certification executed by the chief financial officer of Redeveloper of Redeveloper's Cost of Construction together with documentation evidencing payment, and a waiver of liens, if any. The BLRA shall have an unrestricted, non-exclusive license to use such "as built" plans and surveys without paying any additional cost or compensation for same, which license shall be subject to the rights of the parties preparing such plans and survey under copyright and other Applicable Laws.

Section 7.11 Construction Agreements.

Section 7.11.1 Review of Bid Packages. Unless otherwise required by Applicable Law, or as set forth in Section 6.2.2(2), Redeveloper shall not be obligated to bid out any of the contracts relating to the Redevelopment Project. In the event Redeveloper, in its sole discretion, decides to put any such contracts out for bid, then the BLRA shall have the right to review and approve or disapprove Redeveloper's bidding packages for any such contract and the award thereof.

Section 7.11.2 Names of Contractors, Materialmen, etc. Redeveloper shall furnish the BLRA, within 30 days of the BLRA's demand, with a list of all Persons performing any labor, or supplying any materials, in connection with any Construction costing in excess of \$100,000. The list shall state the name and address of each Person and in what capacity each Person is performing work at the Redevelopment Area. All persons employed by Redeveloper or Redeveloper's contractors with respect to Construction of the Improvements shall be paid in accordance with Applicable Law.

Section 7.11.3 Contractor Insurance. Any contractor of Redeveloper performing work on the Redevelopment Area shall be required to comply with the insurance requirements set forth in Article 14 as to contractors of the Redeveloper.

Section 7.11.4 No Liability. The BLRA shall not be liable or responsible in any manner or form, for payment or otherwise, to any contractor of Redeveloper in connection with any work performed or materials purchased by any Person on behalf of or for Redeveloper.

Section 7.11.5 No Party. The BLRA is not and shall not be construed as a party to any construction agreement nor shall the BLRA in any way be responsible for any or all claims of any nature whatsoever arising or which may arise from such construction agreement.

Section 7.12 Payment Obligation. (1) Subject only to the provisions of this Redevelopment Agreement and the Purchase and Sale Agreement, Redeveloper is responsible for all costs and expenses incurred in connection with the planning, designing, permitting and Construction of the Redevelopment Project.

(2) The Parties agree that pursuant to the Terminal Operating Agreement, the Port Manager shall be required to pay for the cost of (a) the ordinary maintenance and repair of the Improvements, and (b) the Construction of any other Improvements not otherwise undertaken by the Redeveloper pursuant to this Redevelopment Agreement.

(3) It is the intention of the Parties that the BLRA shall not have any payment obligation with respect to the Redevelopment Project of any nature whatsoever except as specifically set forth in the Transaction Documents.

Section 7.13 BLRA's Right to Construct.

Section 7.13.1 BLRA Bulkhead Improvement. The BLRA shall, at its sole cost and expense, undertake the Construction of the BLRA Bulkhead Improvements as depicted on Exhibit I. The BLRA shall prosecute the Construction of the BLRA Bulkhead Improvements with diligence and continuity (subject to Unavoidable Delay). The BLRA Bulkhead Improvements shall be completed by duly qualified and, if required by Applicable Law, licensed persons in a good and workmanlike manner customary for developers of first class developments of the same type and nature as the Redevelopment Project. The BLRA shall use the BLRA Contribution towards the BLRA Bulkhead Improvements to pay all expenses relating to the BLRA Bulkhead Improvements directly and shall keep accurate records of all

payments and expenses relating thereto. Within 30 days of the Redeveloper's request, the BLRA shall provide Redeveloper a statement of account specifying the payments made and expenses incurred by the BLRA with respect to the BLRA Bulkhead Improvements and all other evidence and documentation as Redeveloper may reasonably request to verify BLRA's satisfaction of its obligations to construct the BLRA Bulkhead Improvements. In the event that the BLRA Contribution is greater than the cost of the BLRA Bulkhead Improvements, the BLRA shall undertake additional improvement that would otherwise be the responsibility of Redeveloper as part of the Phase II Improvements but only up to the monetary limit of the BLRA contribution.

Section 7.13.2 BLRA Construction of Phases. The BLRA shall have the continuing right to, in its sole discretion and upon written notice to the Redeveloper, construct all or any portion of any Phase, provided that the Redeveloper has not already commenced Construction on such Phase. The BLRA shall coordinate any and all such work with the Redeveloper, and shall implement any work undertaken so as not to unreasonably interfere with the Redeveloper's development and Construction of the Improvements. Any such Phase undertaken and completed by the BLRA shall be completed in a good and workmanlike manner customary for first class developments of the same type and nature as the Redevelopment Project and (1) shall not be subject to the provisions of the Purchase and Sale Agreement and (2) shall be at the BLRA's sole cost and expense and, with the exception of the BLRA Bulkhead Improvements and the Additional Parking Improvements, Redeveloper shall not be obligated to reimburse BLRA for such expenses. Notwithstanding anything to the contrary contained in this Redevelopment Agreement, Redeveloper shall not be responsible for undertaking, supervising or completing the construction of any Phase or portion thereof that is undertaken by the BLRA and the BLRA shall furnish the Redeveloper with a certificate from a duly licensed and qualified engineer selected upon mutual agreement of the Parties certifying that all Improvements undertaken by, or on behalf of the BLRA, have been completed in accordance with the plans and specifications for same prior to Redeveloper's use and/or occupancy of such Improvements.

Section 7.14 Waterfront Park. The BLRA shall be solely and fully responsible for constructing, maintaining, repairing, operating and managing the Waterfront Park at the Waterfront Park Area and for paying any and all expenses related thereto, provided, however, that Redeveloper shall be responsible for the Waterfront Park Payment. The Waterfront Park Area is as depicted on Exhibit T. Redeveloper's obligation and responsibility with respect to the Waterfront Park shall be entirely limited to (1) making the Waterfront Park Payment within 30 days of receiving notice from the BLRA that it has commenced construction of the Waterfront Park and (2) granting to the BLRA for use by the BLRA's agents, employees, invitees and the general public, a permanent cost-free right of access to the Waterfront Park over the Redevelopment Area, subject to Redeveloper's security requirements.

Section 7.15 Additional Parking Improvements. (1) Upon a determination by the BLRA, acting in its sole discretion, the BLRA may construct Additional Parking Improvement(s) pursuant to Section 7.13.2, provided, however, that the BLRA complies with the applicable provisions of the Parking Management Agreement, and satisfies the Parking Requirements.

(2) If Redeveloper exercises its first priority right under Article 4 of the Parking Management Agreement and undertakes the Construction of the Additional Parking Improvements, then (a) such Additional Parking Improvements shall be deemed an Improvement for the purpose of this Redevelopment Agreement, (b) the Parties shall mutually agree upon a Plan Submission Date, (c) the Parties shall proceed with the planning, design, Approvals and Construction of the Additional Parking Improvements in accordance with the provisions of Article 6 and Article 7 of this Redevelopment Agreement and (d) the Additional Parking Improvements shall be sold to the BLRA pursuant to the Purchase and Sale Agreement.

(3) If Redeveloper declines its first priority right under Article 4 of the Parking Management Agreement, then the BLRA may proceed with the construction of the Additional Parking Improvements by a third party reasonably acceptable to the BLRA and such Additional Parking Improvements shall not be subject to the provisions of the Purchase and Sale Agreement. The BLRA shall coordinate any and all such construction on the Additional Parking Improvements with the Redeveloper, and shall implement any work undertaken so as not to unreasonably interfere with the Redeveloper's development and Construction of the Improvements. Any Additional Parking Improvements constructed by the BLRA or such third party shall be completed in a good and workmanlike manner customary for first class developments of the same type and nature as the Redevelopment Project. Notwithstanding anything to the contrary contained in this Redevelopment Agreement, Redeveloper shall not be responsible for undertaking, supervising or completing the construction of the Additional Parking Improvement(s) if such construction is undertaken by the BLRA or such third party.

ARTICLE 8

REDEVELOPMENT PROJECT FINANCING

Section 8.1 Redevelopment Project Cost and Financing. Redeveloper agrees to develop and Construct those Improvements it undertakes to so develop and Construct in accordance with this Redevelopment Agreement at its sole cost and expense, substantially in accordance with the approved Plans and Specifications, the Redevelopment Plan and Applicable Law, provided, however, that the BLRA shall be responsible for the payment obligations specified in Section 7.12.

Section 8.1.1 Financing of Improvements. The Redeveloper shall sell the Existing Improvements and each Phase of the Improvements to the BLRA in accordance with the terms of the Purchase and Sale Agreement.

Section 8.1.2 Additional Funding. The BLRA shall provide reasonable cooperation and assistance to Redeveloper in obtaining any financing, seed money, grants, subsidies, tax abatements and other benefits which may be available from time to time from any Governmental Body, or any instrumentality thereof, to assist Redeveloper in the planning, Construction or operation of the Redevelopment Project or any portion thereof. The BLRA agrees that, to the extent it receives the Additional Grants and applies such Additional Grants to any Phase, then it shall not seek repayment of such Additional Grants from Redeveloper except as set forth in Section 4.3(b) of the Parking Management Agreement.

Section 8.1.3 Reimbursement of Loss of Certain Revenues. Notwithstanding anything to the contrary in the Transaction Documents, upon the date of termination of the Transaction Documents (the "Termination Date") other than a termination pursuant to Section 19.1.1(1) of this Redevelopment Agreement, the BLRA shall have a continuing obligation following the Termination Date to, in good faith, (1) generate revenues from the Improvements, including, without limitation, by assigning use of the Improvements (or any portion thereof), and (2) remit, to the extent available, Reimbursement Revenue to the Redeveloper to offset Redeveloper's Stranded Investment Recovery. Notwithstanding anything herein to the contrary, the BLRA's obligation to pay Reimbursement Revenue shall cease on February 1, 2039. Reimbursement Revenue shall be determined on an annual basis and shall be payable, to the extent available, to Redeveloper within 30 days of the end of each calendar year. Nothing in this Section 8.1.3 shall limit Redeveloper's rights to seek any and all available remedies under the Transaction Documents. This Section 8.1.3 shall survive the termination of the Transaction Documents.

Section 8.2 Waterfront Park Payment. The provisions of Section 7.14 of this Redevelopment Agreement shall govern the respective rights and obligations of the Parties with respect to the Waterfront Park and the Waterfront Park Payment.

Section 8.3 BLRA Contribution. The provisions of Section 7.13.1 of this Redevelopment Agreement shall govern obligations of the BLRA with respect to the BLRA Bulkhead Improvement and the BLRA Contribution. The BLRA agrees that it shall not seek repayment of the BLRA Contribution to the BLRA Bulkhead Improvements from Redeveloper, provided, however, that if Redeveloper elects not to proceed to develop the Phase III Improvements, then the BLRA shall recover such BLRA Contribution in the form of the BLRA Capital Charge under the Terminal Operating Agreement.

ARTICLE 9

TITLE TO TRADE FIXTURES AND IMPROVEMENTS

Section 9.1 Title to Redeveloper's Trade Fixtures. Title to Redeveloper's Trade Fixtures shall be the sole and exclusive property of Redeveloper and shall remain the sole and exclusive property of Redeveloper after the expiration or termination of this Redevelopment Agreement, for whatever reason provided, however, that Redeveloper may, in its reasonable discretion, elect to treat such Redeveloper's Trade Fixtures as Improvements for purposes of the Transaction Documents. The BLRA acknowledges and understands that unless such Redeveloper's Trade Fixtures are treated as Improvements and sold to the BLRA pursuant to the Purchase and Sale Agreement, the BLRA shall have no right, title, or interest in or to Redeveloper's Trade Fixtures.

Section 9.2 Title to Improvements: Assignments. All right, title and interest in and to the Improvements (excluding the BLRA Bulkhead Improvements and all other Improvements constructed by the BLRA which shall be owned by the BLRA) shall be the property of Redeveloper until such time as title to the Improvements (or any part thereof) are conveyed to the BLRA in accordance with the terms of the Purchase and Sale Agreement. Except as provided in the Purchase & Sale Agreement, Improvements which are owned by Redeveloper shall not be conveyed, transferred, or assigned unless such conveyance, transfer, or assignment shall be to a Person (other than the BLRA, its successors or assigns) to whom this Redevelopment Agreement is being transferred or assigned simultaneously therewith in compliance with Article 18, and at all such times the Redeveloper's assignee under this Redevelopment Agreement shall be the owner of said Improvements. Otherwise, any attempted conveyance, transfer, or assignment of the Improvements, whether voluntarily or by operation of law or otherwise, to any Person shall be void and of no effect whatever, unless approved by the written consent of the BLRA pursuant to Applicable Law and specifically, N.J.S.A. 40A:12A-9. Upon any termination by the BLRA of this Redevelopment Agreement due to the occurrence of an Event of Default by Redeveloper, if the Improvements or any part thereof shall then be on the Redevelopment Area, all of Redeveloper's right, title, and interest therein or any Person acquiring title thereto through Redeveloper shall *ipso facto* cease and terminate, and title to the Improvements shall vest in the BLRA, and the Improvements or the part thereof then within the Redevelopment Area shall be surrendered by Redeveloper to the BLRA as provided in Articles 19 and 20 hereof provided, however, that the BLRA shall have a continuing obligation under Section 8.1.3 of the Redevelopment Agreement. Upon the occurrence of such event, no further deed or other instrument shall be necessary to confirm the vesting in the BLRA of title to the Improvements, provided, however, that Redeveloper, upon request of the BLRA, shall execute, acknowledge and deliver to the BLRA a deed in recordable form confirming that all of Redeveloper's right, title, and interest in or to the Improvements has expired, and that title to the Improvements has vested in the BLRA and further provided that the BLRA satisfies its obligations under Section 8.1.3 of this Redevelopment Agreement.

ARTICLE 10

CASUALTY

Section 10.1 Notice of Casualty. If the Improvements or any part thereof shall be damaged or destroyed by fire or other casualty, Redeveloper shall notify the BLRA of such destruction or damage within 10 days of Redeveloper's knowledge of such casualty.

Section 10.2 Redeveloper's Right to Terminate Agreement. If the Improvements or the Redevelopment Project are substantially damaged or destroyed in any fire or by any casualty so that, in Redeveloper's reasonable opinion, they shall be economically unsuitable for restoration after full application of available insurance proceeds, then in lieu of rebuilding, replacing, and repairing the Improvements or the Redevelopment Project as provided in this Redevelopment Agreement, Redeveloper shall have the option within 30 days after the occurrence of such damage or destruction, to give written notice to the BLRA of Redeveloper's intention to terminate this Redevelopment Agreement on a date certain as provided in this Section (the "Casualty Termination Date"). Such written notice of the Casualty Termination Date shall be signed by the President or a Vice President of Redeveloper and shall: (1) specify the Casualty Termination Date, which shall be a date not less than 60 days and not more than one hundred and 180 days after the date of the delivery of such notice and (2) contain a certification by Redeveloper to the effect that the Improvements or the Redevelopment Project have been substantially damaged or destroyed and that Redeveloper has determined that the Redevelopment Project is economically unsuitable for restoration, and will not be rebuilt or repaired by Redeveloper. This Redevelopment Agreement shall then terminate as of such Casualty Termination Date and all obligations of Redeveloper shall cease as of said date, with exception for the Redeveloper's responsibility to pay the Minimum Fee with regard to the Bonds outstanding pursuant to Section 6.5 of the Usage Agreement. In the event of such termination, the net proceeds of insurance covering such damage or destruction shall be paid in the following order of priority:

- (1) First, to pay costs associated with demolition and site cleanup; then
- (2) Second, to Redeveloper, to the extent such insurance proceeds are from the Redeveloper's builder's risk policy, the amount equal to Redeveloper's Cost of Construction of the Improvements constructed and not purchased by the BLRA immediately prior to the occurrence of the casualty; and then
- (3) Third, to the BLRA, to pay the amount required to defease the Bonds, if any; then
- (4) Fourth, to the BLRA, to pay the outstanding principal and interest due under a Loan or Redeveloper Loan, if any; then
- (5) Fifth, to the BLRA, the amount required to pay the outstanding principal and accrued interest, due under the BLRA Capital Charge, if any, then
- (6) Sixth, to Redeveloper, the amount equal to Redeveloper's Cost of Construction of the Improvements (not otherwise paid to Redeveloper pursuant to Section 10.2(2) above) constructed and not purchased by the BLRA immediately prior to the occurrence of the casualty; and then
- (7) Seventh, to the BLRA, the entire remaining balance of such amount.

Section 10.3 Casualty Restoration. If a portion of the Redevelopment Project or the Improvements shall be damaged or destroyed by any fire or other casualty and this Redevelopment Agreement is not terminated as provided herein, then this Redevelopment Agreement shall continue in full force and effect and Redeveloper shall, promptly and diligently after any such damage or destruction and after full application of all insurance proceeds related thereto, at its own cost and expense, repair or restore the Redevelopment Project or Improvements, as applicable, as nearly as may be practicable under the circumstances to the fair market value and condition thereof immediately prior to such damage or destruction irrespective of the availability or sufficiency of any fire or other insurance proceeds payable with respect thereto. In the event Redeveloper is obligated to repair or restore the Redevelopment Project or Improvements, as applicable, under this Section 10.3, then proceeds from insurance in connection with such damage or destruction shall immediately be paid over to Redeveloper, to be used by Redeveloper for the purposes of repairing and restoring the Redevelopment Project or Improvements, as applicable. Under no circumstances shall the BLRA be under any obligation to repair pursuant hereto.

ARTICLE 11

OPERATION, MAINTENANCE AND REPAIR OF REDEVELOPMENT PROJECT

Section 11.1 Port Manager's/Parking Manager's Operation, Maintenance and Repair Obligations. The responsibility to operate, maintain, manage and repair the Port shall be undertaken by the Port Manager unless otherwise provided for in the Transaction Documents. The responsibility to operate, maintain, manage and repair the Parking Premises shall be undertaken by the Parking Manager unless otherwise provided for in the Transaction Documents.

Section 11.2 Right of Inspection. The Redeveloper shall permit the BLRA to enter the Redevelopment Area from time to time upon reasonable advance notice to the Redeveloper, subject to any applicable security requirements, for the purpose of inspecting the Redevelopment Area.

Section 11.3 The BLRA's Cooperation. The BLRA agrees to cooperate, at no charge but without out of pocket expense to itself, with the Redeveloper and any and all sublicensees for purposes of expediting and/or complying with all local land use, development and subdivision requirements concerning the development of all Improvements and the Redevelopment Area. In this regard, the BLRA shall cooperate with the Redeveloper in any and all petitions or applications relating to subdivisions and development of the land, including but not limited to applications or petitions for variances, zoning changes, etc., so long as the relief being sought by the Redeveloper is not inconsistent with the Preliminary Design Plan or Plans and Specifications, as applicable.

Section 11.4 Electric Service. Immediately upon the Effective Date and through to the Direct Service Date, the BLRA shall at all times provide the Redeveloper with access to electricity on the Redevelopment Area as Redeveloper may reasonably require for the development and Construction of the Redevelopment Project. The BLRA shall be responsible for maintaining and repairing such utilities services on the Redevelopment Area. The Redeveloper agrees to pay the BLRA a fee for the electric consumption used by the Redeveloper in connection with its development of the Redevelopment Project, plus the BLRA's cost of maintenance and repair for its service. From the Direct Service Date through the duration of the Term, the Redeveloper shall secure direct electric service from a utility for its consumption on the Redevelopment Area.

Section 11.5 Water/Wastewater Service. The Redeveloper shall contract directly with the Bayonne Municipal Utilities Authority for water and wastewater services as needed.

ARTICLE 12

MECHANIC'S LIENS

Section 12.1 Mechanic's Liens. No work performed by Redeveloper pursuant to this Redevelopment Agreement, whether in the nature of erection, Construction, or alteration, shall be deemed to be for the immediate use and benefit of the BLRA so that no mechanic's or other lien shall be allowed against the estate of the BLRA. Redeveloper shall pay promptly all Persons furnishing labor or materials with respect to any work performed by Redeveloper or its contractors on or about the Redevelopment Area, unless contested in good faith by Redeveloper. If any mechanic's or other liens shall at any time be filed against the Redevelopment Area or the Improvements by reason of work, labor, services or materials performed or furnished, or alleged to have been performed or furnished to Redeveloper, Redeveloper shall promptly cause the same to be discharged of record or bonded to the reasonable satisfaction of the BLRA. If not discharged or bonded within 60 days after being notified of the filing thereof, then, in addition to any other right or remedy of the BLRA, the BLRA may bond or discharge the same by paying the amount claimed to be due, and the amount so paid by the BLRA, including reasonable attorneys' fees incurred by the BLRA either in defending against such lien or in procuring the bonding or discharge of such lien, together with interest thereon at the Default Interest Rate, shall be due and payable by Redeveloper to the BLRA.

ARTICLE 13

CONDEMNATION

Section 13.1 Entire Condemnation. If at any time prior to the completion of a Phase all or substantially all of the Redevelopment Area, the Improvements or any easement or right necessary for the use and enjoyment of the Redevelopment Area or the Improvements are the object of the exercise of the power of eminent domain by any Governmental Body (hereinafter, a "Taking"), then this Redevelopment Agreement shall terminate on the earlier of the date the condemning authority takes possession or the date of vesting of title in such Taking. Substantially all of the Redevelopment Area, the Improvements or any easement or right necessary for the use and enjoyment of the Redevelopment Area or the Improvements shall be deemed to have been taken if the remaining portion of the Redevelopment Area or the Improvements shall, in Redeveloper's commercially reasonable sole discretion, prevent the operation of the Port from operating in a manner similar to that prior to such Taking.

Section 13.2 Award Proceeds. Any award for such Taking of all or substantially all of the Redevelopment Area and/or Improvements shall be paid in accordance with the following:

(1) First, to the BLRA, there shall be paid an amount equal to the "Fair Market Value of the Redevelopment Area", which for purposes of this Redevelopment Agreement shall mean the price in cash, that the BLRA's interest in Redevelopment Area (as unimproved land exclusive of the Improvements and unburdened by this Redevelopment Agreement and subject to existing zoning, and environmental and physical constraints) would have brought at the time of the Taking, if it were then offered for sale on the open market; then

(2) Second, to Redeveloper, the amount equal to Redeveloper's Cost of Construction of the Improvements constructed and not purchased by the BLRA immediately prior to such taking; then

(3) Third, to the BLRA, the amount required to pay the outstanding principal and accrued interest, due under the BLRA Capital Charge, if any, then

(4) Fourth, to the BLRA, the amount required to defease the Bonds, if any; then

(5) Fifth, to the BLRA, the amount required to pay the outstanding principal and interest due under a Loan or Redeveloper Loan, if any; and then

(6) Sixth, to the BLRA, the entire remaining balance of such amount.

Section 13.3 Partial Condemnation. (1) If less than all or substantially all of the Redevelopment Area or the Improvements thereon shall be subject to a Taking, and Redeveloper reasonably determines that such partial Taking has or could have a material adverse effect on the operation of the Port, then Redeveloper may elect to continue this Redevelopment Agreement in full force and effect or terminate this Redevelopment Agreement. If Redeveloper shall elect not to terminate this Redevelopment Agreement and the Redeveloper owns any Improvements at the time of the Taking, then the full amount of the award for such partial Taking shall be paid over to Redeveloper, and Redeveloper shall proceed with reasonable diligence to complete restoration of the Improvements so that same shall constitute a complete architectural unit or units and this Redevelopment Agreement shall remain in full force and effect. The balance of the full amount for the Taking remaining after such restoration shall be paid over to the BLRA.

(2) If, however, the BLRA shall own the Improvements at the time of the partial Taking and such Improvements are the subject of such partial Taking, then the full amount for such partial Taking shall be paid over to BLRA, and BLRA shall proceed with reasonable diligence to see to the complete restoration of the Improvements so that same shall constitute a complete architectural unit or units and this Redevelopment Agreement shall thereafter remain in full force and effect. The balance of the full amount of the partial Taking remaining after such restoration shall be paid over to the BLRA.

(3) Should Redeveloper elect to terminate this Redevelopment Agreement upon a partial Taking, Redeveloper shall provide the BLRA with written notice of the date certain upon which this Redevelopment Agreement will terminate in accordance with the terms of this Section (the "Condemnation Termination Date"), with such election and written notice being within 30 days after the earlier of: (a) the date the condemning Governmental Body takes possession, or (b) the date of vesting of title in such Taking. Redeveloper shall specify in such written notice of the Condemnation Termination Date the Condemnation Termination Date itself, which date shall not be less than 60 days nor more than 180 days after delivery of such notice to the BLRA. In the event Redeveloper terminates this Redevelopment Agreement, as provided for in this Section 13.3, this Redevelopment Agreement shall then terminate as of such Condemnation Termination Date and all obligations of Redeveloper hereunder shall cease as of said date except as otherwise indicated under the Transaction Documents and the award for such partial Taking shall be paid as provided in this Section 13.3.

Section 13.4 Temporary Taking. If a temporary Taking of all or substantially all of the Redevelopment Area or the Improvements exceeds 30 consecutive days, Redeveloper may terminate this Redevelopment Agreement in accordance with Sections 13.1 and 13.3 (as applicable).

Section 13.5 Channel Adjustment. Redeveloper acknowledges that the U.S. Army Corp of Engineers is currently evaluating possible adjustments to the width of the navigable water channel servicing the Redevelopment Area. The Parties agree that, provided Redeveloper continues to enjoy adequate access by Cruise Vessels to the berths at the Redevelopment Area, such adjustments shall not be deemed a Taking of any kind under this Redevelopment Agreement.

ARTICLE 14

INSURANCE

Section 14.1 Insurance Requirements for Redeveloper. (1) At all times during the Term of this Redevelopment Agreement, Redeveloper shall carry and maintain, at its expense, policies written by underwriters with an "A-8" or better rating from AM Best or as otherwise approved by the BLRA covering:

(a) Commercial general liability insurance, including insurance against assumed or contractual obligations under this Redevelopment Agreement against any liability arising out of the use of the Redevelopment Area, the Improvements and all areas appurtenant thereto, to afford protection with limits of not less than \$10,000,000 per occurrence/aggregate with respect to personal injury, bodily injury, death and property damage. Such liability shall be written on the ISO occurrence form CG 00 01, or a substitute form providing equivalent coverages and shall cover liability arising from Redevelopment Project and Redevelopment Area operations, independent contractors, products-completed operations, broad form property damage, personal & advertising injury, cross liability coverage, liability assumed in a contract (including the tort liability of another assumed in a contract);

(b) If and to the extent required by Applicable Law, worker's compensation, employers liability and disability benefits as required by the State. If employees will be working on, near or over navigable waters, US Longshoremen's and Harbor Workers' Compensation Act endorsement must be included, and any other coverage (if applicable) or similar insurance in form and amounts required by Applicable Law;

(c) Comprehensive business automobile liability insurance of not less than \$10,000,000 for each accident. Such insurance shall cover liability arising out of any automobile including owned, leased, hired and non-owned automobiles including the transport or towing of vehicles of others;

(d) Comprehensive boiler and machinery equipment coverage, if applicable;

and,

(e) All-risk property insurance, including builder's risk, theft and flood coverage (if available), written at replacement cost value and with replacement cost endorsement, covering the Improvements until such time as such Improvements are sold to the BLRA.

(2) Redeveloper shall cause to be included in each of its policies insuring against loss, damage or destruction by fire or other insured casualty a waiver of the insurer's right of subrogation against the BLRA, or, if such waiver is unobtainable (i) an express agreement that such policy shall not be invalidated if Redeveloper waives or has waived before the casualty, the right of recovery against the BLRA or (ii) any other form of permission for the release of the BLRA.

(3) Upon 10 Business Days Notice, copies of certificates evidencing the insurance required herein, and rating information, shall be furnished to the BLRA at no cost. Such policies shall be subject to the approval of the BLRA for adequacy and form of protection. The BLRA shall have the right upon 30 days written notice from time to time to cause the Redeveloper to increase liability limits or modify coverages.

(4) The Redeveloper shall deliver to the BLRA one certificate of insurance evidencing each required insurance coverage upon the execution of this Redevelopment Agreement.

(5) Not less than 30 days prior to the expiration date or renewal date, the Redeveloper shall supply the BLRA updated replacement certificates of insurance, and amendatory endorsements.

(6) The liability policies required herein shall be endorsed to include provisions that:

(a) require the insurer to provide 60 days prior written notice to all additional insureds, before the policy is canceled, terminated, changed or modified by the insurance company;

(b) confirm that the presence of the BLRA's personnel at or on the Redevelopment Area shall not invalidate its insurance policy; and

(c) confirm that a violation of any of the terms of any other policy issued by the insurer to Redeveloper shall not invalidate the policy.

(7) Upon request, the Redeveloper shall promptly furnish copies of the above endorsements to the BLRA. Acceptance of such copies by the BLRA does not and shall not be construed to relieve the Redeveloper of any obligations, responsibilities or liabilities under this Redevelopment Agreement.

(8) Notwithstanding the foregoing provisions of this Section, an appropriate umbrella policy is acceptable in the event that the full limits of any of the foregoing coverages are not available on a primary basis.

(9) For purposes of this Redevelopment Agreement, notice of an accident from the BLRA to the Redeveloper shall constitute notice to the applicable insurer.

Section 14.2 Environmental Insurance. Environmental insurance in the form of a pollution legal liability policy or similar insurance with the following minimum specifications, subject to review and change as agreed to by the Parties from time to time:

(1) it shall include coverage for Known Conditions and Unknown Conditions as defined herein;

(2) coverage shall be for a term of 1 year renewable annually for a term of 5 to 10 years;

(3) coverage to include a waiver of subrogation regarding any waiver, as applicable, by the Redeveloper of claims associated with matters addressed in this Redevelopment Agreement which the Redeveloper may have against the BLRA, its officers, agents or employees except for those asserted by third parties in their own right. In no circumstances shall the Redeveloper be entitled to assign to any third party, rights of action that the Redeveloper may have against the BLRA;

(4) the limits of risk transfer must be 1/2 times the Redeveloper's Cost of Construction but not to exceed \$10 million; and,

(5) the insurance carrier must be rated "A-8" by A.M. Best or better, or as otherwise approved by the BLRA.

Section 14.3 The BLRA as Additional Insured. All insurance policies evidencing the foregoing insurance in Sections 14.1 and 14.2 shall name the BLRA and/or its designee(s) as additional insured (except worker's compensation insurance), shall be primary and non-contributory with respect to the Redeveloper's undertaking of the Redevelopment Project, excepting workers compensation. If Redeveloper shall fail to perform any of its obligations under this Article 14, the BLRA may perform the same and the cost of same shall be payable upon the BLRA's demand.

Section 14.4 BLRA's Liability. The BLRA shall not be responsible or liable to Redeveloper, or to those claiming by, through or under Redeveloper, for any loss or damage resulting to Redeveloper, or those claiming by, through or under Redeveloper, or its or their property, from the breaking, bursting, stoppage or leaking of electrical cable and wires, or water, gas, fuel oil, sewer or steam pipes so long as such loss or damage is not occasioned by the BLRA's intentional act or omission or the BLRA's gross negligence. To the maximum extent permitted by Applicable Law, Redeveloper agrees to use the Redevelopment Area and the Improvements, as Redeveloper is herein given the right to use, at Redeveloper's own risk.

Section 14.5 Restriction on Use. Redeveloper shall not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Redevelopment Area which will violate Redeveloper's policies of hazard or liability insurance or which will prevent Redeveloper from procuring such policies in companies acceptable to the BLRA.

Section 14.6 No Double Recovery. Neither the BLRA nor Redeveloper shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income or losses under worker's compensation laws and benefits even though such loss or damage might have been occasioned by the negligence of such Party, its agents or employees if, and to the extent, that any such loss or damage is covered by insurance benefiting the Party suffering such loss or damage or was required to be covered by insurance pursuant to this Redevelopment Agreement.

Section 14.7 Insurance Requirements for Contractors. Redeveloper shall require any contractor of Redeveloper performing work on the Redevelopment Area or the Improvements to carry and maintain, at no expense to the BLRA policies written by underwriters with an "A-8" or better rating from AM Best or as otherwise approved by the BLRA:

(1) Commercial general liability insurance, including contractor's liability coverage, contractual liability coverage, products/completed operations coverage and broad form property damage endorsement, to afford protection of not less than \$10,000,000 per occurrence/aggregate with respect to personal injury, bodily injury, death and property damage;

(2) Comprehensive automobile liability insurance with limits for each occurrence, combined single limit coverage, of not less than \$10,000,000 with respect to personal injury, death and property damage; and

(3) If and to the extent required by Applicable Law, worker's compensation coverage, employers liability and disability benefits as required by the State. If employees will be working on, near or over navigable waters, US Longshoremen's and Harbor Workers' Compensation Act endorsement must be included, and any other coverage (if applicable) or similar insurance in form and amounts required by Applicable Law.

Section 14.7.1 BLRA as Additional Insured. All insurance policies of contractors of the Redeveloper evidencing the foregoing insurance shall name the BLRA and/or its designee(s) as additional

insured (except worker's compensation insurance), shall be primary and non-contributory with respect to the Redeveloper's undertaking of the Redevelopment Project, and shall also contain a provision by which the insurer agrees that such policy shall not be cancelled, materially changed or not renewed without at least 60 days' advance notice to the BLRA, or their designee(s). A certificate evidencing such insurance shall be deposited with the BLRA by Redeveloper promptly upon commencement of Redeveloper's contractor's obligation to procure the same. If Redeveloper shall fail to cause its contractors to perform any of the obligations under this Article 14, the BLRA may perform the same and the cost of same shall be payable upon the BLRA's demand.

ARTICLE 15

COMPLIANCE WITH LAWS

Section 15.1 Redeveloper to Comply with Laws. Redeveloper shall at all times during this Redevelopment Agreement, at Redeveloper's own cost and expense, perform and comply with all Applicable Law now or hereafter enacted or promulgated, of every Governmental Body, having jurisdiction over the Redevelopment Area, and of any agency thereof, relating to the Redevelopment Area, or the Improvements now or hereafter located thereon, or the facilities or equipment therein, or the appurtenances to the Redevelopment Area, or the franchises and privileges connected therewith, whether or not such Applicable Law so involved shall necessitate structural changes, improvements, interference with use and enjoyment of the Redevelopment Area, replacements, or repairs, extraordinary as well as ordinary, and Redeveloper shall so perform and comply, whether or not such Applicable Law shall now exist or shall hereafter be enacted or promulgated, and whether such Applicable Law can be said to be within the present contemplation of the Parties hereto, provided that Redeveloper shall have no obligation to comply with any requirements relating to the Pre-Existing Contamination or the Environmental Remediation. By way of illustration and not limitation, Redeveloper shall comply with the City's Noise Ordinance codified at Chapter 3-1 "Noise".

Section 15.2 Redeveloper's Right to Contest. Redeveloper shall have the right, provided it does so with due diligence and dispatch, to contest by appropriate legal proceedings, without cost or expense to the BLRA, the validity of any Applicable Law of the nature hereinabove referred to in this Article 15. Redeveloper may postpone compliance with such Applicable Law until the final determination of such proceedings, only so long as such postponement of compliance will not subject the BLRA to any criminal prosecution, or any other liability of any kind against the Redevelopment Area or the Improvements thereon which may arise by reason of postponement or failure of compliance with such Applicable Law. No provisions of this Redevelopment Agreement shall be construed so as to permit Redeveloper to postpone compliance with such Applicable Law if any Governmental Body shall threaten to carry out any work to comply with the same or to foreclose or sell any lien affecting all or any part of the Redevelopment Area which shall have arisen by reason of such postponement or failure of compliance.

Section 15.3 Redeveloper's Duties. (1) During the development of the Redevelopment Project under this Redevelopment Agreement, Redeveloper shall keep and maintain the Redevelopment Area in compliance with, and shall not cause or permit the Redevelopment Area to be in violation of, any Hazardous Materials Laws, except to the extent that such conditions may have existed prior to the Commencement Date of the Existing Improvements. Except as may be necessary or used in the normal performance of Redeveloper's obligations under this Redevelopment Agreement and in the anticipated development, Redeveloper shall not: (a) use, generate, manufacture, store, or dispose of on, under or about the Redevelopment Area or transport to or from the Redevelopment Area any Hazardous Materials; or (b) affect or disturb the Pre-Existing Contamination. Redeveloper will be solely liable for any remediation that is necessary as a result of Redeveloper's action. By way of illustration and not by limitation, Redeveloper shall not discharge from any vessel, vehicle, building, fixtures or any other personal property onto the Redevelopment Area, Peninsula or waterways (including the Port Jersey Channel and the groundwater beneath the Peninsula), any substances such as refuse, sewage, oil, wastes, etc.

(2) Redeveloper agrees to be bound by those environmental provisions specifically made applicable to it as a Redeveloper set forth in the Transfer Documents entered into between the BLRA and the United States of America, Department of the Army, including, without limitation:

(a) Environmental Services Cooperative Agreement (ESCA) including Section C (Environmental Response Obligations Addendum - EROA) and Section E (Technical Services and Responsibilities Statement - TSRS);

(b) Two Quitclaim Deeds transferring the Peninsula to the BLRA; and

(c) Finding of Suitability for Early Transfer (FOSET) including the Declaration of Covenants, Conditions and Restrictions (DCCRs).

(3) Any breach by the Redeveloper of any of the obligations set forth in (2) above shall constitute an Event of Default by the Redeveloper subject to the cure period following notice thereof in accordance with the provisions of Article 20.

Section 15.4 The BLRA's Duties. The BLRA agrees to be bound by those environmental provisions specifically made applicable to the BLRA as set forth in the Transfer Documents entered into between the BLRA and the United States of America, Department of the Army. The BLRA shall, at its sole expense, proceed diligently and in good faith with the Environmental Remediation of any Pre-Existing Contamination on the Redevelopment Area in accordance with Applicable Law whether such contamination is discovered by Redeveloper or another Person.

Section 15.5 Environmental Indemnity. The Redeveloper shall be solely responsible for, and shall defend, indemnify and hold harmless the BLRA, its directors, officers, employees, agents, parent, subsidiaries, successors, and assigns from and against, any loss, damage, cost, expense, or liability directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal, or presence of fuel oil and petroleum products and Hazardous Materials by the Redeveloper or by others duly acting through the Redeveloper on, under or about the Redevelopment Area, including without limitation: (1) all non-consequential damages; (2) clean-up and removal costs whether necessary to protect the public health, safety or welfare or required by Applicable Law or any Governmental Body, (3) the preparation and implementation of any closure, remedial, or other required plans; (4) all costs associated with damage or injury to natural resources, including but not limited to restoration costs, and (5) all reasonable costs and expenses incurred by the BLRA in connection with clauses (1), (2) and (3), including, but not limited to, reasonable attorneys' fees (collectively, the "Environmental Indemnification"). The provisions of this Section 15.5 shall supercede the provisions of Article 23 with respect to environmental matters.

Section 15.6 Limitation of Environmental Indemnity. For purposes of this Article 15, the Environmental Indemnification shall not apply to Redeveloper if any such loss, damage, cost, expense or liability is due to: (1) the BLRA's negligence or willful misconduct; (2) the presence of Hazardous Materials on, under or about the Redevelopment Area prior to the Commencement Date of the Existing Improvements; (3) the presence of the improvements on the Redevelopment Area prior to the Commencement Date of the Existing Improvements; (4) the BLRA's activities on the Redevelopment Area pursuant to its inspection rights or its rights to conduct remedial activities on or affecting the Redevelopment Area, or (5) the migration of Hazardous Materials from the land which Redeveloper does not license; in which cases, the BLRA shall be solely responsible for, and shall defend, indemnify and hold harmless the Redeveloper, its directors, officers, employees, agents, parent, subsidiaries, successors, and assigns from and against, any loss, damage, cost, expense, or liability directly or indirectly arising out of or attributable thereto.

Section 15.7 Discovery of Pre-Existing Conditions. (1) If, at any time prior to, during or subsequent to the Construction of any element of the Improvements, Pre-Existing Contamination in the form of pre-existing fuel oil, petroleum products or Environmental Contamination is discovered by

Redeveloper, or any of its agents, employees, contractors, or invitees on or within the Redevelopment Area, the BLRA shall, at its sole costs, proceed diligently and in good faith with the Environmental Remediation thereof in accordance with Applicable Law, and Redeveloper shall not be responsible to complete or otherwise address the Environmental Remediation of same to the extent Redeveloper has not affected or disturbed the Pre-Existing Contamination, except to the extent required by Applicable Law in the course of normal performance of Redeveloper's obligations under this Redevelopment Agreement and in the development of the Improvements hereunder.

(2) It is understood and agreed that, except as provided in Section 15.5, all costs of the Environmental Remediation relating to the cleanup, removal or restoration of any Pre-Existing Contamination shall be the sole responsibility of the BLRA and that Redeveloper shall have no responsibility with respect thereto, unless a separate agreement is reached between the BLRA and Redeveloper, and Redeveloper shall bear no responsibility for the payment of any costs for the Environmental Remediation to the extent Redeveloper has not affected or disturbed the Pre-Existing Contamination.

Section 15.8 Assignment of Representations and Warranties. The BLRA represents and warrants to Redeveloper that (1) except with respect to certain Environmental Contamination that occurred during prior uses of the Redevelopment Area by the United States Government, for which certain Environmental Remediation will occur or be undertaken as directed by the New Jersey Department of Environmental Protection ("NJDEP"), to the best of the BLRA's knowledge and belief, no such contamination exists on, at or under the Redevelopment Area; and, (2) the United States Government has agreed, in the Transfer Documents, to effectively defend, indemnify and hold harmless the BLRA and any successor, assignee, transferee, lender or redeveloper from and against any suit, claim, demand or action, liability, judgment, cost or other fee arising out of any claim for personal injury or property damage (including death, illness, or loss of or damage to property or economic loss) that results from, or is in any manner predicated upon, the release or threatened release of any hazardous substance, pollutant or contaminant, or petroleum, or petroleum derivative as a result of Department of Defense activities, except that the United States Government shall not indemnify the BLRA or its successors, assignees, transferees, lenders or redevelopers to the extent that the BLRA or its successors, assignees, transferees, lenders or redevelopers contributed to any such release or threatened release (the "U.S. Government Indemnification"). The BLRA hereby assigns to Redeveloper its right, title and interest as an Indemnitee with respect to the Redevelopment Area, under Section 330 of the National Defense Authorization Act for Fiscal Year 1993, Public Law 102-484, as same may be amended, to the extent such right, title and interest may be assignable, to the extent that such assignment does not adversely affect the BLRA's rights, and provided further than no action shall be required on the part of the BLRA other than to cooperate with Redeveloper.

Section 15.9 Access to Records. The Parties understand that, as noted in Section 15.8, the BLRA will be providing voluminous document submissions to the NJDEP pertaining to the Environmental Remediation of the entire Peninsula Environmental Remediation (the "Submissions"). In that regard, many Submissions may be made to the NJDEP and other Governmental Bodies, including the United States Government, which are wholly unrelated to the Redevelopment Area and those portions of the Redevelopment Area upon which the Improvements will be developed and Constructed, or which only remotely relate to the Redevelopment Area and those portions of the Redevelopment Area upon which the Improvements will be developed and Constructed. It is understood by the Parties that requiring copies of all such Submissions to be provided by the BLRA to the Redeveloper would be administratively burdensome to the BLRA and its Affiliates. Accordingly, it is understood that the BLRA will create and maintain a record of all Submissions to Governmental Bodies (the "Environmental Record"), which, upon request and reasonable notice, the Redeveloper may review and copy at the Redeveloper's expense.

Section 15.10 Cooperation of the BLRA. The BLRA will fully cooperate with Redeveloper in the enforcement by Redeveloper of the indemnification provisions contained in the documents identified in Section 15.8, including, without limitation, the execution of any documents reasonably required to permit or authorize Redeveloper to enforce such indemnifications.

Section 15.11 No Further Action Letter. The BLRA represents and warrants to Redeveloper that it is proceeding with the requirements set forth in the RAWP (as amended from time to time), and will submit the necessary documentation to NJDEP required for the approval and issuance of a No Further Action Letter and Covenant Not to Sue (the "NFA/CNS") from the NJDEP addressing the soil, groundwater and all other environmental media at, associated with or impacting the Redevelopment Area. Pursuant to the representations in Section 15.8 and pursuant to the Transfer Documents vesting title to the Peninsula in the BLRA, the BLRA is obligated to obtain a site-wide NFA/CNS no later than January 31, 2006. The Parties understand that this date may be adjusted and amended with the approval of the United States Army pursuant to the Transfer Documents, and further understand that the anticipated development and Construction of the Improvements will not be impacted by the requirements of this Section, provided that the Parties acknowledge and agree that the time frames for the development and Construction of the Improvements may in fact be affected to the extent that the BLRA fails to obtain the NFA/CNS by January 31, 2006.

Section 15.12 Notification of BLRA of Redeveloper's Plans. To assist in facilitating with environmental compliance and Environmental Remediation, the BLRA shall be notified by Redeveloper of any Preliminary Site Plans and/or final Plans and Specifications of Redeveloper related to the Redevelopment Project, Redevelopment Area or the Peninsula pursuant to the procedures set forth in Article 6 of this Redevelopment Agreement. Should Redeveloper's Preliminary Site Plans and/or final Plans and Specifications affect any portion of the Peninsula or Redevelopment Area upon which the BLRA has previously completed Environmental Remediation and received a NFA/CNS from NJDEP, Redeveloper shall have sole responsibility and liability to comply with the obligations set forth in the Transfer Documents and Applicable Law relating to the environmental conditions on, under, about, or affecting the Peninsula, Redevelopment Area or Improvements, as applicable. Redeveloper shall provide the BLRA with copies of all documentation submitted to or received from any Governmental Body pertaining to the Preliminary Site Plans and/or final Plans and Specifications.

ARTICLE 16

USE OF REDEVELOPMENT AREA

Section 16.1 Permitted Uses. Redeveloper may use and occupy the Redevelopment Area for the sole purpose of undertaking the Redevelopment Project or for such other purpose as permitted under the Transaction Documents. The BLRA shall grant Redeveloper certain additional rights of occupancy and preferential berthing rights as set forth in the Usage Agreement. The entering into and performance of the other Transaction Documents by the BLRA is a material inducement for Redeveloper to enter into this Redevelopment Agreement, absent which Redeveloper would not have entered into this Redevelopment Agreement. And, likewise, the Redeveloper's entry into the other Transaction Documents is a material inducement for the BLRA to enter into this Redevelopment Agreement, absent which BLRA would not have entered into this Redevelopment Agreement.

Section 16.1.1 Incidental Uses. The Parties hereby agree that they will enter into a more definitive Incidental Usage Agreement, which will govern the rights and responsibilities of the Parties with respect to the Incidental Uses, and Incidental Improvements to be utilized to undertake the Incidental Uses, on the Port and within the Redevelopment Area. The Incidental Uses are among the Permitted Uses of the Port and the Redevelopment Area.

Section 16.2 Prohibitive Uses. Redeveloper shall not use or keep or allow the Redevelopment Area or any portion thereof or any buildings or other Improvements thereon or any appurtenances thereto, to be used or occupied for any unlawful purpose or in violation of any Certificate of Occupancy, and will not suffer any act to be done or any condition to exist within the Redevelopment Area or any portion thereof or in any Improvement thereon, or permit any article to be brought therein, which may be dangerous, unless safeguarded as required by Applicable Law, or which may, at law, constitute a nuisance, public or private, or which may make void or voidable any insurance in force with respect thereto. Redeveloper will not erect signs on the exterior of the Improvements or on the Redevelopment Area without the prior written consent of the BLRA, which such consent shall not be unreasonably withheld, delayed or conditioned. Redeveloper shall have the right to erect directional and identification signage along the rights of way servicing the Redevelopment Area, subject to the prior written consent of the BLRA, which such consent shall not be unreasonably withheld, delayed or conditioned.

Section 16.3 No Warranty. Redeveloper acknowledges and agrees that the BLRA does not warrant the landing, docks, piers, quays, gangways, ramps, platforms, bulkheads or upland area to be safe for mooring cruise vessels or for accepting and discharging passengers or for queuing and that the BLRA assumes no responsibility for the foregoing. Redeveloper hereby waives all claims against the City, the BLRA and their respective members, directors, officials, agents and employees for loss of profits, investment opportunities or other speculative or consequential damages arising from any defects in the foregoing.

Section 16.4 Notice. Redeveloper shall notify the BLRA promptly after receipt of knowledge thereof of the occurrence of any personal injury or property damage on the Redevelopment Area, provided the failure to give such Notice shall not be deemed an Event of Default under this Redevelopment Agreement unless the BLRA suffers prejudice as a result of the failure to give such Notice.

ARTICLE 17

ADDITIONAL RIGHTS OF REDEVELOPER

Section 17.1 Redeveloper's Right to Develop Adjacent Lands. The BLRA hereby grants to Redeveloper a first priority right to develop all or a portion of the Peninsula that, in the sole discretion of the BLRA, is to be used as a commercial cruise terminal, as such lands become available in the sole opinion and discretion of the BLRA for the commercial development of a cruise terminal or the development and extension of additional terminals, provided that the Redeveloper shall not have any rights with respect to any portion of the Peninsula that is to be developed as any other use (such portions of the Peninsula to become available for the development of a commercial cruise terminal to be the "Adjacent Lands"). The BLRA shall notify Redeveloper of the foregoing, and the availability for development of any part of the Adjacent Lands and the terms and conditions upon which the BLRA would permit such development of all or a portion of the Peninsula that in the sole discretion of the BLRA is to be used as a commercial cruise terminal (the "BLRA's Development Offer"). Thereafter, the Redeveloper shall have 30 days to accept the development and operation rights over such lands on the terms and conditions contained in the BLRA's Development Offer (such period, the "Development Offer Acceptance Period"). If Redeveloper shall not accept the BLRA's Development Offer within the Development Acceptance Period, the BLRA may consummate a *bona fide* transaction with a third party upon the same terms and conditions offered to Redeveloper, unless (1) the BLRA shall fail to consummate such transaction with a third party within 180 days following the expiration of the Development Acceptance Period, or (2) the terms of such transaction when considered collectively are materially more beneficial to the third party than the economic terms set forth in the BLRA's Development Offer, in which events Redeveloper's rights under this Section 17.1 shall automatically be revived. In either such event, the BLRA shall be obligated to re-offer the Adjacent Lands to Redeveloper upon the terms and conditions that the BLRA would be willing to accept. If Redeveloper notifies the BLRA of its desire to accept any the BLRA's Development Offer within the applicable Development Acceptance Period, then the offer and acceptance shall constitute a contract between the BLRA and Redeveloper and the parties shall promptly enter into definitive documents memorializing such transaction.

Section 17.2 Redeveloper's Right to Acquire the Redevelopment Area. In the event that the BLRA elects to convey its fee interest in any property as it pertains to the Redevelopment Area (or any portion thereof) during the Term, with a deed restriction specifying continued use of such property as a commercial cruise terminal and specific to continued use as a Port (such property to be known as the "Available Property"), the BLRA shall notify Redeveloper of the terms and conditions upon which the BLRA would sell the Available Property (the "Sale Offer") and Redeveloper shall have 30 days to accept the Sale Offer (the "Sale Acceptance Period"). If Redeveloper shall not accept the Sale Offer, the BLRA may transfer title of the Available Property to a third party upon the same terms and conditions offered to Redeveloper, including the required deed restriction, unless (1) the BLRA shall fail to transfer title of the Available Property to the third party within 180 days following the expiration of the Sale Acceptance Period, or (2) the economic terms of such sale when considered collectively are more beneficial to the third party than the economic terms set forth in the offer to Redeveloper, in which events the provisions of this Section shall automatically be revived. If the BLRA determines, in its sole discretion, to proceed with the conveyance, the BLRA shall be obligated to re-offer the Available Property to Redeveloper upon terms and conditions that the BLRA would be willing to accept. If Redeveloper notifies the BLRA of its desire to accept the Sale Offer within the applicable Sale Acceptance Period, the offer and acceptance shall constitute a contract for the sale by the BLRA and the purchase by Redeveloper of the Available Property, and the Parties shall promptly enter into definitive documents memorializing such transaction. Upon the completion of such purchase, this Redevelopment Agreement and all obligations hereunder shall terminate with respect to the Available Property, with the exception of actual or contingent

obligations and liabilities which arose on or prior to such date of purchase, and, if the conveyance includes the entire Redevelopment Area, any fees due to the BLRA shall be prorated as of the closing date, or, if the conveyance includes less than the entire Redevelopment Area, such fees shall be prorated as of the closing date and rent due after the closing date shall be equitably prorated. Notwithstanding anything above to the contrary, during the Term the BLRA shall not offer to convey its fee interest in any portion of the Peninsula to any Person for use as a commercial cruise terminal, unless such property shall be deed restricted to a commercial cruise terminal.

ARTICLE 18

ASSIGNMENT

Section 18.1 Assignment by Redeveloper. Redeveloper may, with the prior written consent of the BLRA (which shall be given in the BLRA's sole discretion) assign this Redevelopment Agreement, or any portion thereof, to any Person. Redeveloper may, without the prior written consent of the BLRA, assign this Redevelopment Agreement, or any portion thereof, to any Affiliate, provided that Redeveloper remains primarily obligated hereunder and guarantees such Affiliate's obligations hereunder.

Section 18.2 Assignment by BLRA. This Redevelopment Agreement may be assigned by the BLRA (1) to another Governmental Body and upon such assignment shall be binding upon and inure to the benefit of the successors and assigns of the BLRA, or (2) to any Person, provided that such Person (a) unconditionally assumes and is capable of assuming all obligations of the BLRA set forth herein, and (b) such Person is reasonably acceptable to Redeveloper.

ARTICLE 19

TERMINATION

Section 19.1 Termination. Notwithstanding anything to the contrary herein and without limiting or prejudicing any other rights and remedies available to either Party under this Redevelopment Agreement and/or Applicable Law, the Parties shall have the following rights of termination:

Section 19.1.1 Termination by Redeveloper. Upon 180 days prior written notice to the BLRA, Redeveloper may terminate this Redevelopment Agreement (1) after January 1, 2024 and upon payment to the BLRA of the Termination Fee, (2) upon the occurrence of an Event of Default by the BLRA (and BLRA fails to cure such default within the applicable cure period following delivery of written notice to the BLRA of same), or (3) in the event that, as a result of the Pre-Existing Contamination of the Redevelopment Area, Redeveloper determines (a) that the cost of Constructing the Improvements requires the expenditure by Redeveloper of an amount in excess of \$2,000,000 (as such amount is increased by the Construction Inflation Factor from the Effective Date to the date of the calculation of the cost of Constructing such Improvements) over what such cost would be if the Redevelopment Area were not contaminated or (b) as a result of such contamination the Construction period would be extended by more than 24 months from what the Construction period would be without such contamination, provided, however, that in the case of the events specified in clause (3)(a) above, Redeveloper shall not be entitled to terminate this Redevelopment Agreement if the BLRA agrees to pay, as incurred and billed within 60 days, the excess Construction cost;

Section 19.1.2 Termination by the BLRA. The BLRA may terminate this Redevelopment Agreement following the occurrence of an Event of Default by Redeveloper (and Redeveloper fails to cure such default within the applicable cure period following delivery of written Notice by the BLRA to Redeveloper of same). Termination of this Redevelopment Agreement by the BLRA upon the occurrence of an Event of Default by Redeveloper shall not relieve Redeveloper of its obligation to pay the BLRA the Termination Fee; and

Section 19.1.3 Termination Due to Force Majeure. Either the BLRA or the Redeveloper may terminate this Redevelopment Agreement upon the occurrence of a Force Majeure event that prohibits use of the Redevelopment Area as contemplated by the Transaction Documents for a period of more than 24 months or such other period of time as the Parties may agree.

ARTICLE 20

EVENTS OF DEFAULT AND REMEDIES

Section 20.1 Events of Default by Redeveloper. With regard to Redeveloper, the following shall be "Events of Default" under this Redevelopment Agreement:

(1) Failure by Redeveloper to observe or perform any material covenant, condition or agreement on its part to be observed or performed hereunder, which failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Redeveloper by the BLRA, unless the BLRA shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if effective corrective action is instituted by Redeveloper within such period and diligently pursued until such failure is corrected; and/or

(2) The commencement by Redeveloper of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or its consent to the entry of an order for relief in an involuntary case under any such law, or its consent to the appointment of or taking possession by a receiver, custodian, liquidator, assignee, trustee or sequestrator (or other similar official) of itself or of any substantial part of its property, or shall make a general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due; and/or

(3) A court having jurisdiction shall enter a decree or order for relief in respect of Redeveloper in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, custodian, liquidator, assignee, trustee, sequestrator (or other similar official) of Redeveloper or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of such decree or order unstayed and in effect for a period of 90 consecutive days; and/or

(4) The occurrence of an Event of Default by Redeveloper under any Transaction Document.

Section 20.2 The BLRA's Remedies. Whenever any Event of Default hereunder by Redeveloper shall have happened and be continuing without cure, the BLRA may terminate this Redevelopment Agreement by providing written notice to Redeveloper, and (1) re-enter and take possession of the Improvements to the extent they have been already sold to the BLRA or (2) re-enter, take possession and take title to the Improvements to the extent they have not been sold to the BLRA and in each case Redeveloper shall vacate and surrender title (if applicable) and possession to the same, without the BLRA having any further obligation except as set forth in the Transaction Documents including, but not limited to, Section 6.6 of the Usage Agreement or Section 8.1.3 of this Redevelopment Agreement, or (3) utilize any available remedies at law or in equity to which BLRA may be entitled. The BLRA may pursue its rights and remedies under the Transaction Documents in whatever order, or collectively, and shall not be required to exhaust any right or remedy or proceed in any order against Redeveloper.

Section 20.3 Events of Default by the BLRA. With regards to the BLRA, the following shall be "Events of Default" under this Redevelopment Agreement:

(1) Failure by the BLRA to observe or perform any covenant, condition or agreement on its part to be observed or performed hereunder or under the Transaction Documents, and such failure shall continue for a period of 30 days after written notice, specifying such failure and

requesting that it be remedied, is given to the BLRA by Redeveloper, unless Redeveloper shall agree in writing to an extension of such time prior to its expiration; provided, however, that if such failure cannot be corrected within such 30 day period, it shall not constitute an Event of Default if corrective effective action is instituted by the BLRA within such period and diligently pursued until such failure is corrected; and/or

(2) The BLRA transfers controlling interest of the Port to any other party for any reason and such successor does not completely and unconditionally assume the rights and obligations of the BLRA under this Redevelopment Agreement; and/or

(3) The BLRA transfers a controlling interest in the Port to a nongovernmental entity, without Redeveloper's prior written consent, which shall not be unreasonably withheld; and/or

(4) The occurrence of an "Event of Default" by the BLRA under any Transaction Document.

Section 20.4 Redeveloper's Remedies. Whenever any Event of Default by the BLRA hereunder shall have happened and be continuing, any one or more of the following remedial steps may be taken by Redeveloper:

(1) Terminate this Redevelopment Agreement by providing written notice to the BLRA;

(2) Suspend its performance under the Redevelopment Agreement in accordance with Section 20.11 of the Redevelopment Agreement; and/or

(3) Seek against the BLRA all remedies, in law or in equity, as Redeveloper may deem appropriate, including, without limitation, specific performance and injunctive relief.

Section 20.5 Cumulative Remedies; Delay or Omission – No Waiver. The remedies conferred upon or reserved to the BLRA or Redeveloper pursuant to this Redevelopment Agreement, including, without limitation, those set forth in this Article 20, are demonstrative only, and are not exclusive of any other available remedy or remedies provided for at law or in equity, or under any Applicable Law now existing or hereinafter provided, but each and every remedy shall be cumulative and shall be in addition to every other remedy either given under this Redevelopment Agreement or at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as it may be deemed expedient. In order to entitle the BLRA or Redeveloper to exercise any remedy reserved to it in this Article 20, it shall not be necessary to give any Notice, other than such Notice as may be herein expressly required.

Section 20.6 Specific Performance. If an Event of Default occurs, or a Party hereto threatens to take an action that will result in the occurrence of an Event of Default, the non-defaulting (or non-threatening) Party shall have the right and remedy, without posting bond or other security, to have the provisions of this Redevelopment Agreement specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach may cause irreparable injury to the BLRA or Redeveloper and that money damages may not provide an adequate remedy for such inquiry.

Section 20.7 Continuance of Obligation. The occurrence of an Event of Default shall not relieve the defaulting Party of its obligations under this Redevelopment Agreement or the other

Transaction Documents. Such defaulting Party's obligations shall survive the termination of the Transaction Documents in accordance with the terms thereof.

Section 20.8 Mitigation. The Parties shall act reasonably to mitigate any damages incurred as the result of an Event of Default or, to the degree possible, in the event of a Force Majeure under Article 21.

Section 20.9 Survival of Termination. The provisions of this Article shall survive the termination of this Redevelopment Agreement as a result of an Event of Default.

Section 20.10 No Consequential Damages. Notwithstanding anything to the contrary contained herein, each Party hereby waives and releases the other from any other claim of consequential or other type of damages, whether based on contract, warranty, negligence (including sole, joint, or comparative), strict liability or otherwise, and whether special, consequential, indirect, incidental, punitive damages of any kind of character, including but not limited to, loss of profits or revenues, loss of product, cost of capital, and the like arising directly or indirectly from or out of any wrongful act, negligence or willful misconduct on the part of the other Party or its Affiliates, agents, representatives, employees, contractors or Invitees, and any failure of the other Party or its Affiliates, officers, directors, employees, agents or representatives to comply with any Applicable Law or with the directive of any Governmental Body.

Section 20.11 Redeveloper's Suspension of Performance. Notwithstanding anything to the contrary in any of the Transaction Documents, and without limiting Redeveloper's rights or remedies in any manner thereunder, upon the occurrence of an Event of Default by BLRA under this Redevelopment Agreement, Redeveloper, at its sole option, may suspend and be excused for the period during which such Event of Default is continuing but not more than 24 months from any further performance of Redeveloper's obligations under Articles 6, 7 and 8 of the Redevelopment Agreement, by providing written Notice of such suspension to the BLRA. Redeveloper's election to suspend and excuse its performance under such Articles shall not be deemed a termination of the Redevelopment Agreement nor shall it prejudice Redeveloper's rights under the Redevelopment Agreement or any of the other Transaction Documents. Redeveloper's election to suspend and excuse its performance under such Articles 6, 7 and 8 shall also result in a commensurate suspension (and thus, extension) of any deadlines pursuant to such Articles while such suspension is in effect. Upon Redeveloper's election to suspend and excuse its performance under this Section 20.11, the Redeveloper's, Port Manager's and BLRA's contractual relationship shall continue to be governed in accordance with and be subject to the terms of all Transaction Documents except Articles 6 and 7 of this Redevelopment Agreement. Should the Redeveloper elect to suspend performance pursuant to this Section, Redeveloper will not undertake new Improvements, and will remain subject to all provisions of the Redevelopment excepting Articles 6 and 7 during the suspension period. Nothing in this Section 20.11 shall limit Redeveloper's rights to seek any and all available remedies under the Transaction Documents.

ARTICLE 21

FORCE MAJEURE

Section 21.1 Force Majeure. Performance by any Party under this Redevelopment Agreement or the Transaction Documents shall not be deemed to be in default where delays or failure to perform are the result of the following acts, events or conditions or any combination thereof that has had or may be reasonably expected to have a direct, material, adverse effect on the rights or obligations of the Parties to this Redevelopment Agreement; provided, however, that such act, event or condition shall be beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such Party under the terms of this Redevelopment Agreement (collectively, "Force Majeure Events").

Section 21.2 Force Majeure Events. The following shall constitute "Force Majeure Events":

(1) An act of God, lightning, blizzard, hurricane, tornado, earthquake, acts of a public enemy, war, terrorism, blockade, insurrection, riot or civil disturbance, sabotage or similar occurrence (such events being required to physically affect a Party's ability to fulfill its obligations hereunder; the consequential effect of such events (e.g., impact on market conditions) shall not be considered a Force Majeure Event); and/or

(2) A landslide, fire, explosion, flood or release or discovery in the Redevelopment Area of unexploded ordnance, nuclear, biological or radiological compounds not created or released by an act or omission of either Party hereto; and/or

(3) The order, judgment, action or inaction and/or determination of any court with jurisdiction or a Governmental Body (other than the BLRA when acting in conformance with this Redevelopment Agreement) with jurisdiction over the BLRA or the Redevelopment Area, excepting decisions interpreting Federal, State and local tax laws generally applicable to all business taxpayers, adversely affecting the Construction of any Improvement or Redeveloper's performance under this Redevelopment Agreement; provided, however, that such order, judgment, action and/or determination shall not be the result of the willful, intentional or negligent action or inaction of the Party to this Redevelopment Agreement relying thereon and that neither the contesting of any such order, judgment, action and/or determination, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party; and/or

(4) The suspension, termination, interruption, denial, failure of, or delay in renewal or issuance of any Approval required pursuant to Applicable Law, provided, however, that such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance shall not be the result of the willful, intentional or negligent action or inaction of the Party relying thereon and that neither the contesting of any such suspension, termination, interruption, denial, failure of, or delay in renewal or issuance, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as a willful, intentional or negligent action or inaction by such Party. Delay in issuance of an Approval resulting from Redeveloper's failure to make an administratively complete submission for an Approval shall not be an event of Force Majeure; and/or

(5) Lawsuits or other legal actions taken by any Person challenging the transactions contemplated by this Redevelopment Agreement, or any other regulatory or administrative delay, except that any lawsuit or other legal action initiated by Redeveloper, an Affiliate of Redeveloper, and any Person with an equity interest therein, an employee, agent, vendor or contractor of the aforementioned entities, shall not be an event of Force Majeure; and/or

(6) The failure or inability on the part of the BLRA to remediate any Pre-Existing Contamination or obtain the NFA/CNS to the extent such failure or inability entails a delay in the ability of the Redeveloper to undertake the Construction of any Improvements.

Section 21.3 Notice of Force Majeure. Notwithstanding the foregoing, unless the Party entitled to an extension under this Article gives written Notice to the other Party hereto of its claim to such extension within 10 days after such Party obtains actual knowledge of the event giving rise to such claim, there shall be excluded in computing the number of days by which the time for performance of the act in question shall be extended, the number of days which shall have elapsed between the occurrence of such event and the actual giving of such Notice, provided, however, that failure to provide such Notice shall not prevent the Party claiming a Force Majeure Event from exercising its rights and enjoying the protections afforded under such claim and provided further that in the event the Party entitled to received such Notice has actual knowledge of such Force Majeure Event, the penalty for failure to provide Notice pursuant hereto shall not apply.

Section 21.4 Procedure. The Parties acknowledge that the acts, events or conditions set forth in this Article are intended to be the only acts, events or conditions that may (upon satisfaction of the conditions specified herein) constitute a Force Majeure Event. Notice by the Party claiming such extension due to Force Majeure Event shall be sent to the other Party within 30 calendar days of the commencement of the cause. During any Force Majeure Event that affects part of the Redevelopment Project or performance under this Redevelopment Agreement, Redeveloper shall continue to perform its obligations for the remainder of the term of the Redevelopment Project or the remainder of the term of the Transaction Documents. The existence of a Force Majeure Event shall not prevent a Party from declaring the occurrence of an Event of Default by the Party relying on such Force Majeure provided that the event that is the basis of the Event of Default is not a result of the Force Majeure Event. Notwithstanding anything contained herein to the contrary, in the case of a Force Majeure Event described in this Article, the Party claiming such extension shall have an ongoing obligation to contest such lawsuit or other legal action, regulatory or administrative delay, to the extent applicable, and shall perform all acts necessary to terminate such Force Majeure event.

ARTICLE 22

DISPUTE RESOLUTION

Any Dispute, controversy or claim of one Party against the other Party arising out of, relating to or in connection with this Redevelopment Agreement, including any question regarding its existence, validity or termination, or regarding a breach thereof shall be resolved pursuant to the following procedures:

Section 22.1 Dispute Notice. Any Party wishing to initiate consideration of a Dispute hereunder shall give a Dispute Notice to the other Party of the existence of such Dispute and of the Party's desire to have the other Party consider the Dispute. Such notice shall set forth in reasonable detail the nature of the Dispute to be considered and shall be accompanied by a full disclosure of all factual evidence and a statement of the applicable legal basis of the Dispute; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 22.2 Negotiating Team. Upon giving and receipt of a Dispute Notice, each Party shall appoint a Negotiating Team consisting of not less than one and not more than three representatives.

Section 22.3 Negotiation Meetings. The Negotiating Teams shall commence meeting within 30 days of receipt of the Dispute Notice and shall, during and up to such 30 day period, meet and negotiate in good faith for a period of up to 30 days to attempt to resolve the Dispute. During such negotiation period, a Party asserting a claim for damages or equitable relief or any defense thereto against any other Party shall disclose to the other Party all previously undisclosed factual evidence and legal basis of such claim or defense; provided, however, that (1) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right which a Party may then or thereafter possess and (2) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or legal proceeding without the prior written consent of the Party making such disclosure and/or statement.

Section 22.4 Final Dispute Notice. If the Negotiating Teams fail to resolve the Dispute within the negotiation period set forth in Section 22.3 above, any Party may notify the other Party of such failure by delivery of a Final Dispute Notice.

Section 22.5 Arbitration. Upon the giving or receipt of a Final Dispute Notice, any disagreement within the scope of this Article 22 shall be determined by final and binding arbitration pursuant to the then current Commercial Arbitration Rules of the American Arbitration Association ("AAA"), in existence at the time of the execution of this Redevelopment Agreement. The arbitration shall be conducted in Newark, New Jersey, USA. The arbitration shall be before a panel of three arbitrators. One arbitrator shall be selected by each of the Parties and the third arbitrator shall be selected by the two arbitrators designated by the Parties. Each Party shall bear its own costs and expenses in preparing for and participating in the arbitration hearing except that each Party shall pay one-half of the compensation payable to the arbitrators, one-half of any fees to the AAA and one-half of any other costs related to the hearing proceedings. The arbitration award may provide for either damages or other

equitable relief, including, but not limited to, injunctive relief, and shall be final and binding on the Parties, and judgment on the award may be entered in any court having jurisdiction, including resort to the relief granted in the Federal Arbitration Act or Applicable Law.

Section 22.6 Commencement of Arbitration. It is explicitly agreed by each of the Parties hereto that no such arbitration shall be commenced except in conformity with this Article 22.

Section 22.7 Prevailing Party Award of Attorneys' Fees. In the event either Party brings an arbitration proceeding against the other arising out of the terms or provisions of this Redevelopment Agreement and the other Party employs an attorney in connection therewith, the prevailing Party (whether such prevailing Party has been awarded a money judgment or not) may be awarded by the arbitrators and entitled to receive from the other Party full reimbursement of such prevailing Party's reasonable attorneys' and para-professionals' fees (excluding in-house counsel and para-professional fees) and costs incurred therewith (including costs to enforce arbitration), whether such fees are incurred by the prevailing Party before, during, or after any arbitration, trial or administrative proceeding or on appeal.

Section 22.8 No Abrogation of Right to Seek Emergent Equitable Relief. Nothing in this Article shall be construed to deprive any Party, or to abrogate any Party's right, to seek emergent, equitable relief, if necessary, in any court of competent jurisdiction and in accordance with Applicable Law, as any such court may adjudge, order or decree under the pertinent circumstances.

ARTICLE 23
INDEMNIFICATION

Section 23.1 Indemnification. Each Party covenants and agrees, at its sole expense, to pay and to indemnify, protect, defend and hold the BLRA Indemnified Parties or the Redeveloper Indemnified Parties, as the case may be, harmless from and against all liability, losses, damages, demands, costs, claims, actions, or expenses (including attorneys' fees, disbursements, and court costs) of every kind, character and nature arising out of, resulting from or in any way connected with this Redevelopment Agreement, or the acquisition, condemnation, condition, use, possession, conduct, management, planning, design, construction, installation, financing, marketing, leasing or sale of the Redevelopment Area, including but not limited to, the death of any Person or any accident, injury, loss, and damage whatsoever caused to any Person or to the property of any Person that shall occur on the Redevelopment Area and that, with respect to any of the foregoing, are related to or resulting from any negligence or willful misconduct of Redeveloper or the BLRA, as the case may be, its agents, servants, employees, or contractors.

Section 23.2 Environmental Indemnification. For purposes of this Article 23 and this Redevelopment Agreement, the Environmental Indemnification set forth in Section 15.5 and 15.6 shall govern and be applicable to the Parties.

Section 23.3 Interest in the Redevelopment Area. (1) With respect to any interest in the Redevelopment Area acquired or accessed by Redeveloper, Redeveloper shall defend, protect, indemnify and hold harmless the BLRA Indemnified Parties, from any claim, liability, injury and expense (including, without limiting the generality of the foregoing, the cost of any required investigation and remediation of any environmental conditions, and the cost of attorneys' fees) which may be sustained as the result of any environmental conditions on, in, under or migrating to or from the Redevelopment Area acquired or accessed by Redeveloper, to the extent any such liability attaches to the BLRA Indemnified Parties as a direct result of activities performed by Redeveloper or its contractors pursuant to this Redevelopment Agreement, including without limitation claims against the BLRA Indemnified Parties by any third party.

(2) Except as set forth in Section 15.5 and 15.6 neither Party has granted any release, indemnity and/or other forbearance in favor of the other with respect to any claim, liability, injury, damage, cost or action and/or expense relating to the environmental condition of the Peninsula (specifically including, without limitation, any Parcel(s) to be developed by Redeveloper), and no provision of this Redevelopment Agreement shall in any manner be argued and/or construed to constitute a waiver or limitation of any right or claim that either Party may assert against the other under Applicable Law respecting such matters.

Section 23.4 Notification of Indemnification. In any situation in which the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, are entitled to receive and desire defense and/or indemnification pursuant to this Article 23, the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, shall give Notice of such situation to the Indemnifying Party within 30 days after the Indemnified Party has actual knowledge of any claim as to which indemnity may be sought hereunder. Failure to provide timely Notice to the Indemnifying Party shall not relieve the Indemnifying Party of any liability to indemnify the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, unless such failure to provide timely Notice materially impairs the Indemnifying Party's ability to defend. Upon receipt of such Notice, the Indemnifying Party shall resist and defend any action or proceeding on behalf of the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, including the employment of counsel reasonably acceptable to

the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, the payment of all expenses and the right to negotiate and consent to settlement. All of the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, shall have the right to employ separate counsel at the expense of the Indemnifying Party. The Indemnifying Party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Indemnified Party or if there is a final judgment against the Indemnified Party in any such action, the Indemnifying Party shall indemnify and hold harmless the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be from and against any loss or liability by reason of such settlement or judgment for which the BLRA Indemnified Parties or Redeveloper Indemnified Parties, as the case may be, are entitled to indemnification hereunder.

Section 23.5 Survival of Indemnity. The provisions of this Article 23 shall survive the termination of this Redevelopment Agreement due to an Event of Default.

Section 23.6 Limitation of Damages. Notwithstanding anything else provided herein, in the event an Indemnified Party seeks an indemnity under this Article 23 from the Indemnifying Party, the only damages Indemnified Party may collect from the Indemnifying Party are the actual non-consequential, direct, damages suffered by the Indemnified Party.

ARTICLE 24

MISCELLANEOUS

Section 24.1 Procurement of Public Funds. Any Additional Grants or public monies shall be procured pursuant to 8.1.2 of this Redevelopment Agreement.

Section 24.2 Provisions Not Merged. None of the provisions of this Redevelopment Agreement are intended to or shall be merged by reason of any prior agreement, lease or other contract between the BLRA and Redeveloper.

Section 24.3 Non-Liability of Officials, Employees and Agents of the BLRA or the City. No member, official, employee or agent of the BLRA, its Affiliates or the City shall be personally liable to Redeveloper, or any successor in interest, in the event of any default or breach by the BLRA, or for any amount which may become due to Redeveloper or its successor, or on any obligation under the terms of this Redevelopment Agreement.

Section 24.4 Non-Liability of Officials and Employees of Redeveloper. No member, officer, shareholder, director, partner or employee of Redeveloper shall be personally liable to the BLRA, or any successor in interest, in the event of any default or breach by Redeveloper or for any amount which may become due to the BLRA, or its successor, on any obligation under the terms of this Redevelopment Agreement.

Section 24.5 No Brokerage Commissions. The BLRA and Redeveloper each represent one to the other that no broker initiated, assisted, negotiated or consummated this Redevelopment Agreement as broker, agent, or otherwise acting on behalf of either the BLRA or Redeveloper, and the BLRA and Redeveloper shall indemnify each other with respect to any claims made by any Person, firm or organization claiming to have been so employed by the Indemnified Party.

Section 24.6 No Partnership; Relationship of the Parties. Neither Party shall be deemed, in any way or for any purpose, to have become, by the execution of this Redevelopment Agreement or any action taken under this Redevelopment Agreement, a partner or agent of the other Party in its business or otherwise, or a member of any joint enterprise nor to have any authority to bind the other Party.

Section 24.7 Enforcement by the BLRA. It is intended and agreed that the BLRA and its successors and assigns shall be deemed beneficiaries of this Redevelopment Agreement and covenants set forth herein, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit this Redevelopment Agreement and the covenants set forth herein have been provided. This Redevelopment Agreement and the covenants set forth herein shall run in favor of the BLRA for the entire period during which this Redevelopment Agreement and covenants set forth herein shall be in force and effect. The BLRA shall have the right, in the event of any breach of this Redevelopment Agreement or the covenants set forth herein, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which they and their successors and assigns may be entitled, provided, however that at all times this Section shall be subject to the provisions of Articles 20 and 22 respectively.

Section 24.8 Enforcement by Redeveloper. It is intended and agreed that Redeveloper and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this Redevelopment Agreement. Such agreements and covenants shall run in favor of Redeveloper for the entire period during which such agreements and covenants shall be in force and effect. Redeveloper shall

have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which they and their successors and assigns may be entitled, provided, however, that at all times this Section shall be subject to the provisions of Articles 20 and 22 respectively.

Section 24.9 Notices. Any Notice, demand, election, payment, or other communication, which the BLRA or Redeveloper shall desire or be required to give pursuant to the provisions of this Redevelopment Agreement (each a "Notice"), shall be sent by registered or certified mail, return receipt requested, and the giving of such Notice shall be deemed complete on the third (3rd) business day after the same is deposited in a United States Post Office with postage charges prepaid, enclosed in a securely sealed envelope addressed to the Person intended to be given such Notice at the respective addresses set forth below or to such other address as such Party may theretofore have designated by Notice pursuant to this Section 24.9:

BLRA: Bayonne Local Redevelopment Authority
51 Port Terminal Boulevard
Suite 21
Bayonne, New Jersey 07002
Attention: Nancy A. Kist, Executive Director

With copy to: John F. Coffey, II, Esq.
Bayonne Municipal Building
630 Avenue C
Bayonne, NJ 07002-3898

Joseph P. Baumann, Jr., Esq.
McManimon & Scotland, L.L.C.
One Riverfront Plaza, 4th Floor
Newark, NJ 07102

Redeveloper: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President, New
Business Development

With a copy to: Royal Caribbean Cruises, Ltd.
1050 Caribbean Way
Miami, Florida 33132
Attention: Vice President and
General Counsel

All Notices to be given under this Redevelopment Agreement shall be given in writing in conformance with this Section 24.9 and, unless a certain number of days is specified, within a reasonable time.

Section 24.10 Waivers; Amendments; Requirement of a Writing. All waivers of the provisions of this Redevelopment Agreement must be in writing and signed by the appropriate representatives of the BLRA and Redeveloper, and all amendments hereto must be in writing and signed by the appropriate representatives of the BLRA and Redeveloper. The waiver by either Party of a default

or of a breach of any provision of this Redevelopment Agreement by the other Party shall not operate or be construed to operate as a waiver of any subsequent default or breach. The failure of the BLRA or Redeveloper to insist in any one or more instances upon the strict performance of any of the covenants, agreements, terms, provisions or conditions of this Redevelopment Agreement or to exercise any election contained in this Redevelopment Agreement shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, election or option, but the same shall continue and remain in full force and effect. In the event that any contractual provisions that are required by Applicable Law have been omitted, then the BLRA and Redeveloper agree that this Redevelopment Agreement shall be deemed amended to incorporate all such clauses by reference and such requirements shall become a part of this Redevelopment Agreement. If such incorporation occurs and results in a change in the obligations or benefits of one of the Parties, the Parties agree to act in good faith to mitigate such changes in position.

Section 24.11 Conflict of Interest. No member, official or employee of the BLRA shall have any direct or indirect interest in this Redevelopment Agreement, nor participate in any decision relating to this Redevelopment Agreement which is prohibited by Applicable Law.

Section 24.12 No Consideration for Agreement. Redeveloper warrants it has not paid or given, and will not pay or give, any third Person any money or other consideration for obtaining this Redevelopment Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. Redeveloper further warrants it has not paid or incurred any obligation to pay any officer or official of the BLRA or City, any money or other consideration for or in connection with this Redevelopment Agreement.

Section 24.13 Approvals by the BLRA and Redeveloper. Wherever this Redevelopment Agreement requires the approval of the BLRA or Redeveloper, or any officers, agents or employees of either the BLRA or Redeveloper, such approval or disapproval shall be given within the time set forth in this Redevelopment Agreement, or, if no time is given, within a reasonable time. All approvals, consents and acceptances required to be given or made by any Person or Party hereunder shall not be unreasonably withheld or delayed unless specifically stated otherwise.

Section 24.14 No Third Party Beneficiaries. The provisions of this Redevelopment Agreement are for the exclusive benefit of the Parties and their Affiliates and not for the benefit of any third person, nor shall this Redevelopment Agreement be deemed to have conferred any rights, express or implied, upon any third Person, with the exception of the Port Manager and Parking Manager, which are deemed express, third party beneficiaries of this Redevelopment Agreement.

Section 24.15 Consents. Unless otherwise specifically provided herein, no consent or approval by the BLRA or Redeveloper permitted or required under the terms of this Redevelopment Agreement shall be valid or be of any force whatsoever unless the same shall be in writing, and signed by an authorized representative of the Party by or on whose behalf such consent is given.

Section 24.16 Captions. The captions of the Articles, Sections, Subsections, the Table of Contents and Schedule of Exhibits of this Redevelopment Agreement are for convenient reference only and shall not be deemed to limit, construe, affect, modify or alter the meaning of the Articles, Sections, Exhibits or other provisions hereof.

Section 24.17 Governing Law. This Redevelopment Agreement shall be governed by and construed in accordance with the laws of the State, without giving effect to choice of laws principles.

Section 24.18 Severability. If any Article, Section, Subsection, term or provision of this Redevelopment Agreement or the application thereof to any Party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Redevelopment Agreement or the application of same to Parties or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining Article, Section, Subsection, term or provision of this Redevelopment Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law, provided that no such severance shall serve to deprive any Party of the enjoyment of its substantial benefits under this Redevelopment Agreement.

Section 24.19 Successors and Assigns. This Redevelopment Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto and their heirs, executors and administrators.

Section 24.20 Exhibits. All Exhibits referred to herein shall be considered a part of this Redevelopment Agreement with the same force and effect as if such Exhibits had been included fully within the text of this Redevelopment Agreement.

Section 24.21 Review by Counsel; Construction and Interpretation. The Parties acknowledge that this Redevelopment Agreement has been extensively negotiated with the assistance of competent counsel for each Party and agree that no provision of this Redevelopment Agreement shall be construed in favor of or against any Party by virtue of the fact that such Party or its counsel have provided an initial or any subsequent draft of this Redevelopment Agreement or of any portion of this Redevelopment Agreement. The Agreement shall be construed and enforced in accordance with the laws of the State and no presumption as to authorship shall be presumed.

Section 24.22 Expenses. Each Party hereto shall bear its own expenses, including legal fees and costs, in connection with the preparation and negotiation of this Redevelopment Agreement and any additional documentation required to formalize the arrangement contemplated hereby, unless specifically provided elsewhere in the Transaction Documents to the contrary.

Section 24.23 Counting of Days; Saturday, Sunday or Holiday. If the final date of any period provided in this Redevelopment Agreement for the performance of an obligation or for the taking of any action falls on a day other than a Business Day, then the time of such period shall be deemed extended to the next Business Day.

Section 24.24 Recording of Agreement. Upon written request of any Party, the Parties agree to execute an agreement, declaration or other document suitable for recording in the public records, setting forth the names of the Parties and the term, thereof, identifying the Improvements and including such other clauses therein as either Party may reasonably request.

Section 24.25 Counterparts. This Redevelopment Agreement may be executed in two or more counterparts (including by means of telecopied signature pages), each of which shall be deemed an original, but all of which together shall constitute one and the same fully executed Redevelopment Agreement. Counterpart signatures need not be on the same page and shall be deemed effective upon receipt.

Section 24.26 Entire Agreement. The Transaction Documents constitute the entire agreement between the Parties and supersede all prior oral and written agreements between the Parties with respect to the subject matter thereof. The Transaction Documents supersede any prior understanding or written or oral agreements (express or implied) between the Parties.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed as of the day and year first above written.

THE BLRA:

BAYONNE LOCAL REDEVELOPMENT AUTHORITY

By: _____

Nancy A. Kist
Nancy A. Kist,
Executive Director

REDEVELOPER:

ROYAL CARIBBEAN CRUISES LTD.

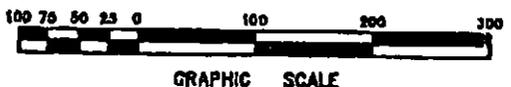
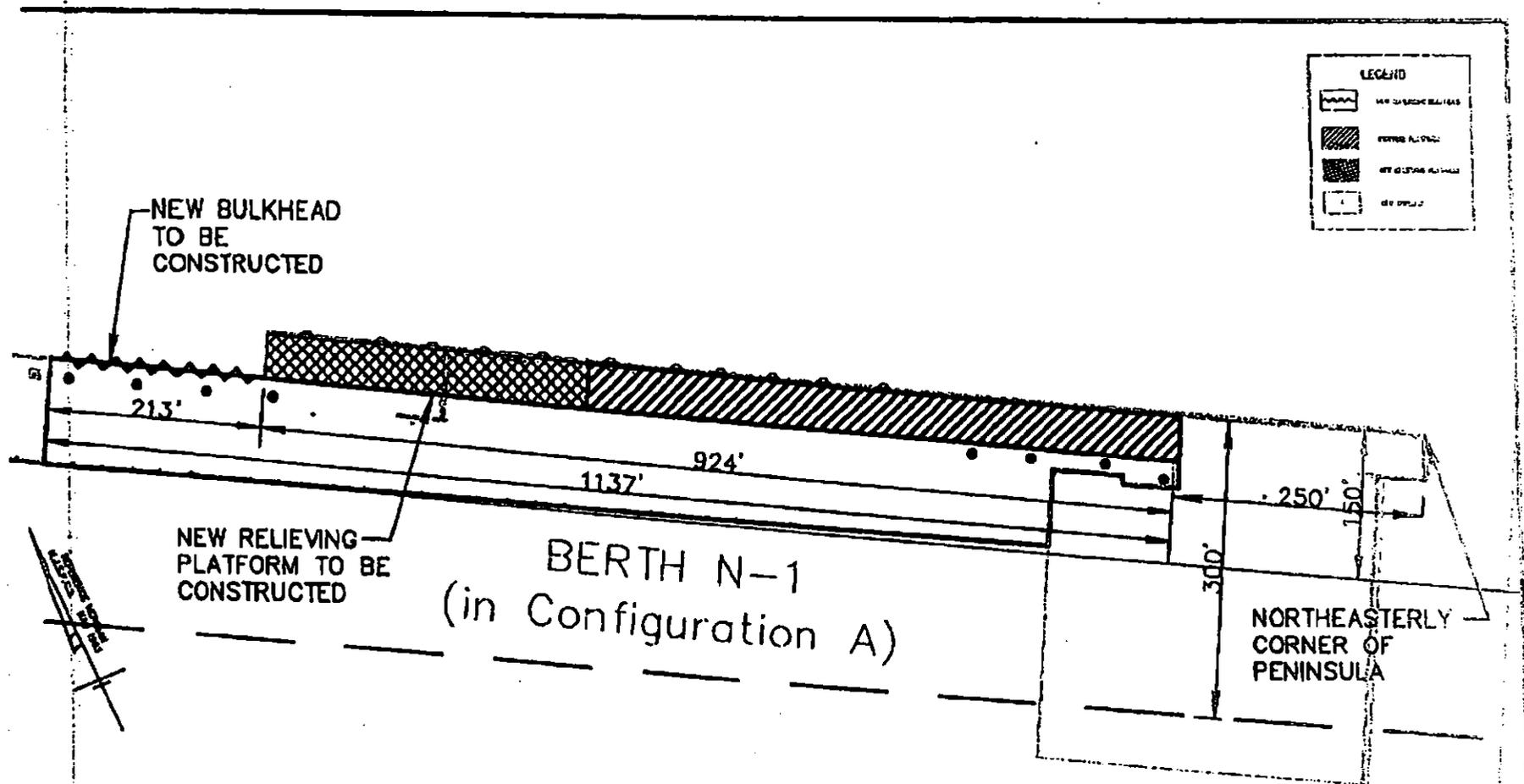
By: _____

Name: _____

Title: _____

Adam M. Goldstein
ADAM M. GOLDSTEIN
PRESIDENT, ROYAL CARIBBEAN INTERNATIONAL

EXHIBIT F
BERTH N-1



LGA ENGINEERING, INC. <small>CONSULTING ENGINEERS & ARCHITECTS</small>		CAPE LIBERTY CRUISE PORT	
TIMOTHY J. RIOUX, P.E. PROFESSIONAL ENGINEER N.J. Lic. No. 43597		EXHIBIT F BERTH N-1	
<small>DATE</small> 08/29/07		<small>SCALE</small> AS SHOWN	
<small>DRAWN BY</small> JSP		<small>CHECKED BY</small>	
<small>RELEASED BY</small>		<small>FILE NO.</small> 50086000103	
<small>DATE</small>		<small>DRAWER NO.</small>	
		SHEET 1 OF 15	

EXHIBIT G

BERTH N-2

AUG-31-2007 16:04

DATE OF PRINT - 11/14/06 BY: JRP
 DATE OF REVISION - 08/18/05 BY: JRP
 DRAWN BY: JRP
 CHECKED BY: JRP
 APPROVED BY: JRP
 PROJECT NO.: 00086000103

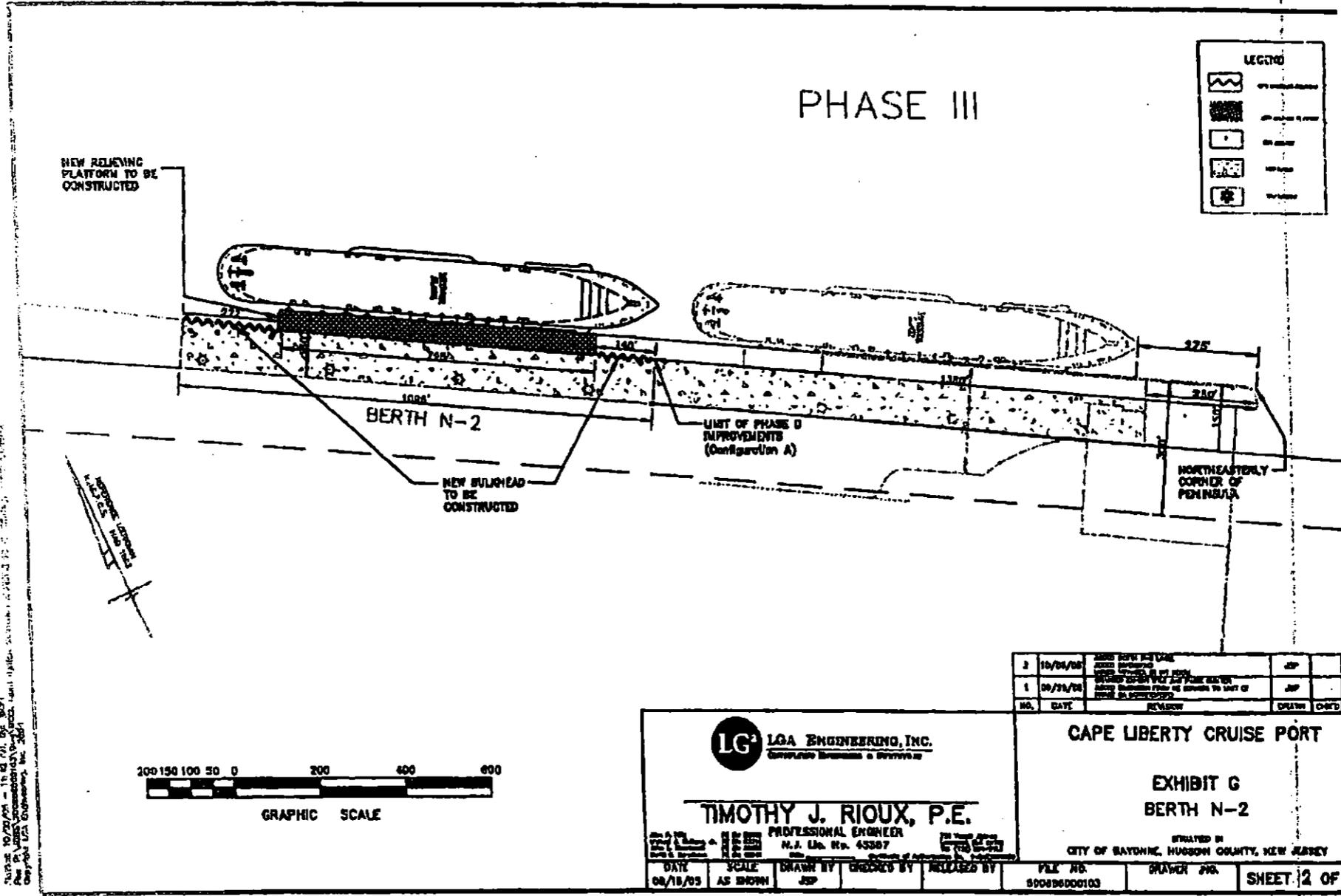
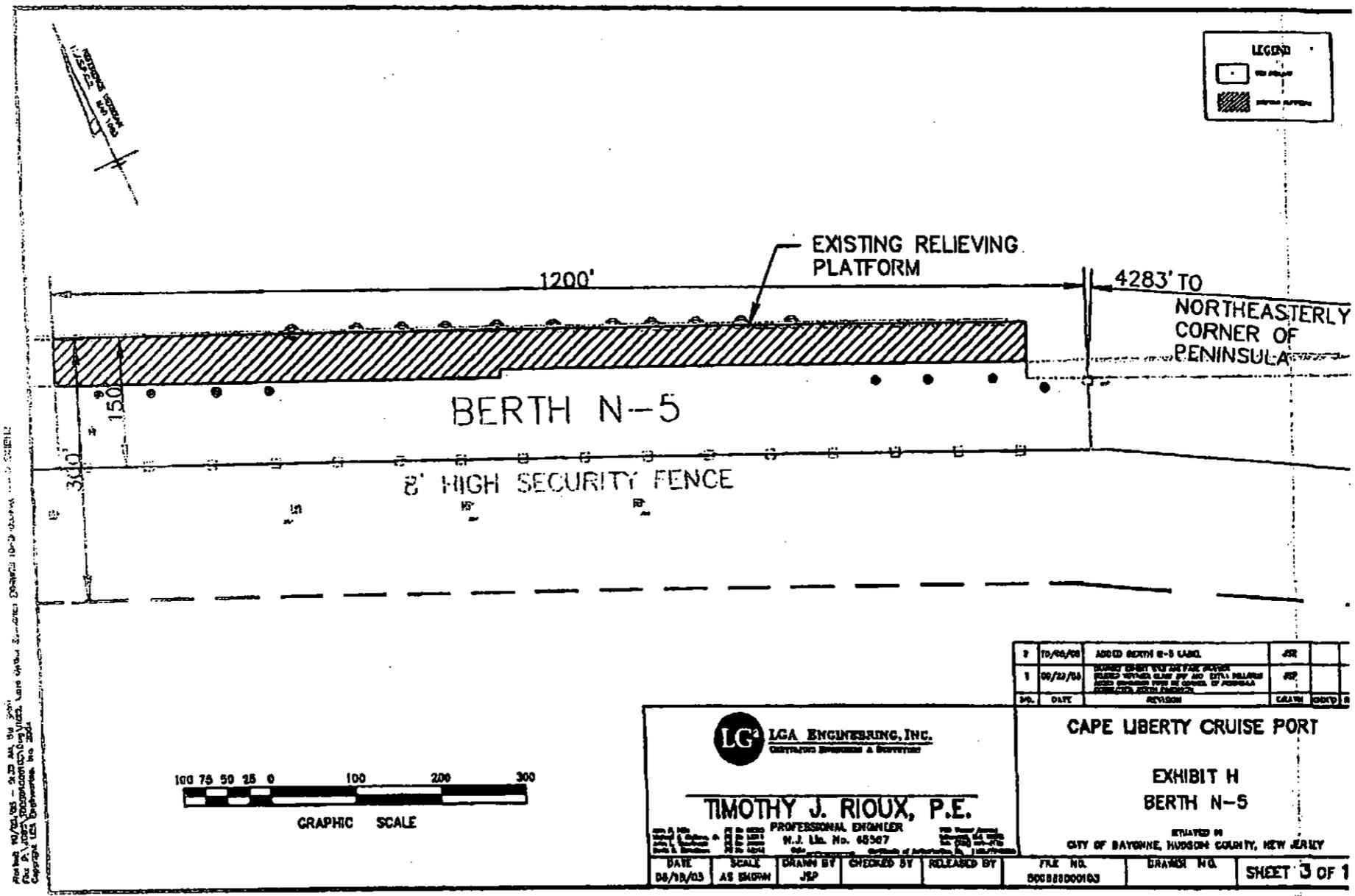


EXHIBIT H

BERTH N-5



AUG-31-2007 15:05

Project No. 06-003 - 06-03 AM, 06/03/07
 Date: 08/18/03
 City of Bayonne, Hudson County, New Jersey
 Copyright LGA Engineering, Inc. 2004

NO.	DATE	REVISION	CAUSE	BY
2	08/08/03	ADDED BERTH N-5 LAND	JEP	
1	06/22/03	REVISED BERTH N-5 TO SHOW EXISTING PLATFORM AND EXISTING FENCE LINE BY AND EXISTING PLATFORM AREA DIMENSIONS FROM AN CORNER OF PENINSULA	JEP	

LGA ENGINEERING, INC.
 CONSULTING ENGINEERS & ARCHITECTS

TIMOTHY J. RIOUX, P.E.
 PROFESSIONAL ENGINEER
 N.J. Lic. No. 68567

CAPE LIBERTY CRUISE PORT

EXHIBIT H
BERTH N-5

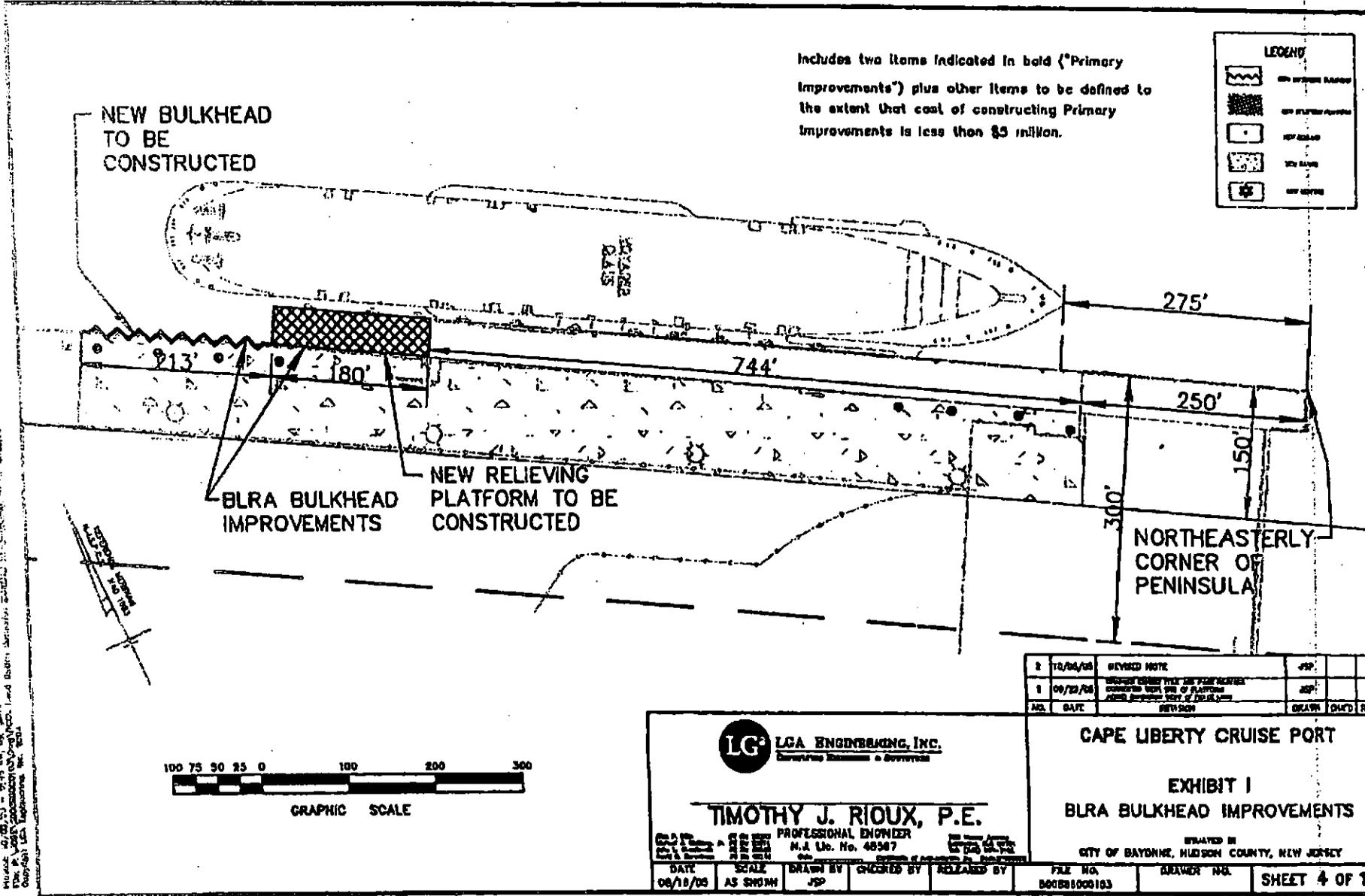
LOCATED IN
CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

DATE	SCALE	DRAWN BY	CHECKED BY	RELEASED BY	FILE NO.	DRAWING NO.	SHEET
08/18/03	AS SHOWN	JEP			0008880003		3 OF 1

EXHIBIT I
BLRA Bulkhead Improvements

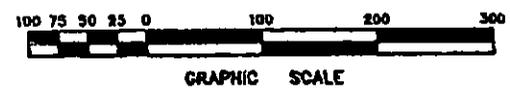
AUG-31-2007 15:05

10/20/05 - 0:45 AM, BY: JSP
 THIS IS A REVISION TO THE ORIGINAL PLAN. THE ORIGINAL PLAN IS BEING REVOKED.
 DATE: 10/20/05 BY: JSP



Includes two items indicated in bold ("Primary Improvements") plus other items to be defined to the extent that cost of constructing Primary Improvements is less than \$5 million.

LEGEND	
	NEW BULKHEAD
	NEW RELIEVING PLATFORM
	BLRA BULKHEAD
	BLRA PLATFORM
	BLRA PLATFORM



NO.	DATE	REVISION	BY	CHK'D BY
2	10/20/05	REVISED NOTE	JSP	
1	09/22/05	REVISED NOTE THAT ALL PLANS BEING CONSIDERED WITH ONE OF PLANNING PERIOD APPROXIMATELY 10/20/05	JSP	

LC LCA ENGINEERING, INC.
 Consulting Engineers & Architects

TIMOTHY J. RIOUX, P.E.
 PROFESSIONAL ENGINEER
 N.J. Lic. No. 48947

DATE	SCALE	DRAWN BY	CHECKED BY	RELEASED BY
06/18/05	AS SHOWN	JSP		

CAPE LIBERTY CRUISE PORT

EXHIBIT I
BLRA BULKHEAD IMPROVEMENTS

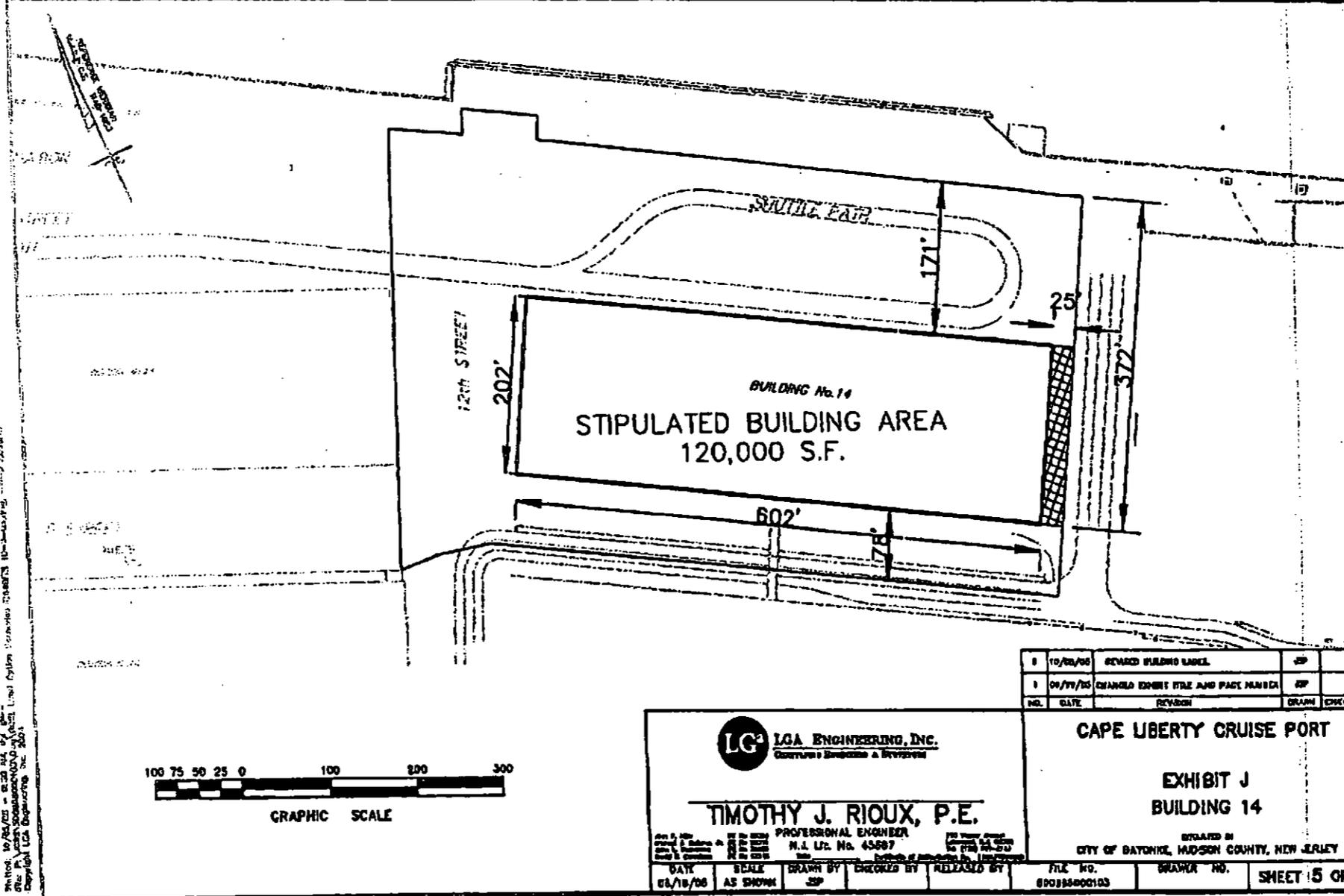
PREPARED BY
 CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

FILE NO.	DRAWING NO.	SHEET # OF 1
00000000103		4 OF 1

EXHIBIT J

Building 14

THIS PLAN IS PREPARED BY THE ENGINEER AND IS NOT TO BE USED FOR ANY OTHER PURPOSE WITHOUT HIS WRITTEN CONSENT. THE ENGINEER'S LIABILITY IS LIMITED TO THE PROFESSIONAL SERVICES PROVIDED BY HIM.



NO.	DATE	REVISION	DRAWN	CHECKED
1	10/05/06	ISSUED BUILDING LABEL	JSP	
1	06/19/06	CHANGED EXHIBIT FILE AND PAGE NUMBER	JSP	

LC³ LCA ENGINEERING, INC.
 CONSULTING ENGINEERS & ARCHITECTS

TIMOTHY J. RIOUX, P.E.
 PROFESSIONAL ENGINEER
 N.J. Lic. No. 45687

DATE: 08/18/06
 SCALE: AS SHOWN
 DRAWN BY: JSP
 CHECKED BY:
 RELEASED BY:

CAPE LIBERTY CRUISE PORT

EXHIBIT J
BUILDING 14

LOCATED IN
 CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

FILE NO. 600884000103
 DRAWER NO.
 SHEET 15 OF

EXHIBIT K
Configuration "A"

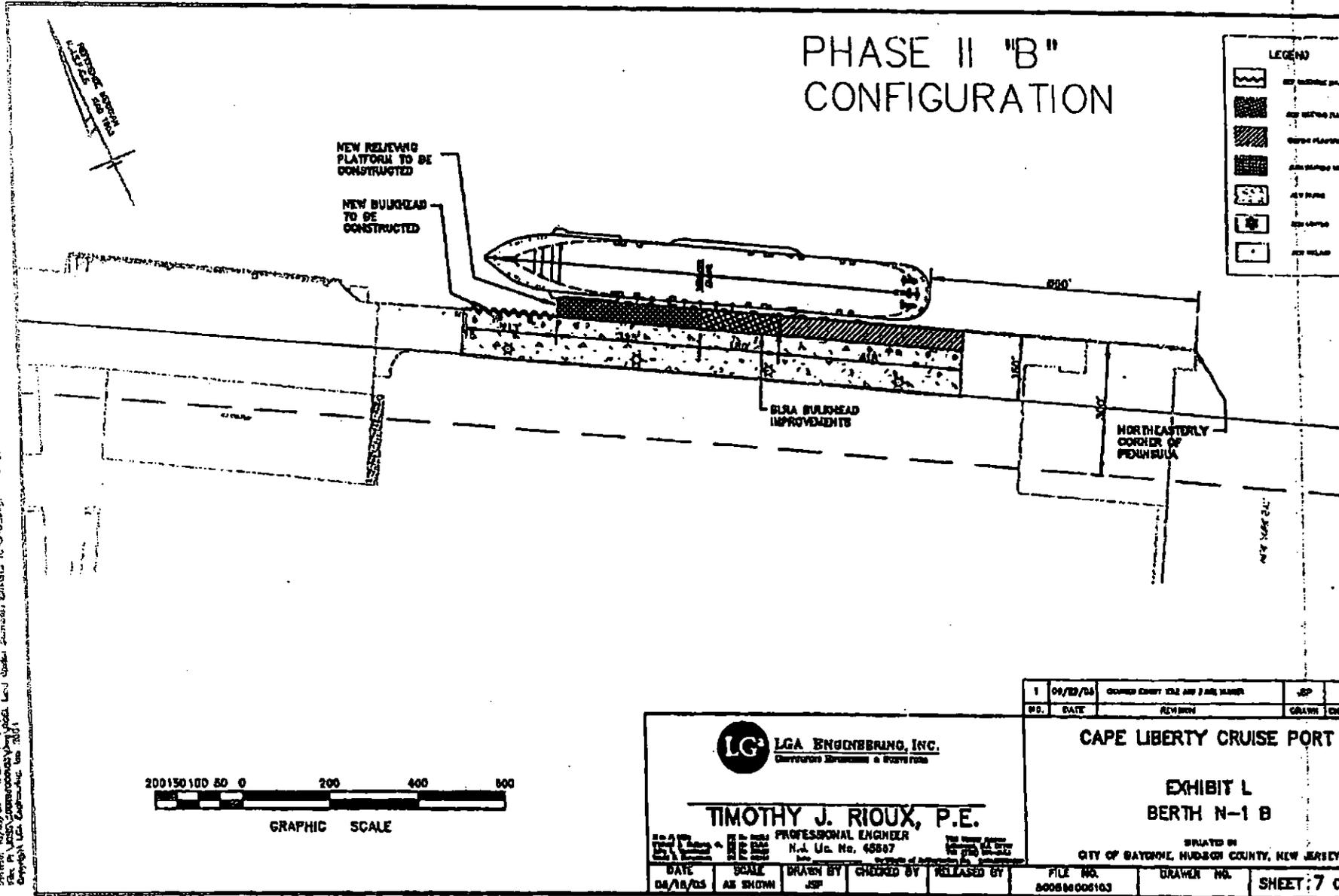
Ⓢ
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 08-31-2007 BY 60322
UCBAW

EXHIBIT L
Configuration "B"



ALBERT EINSTEIN UNIVERSITÄT
VERGLEICHENDE POLITIKWISSENSCHAFT
UND SYSTEMLEHRE

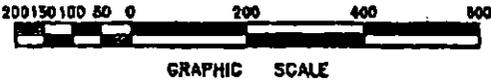
DATE: 08/20/06 BY: JSP
FOR: CAPE LIBERTY CRUISE PORT
PROJECT: BERTH N-1 B
DRAWN BY: JSP



PHASE II "B" CONFIGURATION

LEGEND

[Symbol]	EXISTING PAVEMENT
[Symbol]	EXISTING CONCRETE
[Symbol]	EXISTING ASPHALT
[Symbol]	EXISTING GRAVEL
[Symbol]	EXISTING SAND
[Symbol]	EXISTING GRAVEL
[Symbol]	EXISTING SAND
[Symbol]	EXISTING GRAVEL
[Symbol]	EXISTING SAND
[Symbol]	EXISTING GRAVEL
[Symbol]	EXISTING SAND



1	08/20/06	CAPE LIBERTY CRUISE PORT	JSP
NO.	DATE	REVISION	DRAWN BY

LGA ENGINEERING, INC.
Civil, Structural & Foundation

TIMOTHY J. RIOUX, P.E.
PROFESSIONAL ENGINEER
N.J. Lic. No. 45887

DATE	SCALE	DRAWN BY	CHECKED BY	RELEASED BY
08/18/05	AS SHOWN	JSP		

CAPE LIBERTY CRUISE PORT

EXHIBIT L
BERTH N-1 B

LOCATED IN
CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

FILE NO.	DRAWER NO.	SHEET
00060005103		7 OF 0

Project: 02/02/03 - 1.12.03 City of Bayonne, NJ, City of Hudson County, NJ
 City of Hudson County, NJ, City of Hudson County, NJ
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AUG-31-2007 16:05

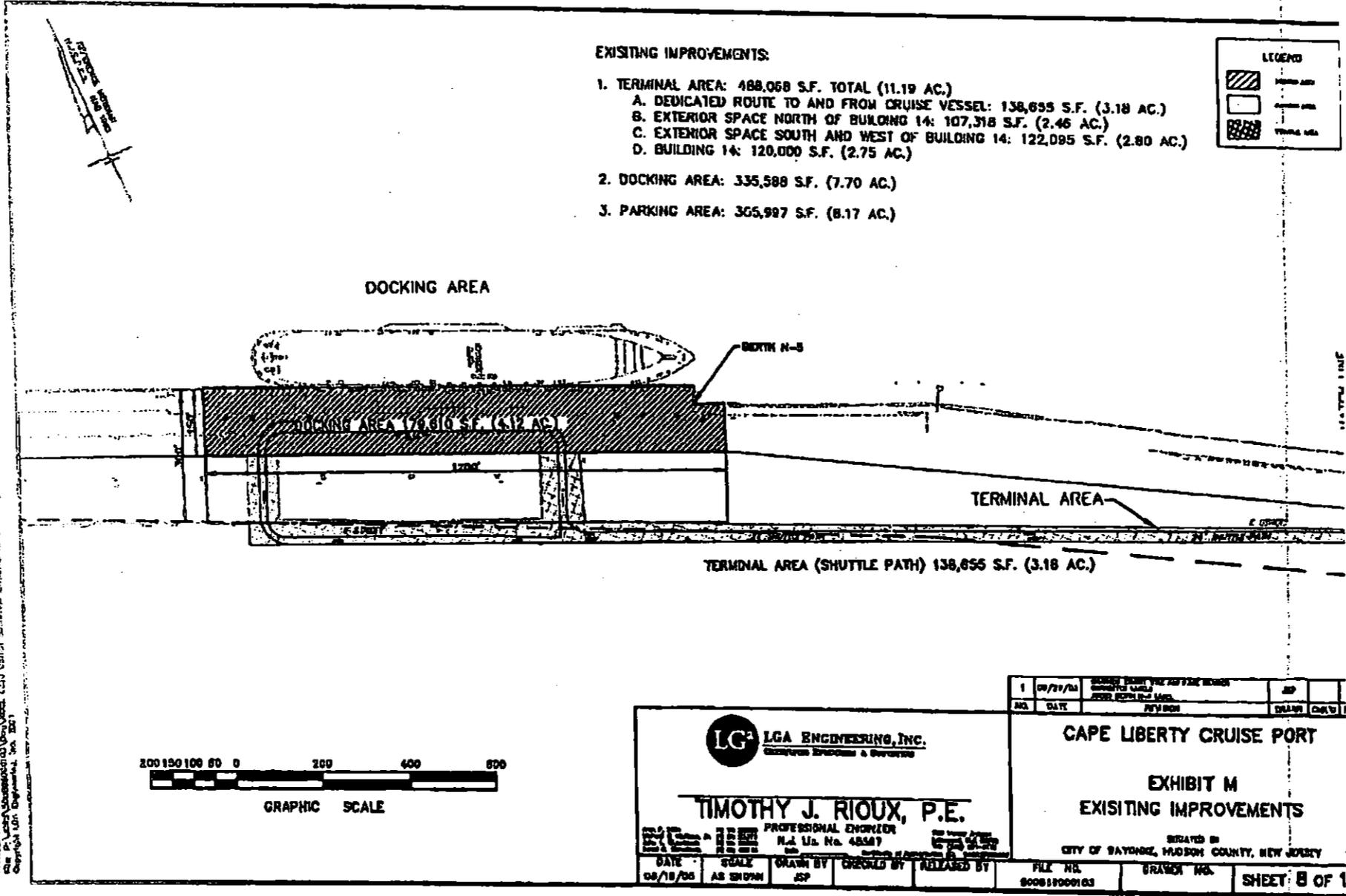
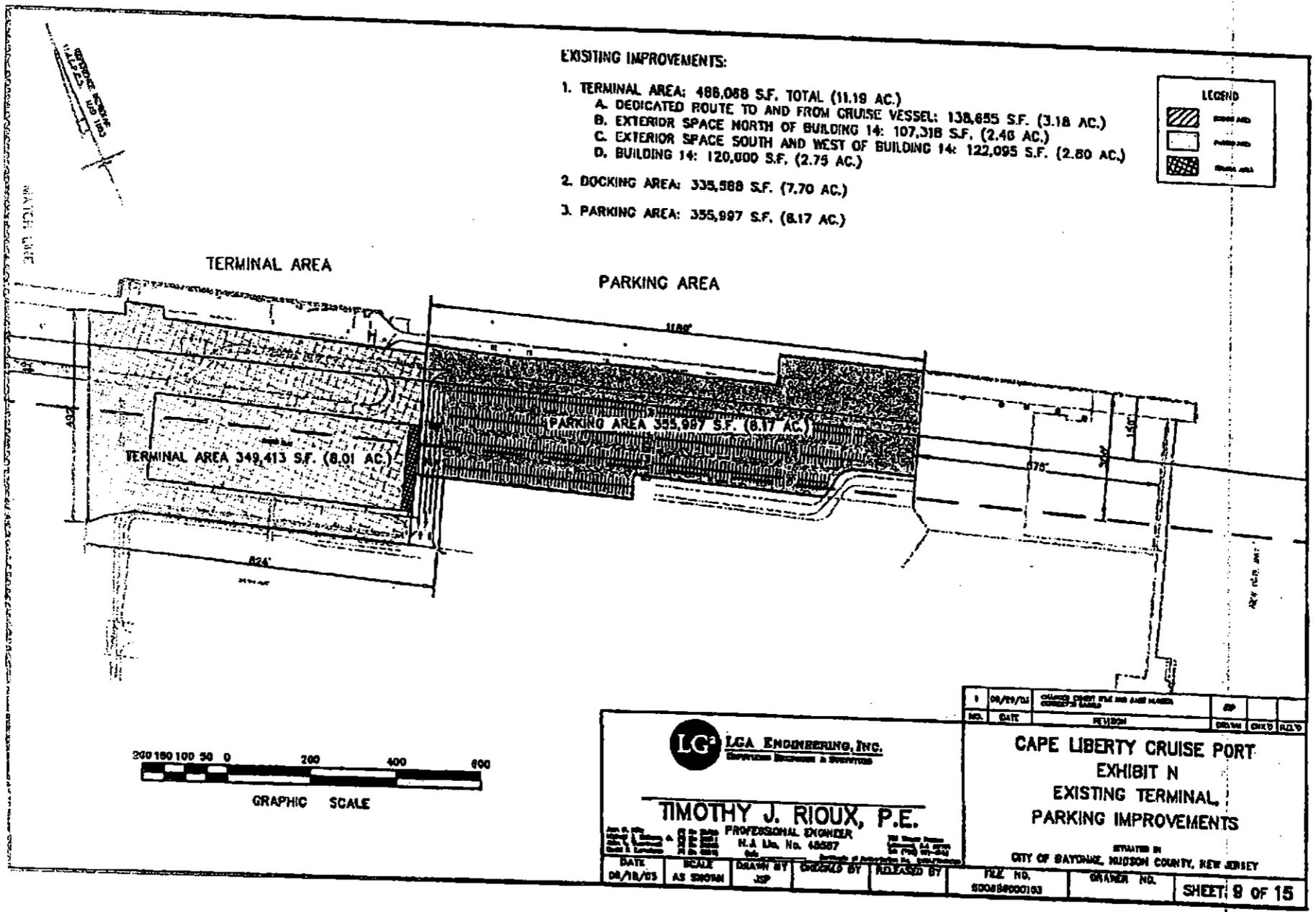


EXHIBIT N

Existing Parking Improvements

41-21217(001) 200000 (000) 000000

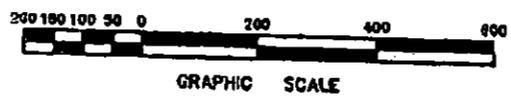
DATE: 09/18/03
BY: T.J. RIOUX
CHECKED BY: T.J. RIOUX
SCALE: AS SHOWN
PROJECT: CAPE LIBERTY CRUISE PORT
SHEET: 8 OF 15



EXISTING IMPROVEMENTS:

- 1. TERMINAL AREA: 486,088 S.F. TOTAL (11.19 AC.)
 - A. DEDICATED ROUTE TO AND FROM CRUISE VESSEL: 138,855 S.F. (3.18 AC.)
 - B. EXTERIOR SPACE NORTH OF BUILDING 14: 107,318 S.F. (2.48 AC.)
 - C. EXTERIOR SPACE SOUTH AND WEST OF BUILDING 14: 122,095 S.F. (2.80 AC.)
 - D. BUILDING 14: 120,000 S.F. (2.75 AC.)
- 2. DOCKING AREA: 335,588 S.F. (7.70 AC.)
- 3. PARKING AREA: 355,997 S.F. (8.17 AC.)

LEGEND	
	EXISTING AREA
	PROPOSED AREA
	EXISTING IMPROVEMENTS



LCA ENGINEERING, INC.
 CONSULTING ENGINEERS & ARCHITECTS

TIMOTHY J. RIOUX, P.E.
 PROFESSIONAL ENGINEER
 N.J. Lic. No. 48587

DATE: 09/18/03
 SCALE: AS SHOWN
 DRAWN BY: JSP
 CHECKED BY: T.J.R.
 RELEASED BY: T.J.R.

NO.	DATE	REVISION	BY	CHECKED	APPROVED
1	09/18/03	ISSUED FOR THE BID AND PERMITS	JSP		

CAPE LIBERTY CRUISE PORT
EXHIBIT N
EXISTING TERMINAL
PARKING IMPROVEMENTS

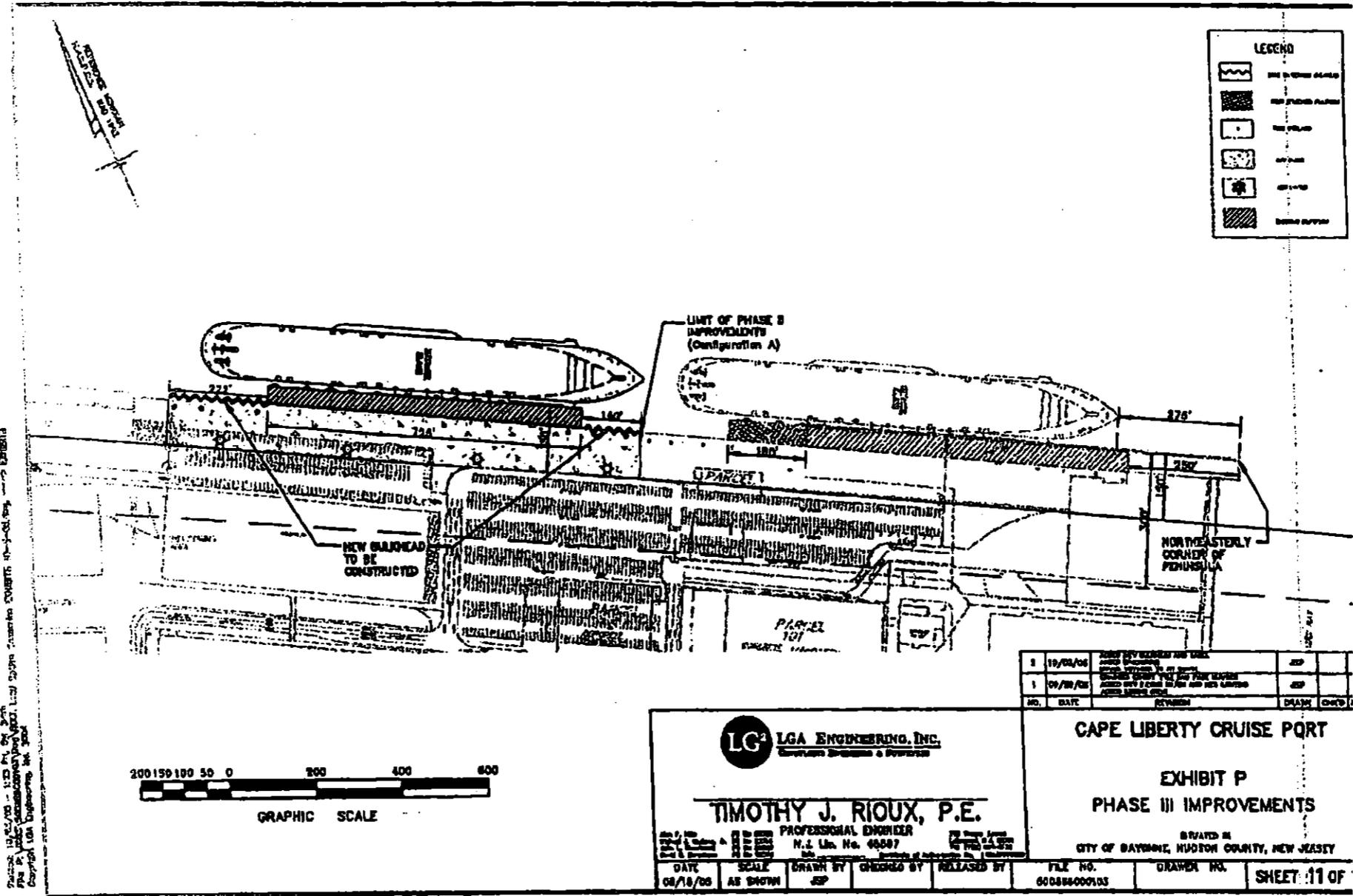
STATED IN
 CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

PLZ NO. 60088000193	ORDER NO.	SHEET 8 OF 15
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EXHIBIT O
Parking Area

EXHIBIT P
Phase III Improvements

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SOURCE: 10/24/06 - 11/20/06 BY: []
 FOR: []
 DRAWN BY: []
 CHECKED BY: []
 DATE: 10/24/06

EXHIBIT Q

Phase III Severance Area

EXHIBIT R

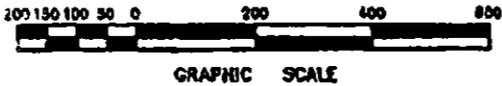
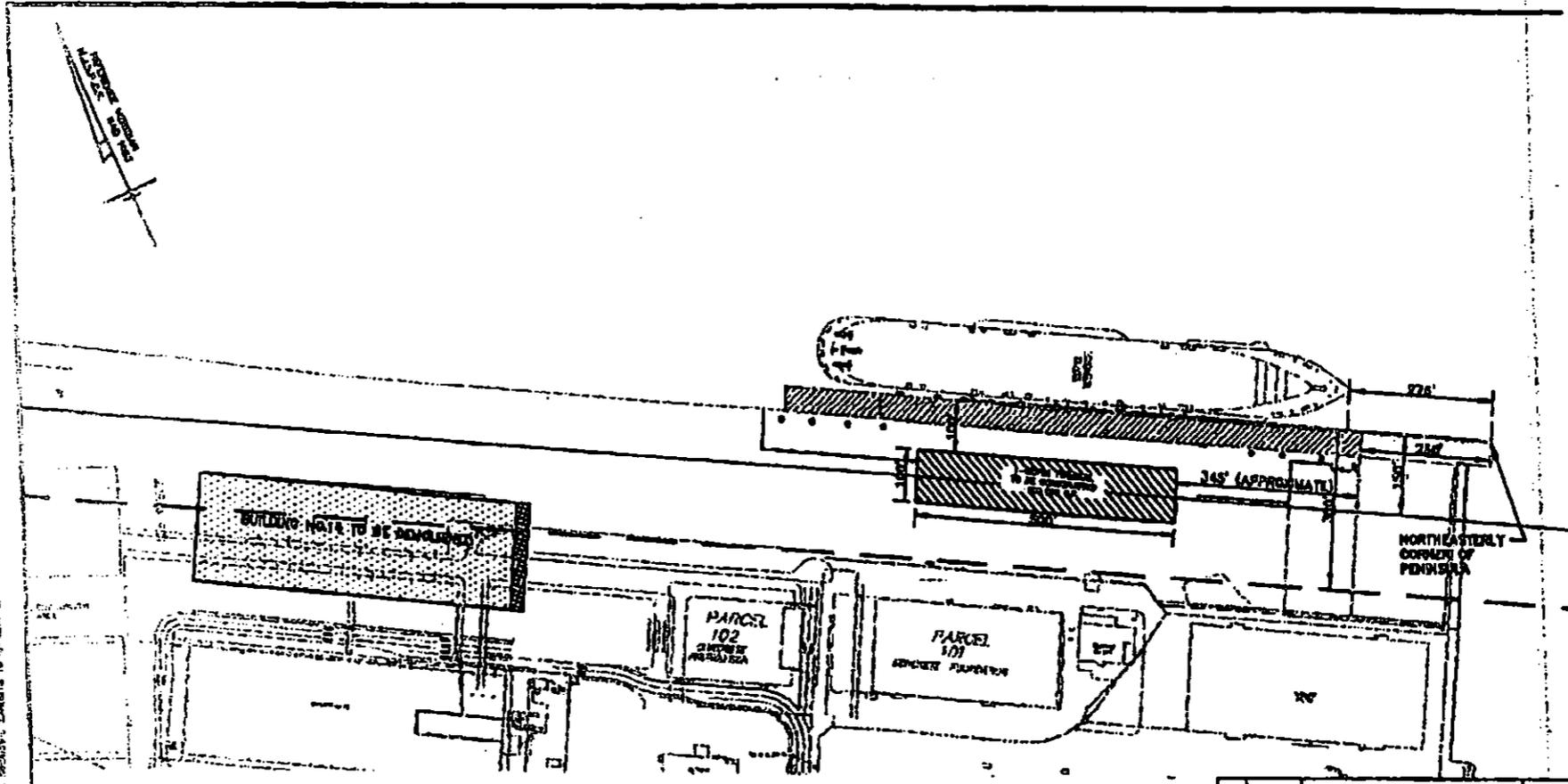
Phase IV (a) Improvements



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PL15-31-2017 16:07

DATE: 10/10/08 11:10 AM BY: JRP
THIS IS A PRELIMINARY DRAWING. LOTS OF CHANGES WILL BE MADE TO THIS DRAWING.
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2	10/10/08	REVISED TYPICAL LAYOUT	JRP
1	08/10/08	REVISED TYPICAL LAYOUT FOR THE NORTH CORNER OF THE POND/SEA	JRP
NO.	DATE	REVISION	DRAWN

LGA ENGINEERING, INC.
Civil/Structural/Environmental/Transportation Engineers & Planners

TIMOTHY J. RIOUX, P.E.
PROFESSIONAL ENGINEER
N.J. Lic. No. 48367

DATE: 08/10/08 SCALE: AS SHOWN DRAWN BY: JRP CHECKED BY: RELEASED BY:

CAPE LIBERTY CRUISE PORT

EXHIBIT S
PHASE IV(B) IMPROVEMENT

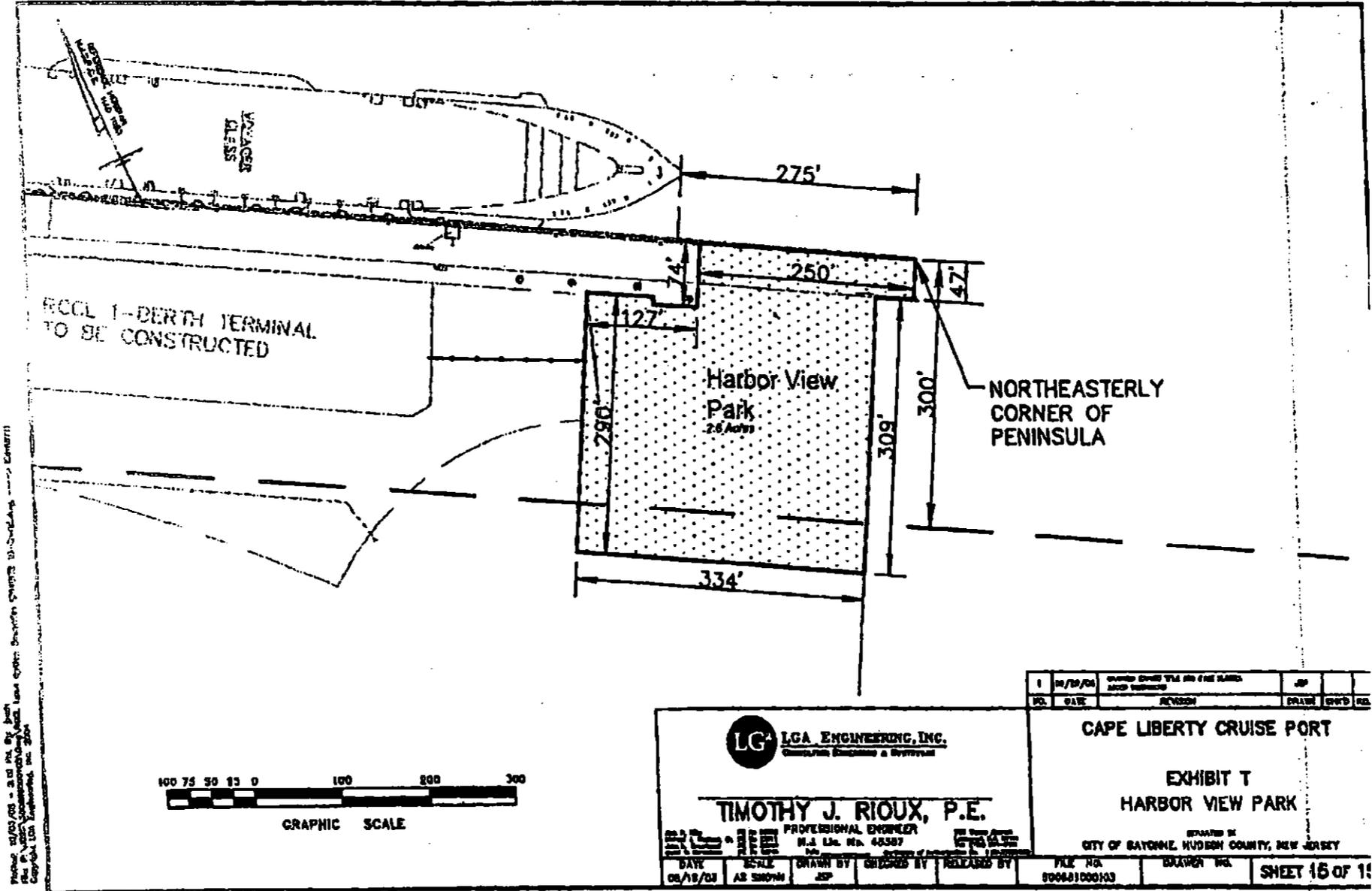
PREPARED BY:
CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

FILE NO. 20080000153 DRAWER NO. SHEET 1

EXHIBIT T

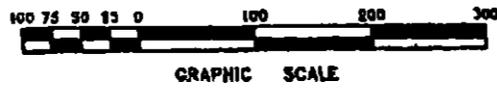
Waterfront Park Area

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 Rev. P. 10/03/03
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JULY 31 - 2007 16:07




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 PROFESSIONAL ENGINEER
 N.J. Lic. No. 43387

NO.	DATE	REVISION	DRAWN	CHECK'D	REV.
1	08/18/03	ISSUED UNDER TITLE AND CASE NUMBER 0000000000	JRP		

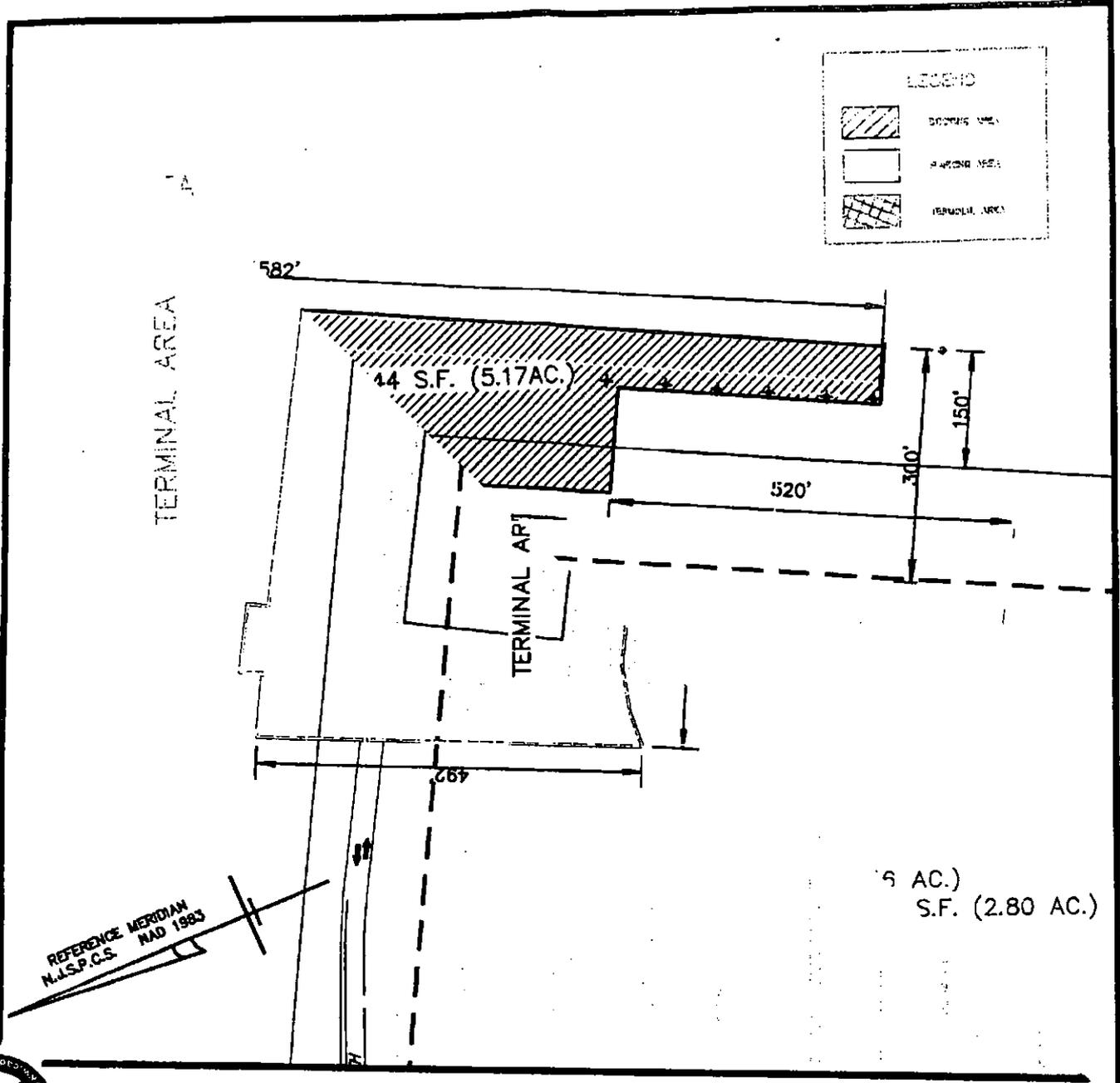
CAPE LIBERTY CRUISE PORT

EXHIBIT T
HARBOR VIEW PARK
 ESTABLISHED BY
 CITY OF BAYONNE, HUDSON COUNTY, NEW JERSEY

DATE	SCALE	DRAWN BY	CHECKED BY	RELEASED BY	FILE NO.	DRAWING NO.	SHEET
08/18/03	AS SHOWN	JRP			000681000103		15 OF 15



REFERENCE MERIDIAN
N.J.S.P.C.S.
MAD 1983



LEGEND	
	BUILDING AREA
	PARKING AREA
	TERMINAL AREA